

DRAFT - To be approved at the next Association Annual Meeting

2023 Hidden Lake Estates Homeowner's Association Annual Meeting

When: Wednesday April 19th, 6 PM

Where: 15353 S Lake Ridge Way

I. Call to Order

- The meeting was called to order at 6:20 PM

II. Roll Call

- 20 lots were represented in person or by proxy. See attached sign in sheet for summary of attendance and proxy assignments.

III. Proof of Notice of Meeting

- Proof of notice of meeting was provided.

IV. Reading Minutes from the Preceding Meeting

- A motion was made to wave the reading of minutes from the 2022 annual meeting. Ben Whitted seconded the motion. The motion passed unanimously.
- Gary Yarco made a motion to approve the minutes from the 2022 annual meeting as written. Peter seconded the motion. The motion passed unanimously. The minutes from the 2022 annual meeting are approved for the record.

V. Reports of Officers

- John Wells (Treasurer) reported that at the end of March the HOA bank account balances totaled \$206,827, of which \$136,200 is allocated to reserves. The reserves are now considered fully funded. A copy of the reserve study is available on the website for review.
- No other officer reports were given.

VI. Reports of Committees (Summary reports delivered by Board of Directors)

The following committees gave updates on projects and committee activity over the course the last year:

- Finance Committee
- Landscape Committee
- Architectural Review Committee
- Social Committee
- Bylaw & CC&R Task Force
- Inlet Road Task Force
- Lake Restoration and Maintenance

No action items for voting were raised during the committee reports.

VII. Unfinished Business

- Litigation Update
 - Damon Henrie (HOA litigation representation) provided an outline of the settlement terms that have been reached in principle in the matter involving the HOA and Lot 21. Mr. Henrie shared that a formal settlement agreement is still being prepared and will be executed shortly. A discussion about the Settlement terms was held with questions, answers and comments by Mr. Henrie, the Board, Jason Grosz (HOA General Counsel) and the ownership, including the owner of Lot 21. The HOA Board of Directors requested a motion in support of the BOD and the settlement.

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- Don Olson made a motion to approve the settlement terms reached by the Board between the HOA and Lot 21. Gary Myers seconded the motion. The motion passed unanimously.

VIII. New Business (see attached Summary of Ballot Items for Annual Meeting)

- Accounting Resolution from CPA
 - Ben Whitted made a motion to adopt the Accounting Resolution as written on the Summary. Don Olson seconded the motion. The motion passed unanimously.
- Authorization of electronic voting via email in lieu of mail-in paper ballots
 - Don Olson made a motion to approve the use of electronic balloting on future items that require a vote of the membership. Chris Sirpless seconded the motion. The motion passed unanimously.
- Presentation of Proposed Bylaw & CC&R Amendments Recommended by HOA Counsel along with Q&A/discussion
 - Jason Grosz (HOA General Counsel) presented two bylaw amendments that will be submitted for membership voting at a future date (reference Item #1 and Item #2 under "Items Subject to Mail-In Voting..." on the attached summary document)
- Lake side easement agreements at Lot 21/23
 - Damon Henrie and Jason Grosz presented the proposed easement agreements and associated HOA quitclaim of property interests on Lots 21 and 23 adjacent to the lake (reference Item #3 on the attached summary document). This will be submitted for membership voting at a future date.
- Formal annexation of common property and related easements into HOA
 - Damon Henrie and Jason Grosz presented the concept of annexing Tract C, and all easements created on Lots 21 and 23 into the HOA governing documents (reference Item #4 on the attached summary document). This will be submitted for membership voting at a future date.
- Lake accommodations for Summer Season
 - Peter presented a request to use HOA funds to rent a portable toilet placed at the Cedar Grove for the summer season. There were no objections from attendees related to this item.

IX. Election of Directors

- The board seat held by Peter Clark was up for election. The nominees were as follows:
 - Bill Gaffi (Declined)
 - Ben Whitted (Declined)
 - Chris Sirpless (Declined)
 - Peter Clark (Accepted)
 - Keith Coppenger (Not Present, Declined)
- The membership voted unanimously for Peter Clark. The position is a 2 year term.

X. Adjournment

- The meeting adjourned at 7:39 PM.

**Hidden Lake Estates Homeowner's Association
Summary of Ballot Items for Annual Meeting-04/19/2023**

Items Subject to In Person Voting Held at Annual Meeting

Item #1: *Resolution in support of settlement agreement between the HOA and Pollywog Bog, LLC.*

Discussion: Following presentation of the terms of the settlement between the HOA and Pollywog Bog, LLC, the Board wishes for the community to support the resolution of the litigation and will ask for a vote in support of the settlement of the litigation between the HOA and Lot 21. This item requires a majority of those present to cast a "yes" vote.

Item #2: *Accounting Resolution to Roll Over Excess Income Into the Following Tax Year*

Discussion: The IRS requires the Homeowners Association to vote each year to authorize the rollover of any excess income from one year to the next year in order to avoid categorizing the excess as income. A vote "yes" avoids the HOA being liable for taxes on any money left over in the budget for the prior year. This item requires a majority of those present to cast a "yes" vote.

Item #3: *Resolution to allow electronic voting via email in lieu of mail-in paper ballots for future voting.*

Discussion: Oregon law allows our HOA to use electronic notice and voting. This resolution of the Association, prepared by counsel, outlines the process by which ballots may be submitted electronically on items that require a vote of the membership. This item requires a majority of those present to cast a "yes" vote.

Items Subject to Mail-In Voting following the Annual Meeting

Item #1: *Amend the bylaws to remove ambiguity regarding the BOD's ability to pass certain resolutions without a neighborhood vote. See attached amendment language.*

Discussion: To avoid any confusion related to the Board's authority under the governing documents, and to avoid future litigation over the same, the BOD proposes an amendment to the Bylaws to eliminate future arguments that the Board must have every decision run by the Association membership. This amendment simply eliminates confusion, it does not expand BOD authority beyond what has been the historical practice of this HOA or any other HOA in the State of Oregon. The limitations on the BOD's authority which existed in the Bylaws, contained at Section 4.4, remain unchanged. This item requires a "yes" vote by a majority of the membership.

Item #2: *Amend the bylaws to adopt a "Mandatory Dispute Resolution" clause. See attached proposed language.*

Discussion: The BOD has requested that counsel provide bylaw language that requires parties amongst the membership with a legal dispute to participate in mediation prior to initiating litigation. While the current law requires any owner to mediate with the HOA in a dispute, there is no requirement for mediation in a situation where there are owner-to-owner disputes. This amendment would change that. This item requires a "yes" vote by a majority of the membership.






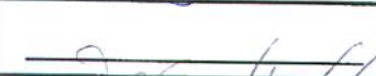


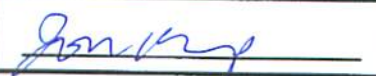

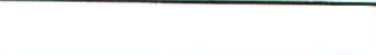




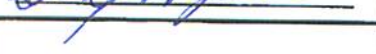


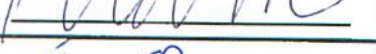

Item #3: *Approve quitclaim deed of former portion of Tract A that is located on Lots 21 & 23.*

Discussion: In 2022, former HOA counsel made a presentation to the membership asserting that the HOA had some property rights over the portions of old Tract A that are now part of Lots 21, 23, and 24. To resolve the issues this presentation created, the BOD has worked with the owners of Lot 21 and 23 to obtain an easement for the Association's use in these areas in exchange for a quitclaim of any property rights which may exist beyond those uses. Accordingly, the HOA needs to approve a quitclaim deed for any property right related to Tract A which may exist on Lot 21 and Lot 23. This item requires a "yes" vote by 75% of the membership.

Item #4: *Annex all established common property and land use easements into the HOA (Tract B, Tract C, Lot 21 easements established in settlement agreement, and Lot 21/23 easements at the lake).*

Discussion: Some owners have raised an issue that there may be parts of Tract C which were not formally annexed into the Association and are therefore not subject to the governing documents. To avoid any future dispute over these property rights, as well as the new easements the HOA is creating to resolve the litigation and Tract A issue, the HOA wishes to ensure these property rights are subject to the Association governing documents. This item requires a "yes" vote by 75% of the homeowners.

Hidden Lake Estates Homeowners Assn Annual Meeting - Wednesday, April 19, 2023

Owner	Address	Signature	Proxy Votes
Allred, III, Douglas, R Allred, Julie, L	17902 S Hidden Lake Dr		
Aughenbaugh, Don Aughenbaugh, Debi	15125 S Lake Ridge Way		
Bosch, William, B Bosch, Maria, F	15163 S Lake Ridge Way		
Byers, John, D Byers, Lori, L	17714 S Hidden Lake Dr		Q
Clark, Peter Clark, Laurie	17702 S Hidden Lake Dr		+3 PROXY VOTE
Coppenger, Keith, D Coppenger, Deanne, M	17803 S Hidden Lake Dr		P
Gaffi, William, C Macpherson, Linda, L	17482 S Garden Ln		+1 PROXY VOTE
Jones, Stephen Spinelli, Ann	17876 S Hidden Lake Dr		Q
Karp, Jon Doering-Karp, Buffy	17850 S Hidden Lake Dr		EQ
Lam, Ronald, W Lam, Hisako	15239 S Lake Ridge Way		
Lambert, Christopher, L Lambert, Rosemarie, M	17935 S Hidden Lake Dr		P
Lee, Nathan, N Lee, Penelope	17891 S Hidden Lake Dr		
Liberty NW Homes, LLC	17847 S Hidden Lake Dr		
Mayer, Mindy	15277 S Lake Ridge Way		P
Myers, Gary, M Myers, Anne, K	15336 S Lake Ridge Way		Q
Nedelisky, Neil, B Nedelisky, Lorinda, G	17650 S Hidden Lake Dr		
Nguyen, Tai Nguyen, Rachelle	15251 S Lake Side Ct		
Olson, Donald, L Olson, Melinda, L	17954 S Hidden Lake Dr		EQ
Olson, Cody Olson, Chelsea	15297 S Lake Side Ct		
Pollywog Bog LLC	17452 S Hidden Lake Dr		

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Owner	Address	Signature	Proxy Votes
Riebhoff Family Living Trust, Sally Coppage, Dale	17980 S Hidden Lake Dr		
Sirpless, Christina, L	15353 S Lake Ridge Way		+1 PROXY VOTE
Tadpole Park, LLC	17928 S Hidden Lake Dr		
Tseng, Lu-Ping	15205 S Lake Side Ct		
Wells, John, E Wells, Genevieve, C	15315 S Lake Ridge Way		
Whitted, Benjamin Oster-Whitted, Megan	17710 S Hidden Lake Dr		
Yarco, Christina Yarco, Gary	15201 S Lake Ridge Way		3