

Klamath Falls Forest Estates, Unit 1
Homeowners Association, Inc.
P.O. Box 56
Bonanza, Oregon 97623-0056

August 24, 2019

**Minutes of Membership Meeting
August 24, 2019**

Location: Pump House
Time: 5:00 pm
Date: August 24, 2019

Meeting was called to order by President, James Vaughan at 5:00p.m.

The following representative were present at this meeting:

President: Mr. James Vaughan
Treasurer: Mr. Eric Goritz
Secretary: Mrs. Cindy Wilson
Board Member Alternative: Mr. Sam Marquez

President, James Vaughan started off the meeting with reminding everyone the meeting would be conducted under Robert's Rules, to raise your hand to be addressed and to not yell over each other. President James Vaughan then handed the meeting over to Treasurer, Eric Goritz.

Treasurer, Eric Goritz had passed out 3 copies to everyone that included the following: Meeting Agenda, Annual Financial Statement and 2019-2020 Pro Forma Budget. He first explained the Annual Financial Statement from August 1, 2018 to August 23, 2019 with a beginning balance of \$23,297.76; savings balance \$6,085.31; checking balance \$17,212.45. Income during this period was: membership fees \$45,364.75; Interest in checking \$4.19; Interest in savings \$1.19 for a total income of \$45,370.13. Expenses were as follows: Legal Fees \$20,543.17; Electric \$1,704.79; Office Supplies \$1,125.83; Postage \$1,032.50; Insurance \$1,009.00; Education \$627.66; Phone \$284.42; Department of Forestry \$141.25; Water Testing \$120.00; website creation \$105.95; taxes \$102.97; post office mailbox \$76.00; secretary of state \$50.00; well maintenance \$40.94, bringing total expenses to \$26,964.48. Ending balance is \$41,703.41.

Treasurer, Eric Goritz continued and explained the 2019-2020 Pro Forma Budget of Expenses category and those planned expenses as follows: electric \$1,700; insurance \$1,300; legal fees \$5,000; security \$50; office supplies \$1,200; post office \$1,100; taxes \$110; water testing \$160; well maintenance \$100; locks \$50; department of forestry \$145; state renewal \$50; education \$600; website \$18, with a total of \$11,583. Eric then went over the earnings estimated as follows: water keys \$6,500; membership payments \$6,000, with total estimated earnings of \$12,500. He further explained the power went up about \$400 for the year but mainly everything else stayed the same. He asked if anyone had any questions about either report he went over; no questions were asked.

Eric Goritz then gave an update on the lawsuit. The council for the Board responded to the opposing attorney filing Rule 21; that they needed to re-solidify the lawsuit to be clearer. The opposing attorney then filed for a Leave to Amend, for which the Board's attorney opposed due to this being the third time it would be filed. Since the Leave to Amend was not procedural, the court ordered a hearing for Monday, August 26, 2019 at 10:15am in room #214. The hearing is to determine to allow the third lawsuit or to grant Rule 21. Eric said he will post updates to the website. He asked if there were any questions which one member asked for clarification of Rule 21, which Eric responded it means there needs to be more clarification and more of specifically who did what to whom and how that specifically caused injury. Eric asked again if there were any questions, no more were asked.

Eric then handed the meeting over to President James Vaughan, who let everyone know we have had some fires close by recently; there was one on Golden Eagle, one over in unit 4 on Elk and another this morning down the hill. He reminded everyone if you see smoke to call 911 immediately. He let everyone also know and to be aware the Board has received some complaints of people camping on private property. Lastly, he reminded everyone to please follow all safety rules when firing guns, please know where you are shooting into and to keep in mind this extremely dry season, we are in.

The meeting then returned to Eric who spoke about the key card system. He addressed one question that he has received a lot; What if the power goes out or somehow became unplugged? He explained it is no different than your cell phone. If you remove the battery, then put it back in, nothing is lost, and you have full use of your phone again. Eric asked if anyone had any questions. One member asked was how the limitation of 1,000 gallons per key holder was figured. Alternative board member, Sam Marquez explained with the pump only able to pump 7,000/gallons a day, divided by 50 keys equals the 1,000/gallon limit. This will prevent the pump vapor locking & the pump going down. Sam also said he has to purge the tank daily. There was an outburst from a member about growers that continued a few minutes. The member left shortly after 911 was called and the meeting resumed. Eric asked if anyone had any questions, one member asked how come there was no vote on the key cards. Eric explained it is HOA property and was Board action for security purposes. No vote was needed. No other questions were asked.

Another member asked the Board who all has keys to the well, stating there were 34 keys out. Eric Goritz answered that he will need to work with the county for an updated list of legal addresses. Since no one has provided him with a list to say otherwise, he can only work with what the county gives him. When the member continuously asked about his status of having a key, Eric said he could not answer him due to the lack of additional information.

Eric then announced it was time for the voting to begin for the 3 board positions opened. As ballots were passed out, Eric explained the 3 positions available is position 1 (President), Position 2 (Treasurer) and position 4 (Secretary). Each position is a 2-year term also reminding everyone there is one vote per ownership. He then mentioned responsibilities were to come to all board meetings, communicate well to do what is needed and to be able to get along with people. The ballots had the 3 current board members (President James Vaughan, Treasurer Eric Goritz and Secretary Cindy Wilson) on them as well as 3 nominees given; Aaron Mackey, Matt Kelley and Sandra Kelley. The three members chosen to tally the ballots were Gayle Marquez, Ruben Garcia and Bob Yeager. The final tally count was read by Gayle Marquez as follows:

President, James Vaughan	13
Treasurer Eric Goritz	15
Secretary Cindy Wilson	13
Aaron Mackey	12
Matt Kelley	9
Sandra Kelley	9

President James Vaughan adjourned the meeting at 5:36p.m., announcing the next meeting will be posted at the pump house.

Minutes prepared by,
Secretary, Cindy Wilson
KFFE, Unit #1 Homeowners Association, Inc.