

Friends of Kentucky Acres  
Meeting Minutes  
October 9, 2016 @ 4pm

**Scheduled Speakers:** Ken Richards, Ray Roelandt

**Ken – Welcome and Sign In**

**Ken – Rules of the meeting**

- Be polite and respectful. Take turns speaking.
- Purpose of the meeting to not to rehash or argue points such as street lights which may be addressed at a later date.
- Stay on point in order to hold meeting to reasonable time period due to time constraints.

**Ken – Brief History**

Ken asked if anyone had specific questions about the history of the HOA or the history of the petition. No one asked any questions.

Ken then gave a brief history on the reasons why the petition was needed. He covered the need for new board members and need for help with the front entrance. He also discussed how there were people who had expressed interest in being on the board but that was not possible because they did not live in section one and were not members of the section one HOA. He also discussed how volunteers and donations can only work for so long and is not feasible long term. He also discussed how even with donations, there would need to be some type of organization to handle the funds and be accountable to residents.

**Ken – Petition and notarization**

- Started approximately one year ago.
- As required, more than 51% were received from each section.
- Acknowledged there were issues with the notary process because of a misunderstanding of the process. Stressed that there was no intent to mislead and that volunteers were working based on what they thought was the correct process.
- Volunteers were working based on the information contained in the notary guidebooks received when they received their notaries.
- Stressed that all signatures gathered were real and gathered by the volunteers.
- Introduced Attorney Ray Roelandt to for legal discussion and to answer questions

**Ray – Legal discussion**

- Listed his credentials and history in the community: law practice with a concentration in real estate and a Masters in Negotiation and Dispute Resolution
- Stated he wrote the Amendment which included contact with the current HOA board and the previous attorney
- Discussed the process of deed restrictions
- Explained what the restrictions do NOT do including that the board has no authority to add restrictions
- Explained that the subdivision was developed as one subdivision and not as six separate subdivisions
- Explained that doing deed restrictions in sections was normal at the time the subdivision was started, although common practice now would be for each new section to just adopt the restrictions from the prior sections.

- Explained that courts look for uniformity between the sections and discussed how the Amendment resolved the differences in the paragraphs of the different section deed restrictions that dealt with the collection of fees
- Explained that the completion of the notarization process was not perfect but that it would probably not make a difference. Explained how notarization was considered part of the law regarding recording requirements and constructive notice.
- Stated he had a short time left to answer questions because of another engagement he had to be at.

### **Ray – Questions and answers**

Q: Some people are terrified of HOAs and the possibility of the enforcement of restrictions by the board. What is the board legally required to enforce or not enforce? What about people who say they won't pay?

A: The purpose of Friend of Kentucky Acres is to unify the subdivision and to have one voice and for the care for the front. Explained that legally the restrictions can be enforced by anyone in the subdivision, the HOA, or the developer. Discussed that with the subdivision in six sections all with their own HOA that there could be several HOAs enforcing the restrictions even against someone in a different section with no voice in the other HOAs. Explained how combining all sections in to one HOA residents have a voice. Explained that one unified association, they could enforce the restrictions, but it was unlikely. Went on to explain the process and why it was unlikely because of the time, how expensive it was, and because of the ill will it could create. Explained that the failure to pay and fees assessed would constitute a lien on the lot.

Q. Is the HOA a legally binding document on your deed?

A: Yes

Q: Kentucky Notary Public Statutes - Chapter 423 - two statutes 423.130 and 423.140 relating to notaries was mentioned and how the resident felt they were violated.

A: Explained again how the notary statutes are part of the recording rules. That the court will look at constructive notice. Explained that when reviewing cases about the notary process that the court would ask questions such as 'What is the proper outcome if it was not done right?' If the signatures were not forgeries or made under duress and if there was 'substantial compliance' with the intent of the statutes that based on his experience and in his opinion the court would let the document stand. When asked what was the worst possible outcome, he stated that the worst case would be to have the document voided causing the process to have to be started over.

Q: Were the signatures of the sections separate or combined to reach the 51%?

A: Each section had over 51% separately and that the numbers were posted on the website.

-Note: the person who asked, after the answer questioned the accuracy of this and said they were not 51% separately and stated that what was on the website should be checked

### **Ken – General questions**

Q: Were renters allowed to sign?

A: Renter signatures were not gathered.

Q: Why was the developer allowed to do the subdivision in this way in different not unified sections?

A: "We would all like to know the answer to this." Explained how each section except section two already had HOA language in their existing deed restrictions and that Ray had explained how the court

would look for uniformity. Discussed how the county had allowed the developer to do it in different not unified sections.

Q: What are the proposed fees?

A: Discussed how fees would be set at a future meeting with membership approval, but that \$60 is what is current and being mentioned for the first year and less for future years.

### **Open discussion**

-Open discussion between board and residents in attendance about various topics and ideas

### **Nomination process**

- The nomination for five new board members was started and after discussion amongst everyone, it was agreed that nominations would occur at this meeting but voting would not occur until the next meeting so that other residents could have the opportunity to be present.

- The description of the board member positions was read from the current bylaws.

- It was agreed by those in attendance that because one addition board member needed to be added and because of how much work the treasurer position had plus check and balances that the position would be split in to two co-treasurers.

- Questions were also raised about the bylaws and what defined a quorum. It was explained that the existing section one bylaws were in effect until new bylaws could be voted in after the new board was elected. Per the existing bylaws, a quorum is defined as needing 6 members.

- The following people were nominated for the five board positions:

Ted Kaiser (section 2) – President

Cindy Priddy (section 3) – Vice President

Travis Nicols (section 2) – Secretary

Jay Shunnarah (section 4.3) – Co-Treasurer

Michael Hayden (section 3) – Co-Treasurer

-Anyone who wished to also be nominated can contact the current board or send a message using the contact for on the friendofkyacres.com website before the next meeting. They may also be nominated at the next meeting.

A motion was made by Jim Rowe to send a thank you to Judge Voegal and the court for use of the facility.

2<sup>nd</sup> by Brian Nason

### **Next Meeting**

The next meeting is tentatively scheduled for November 13, 2016 @ 3pm pending finding a location.