

Josephine Crossing Owners Association
Annual Meeting Minutes
September 24th, 2023

327 Member Properties in the Home Owners Association (HOA)

108 HOA Members Required to Achieve a Quorum of 33%

149 HOA Members Represented at the Meeting and Entitled to Vote (In-Person or by Proxy)

75 HOA Members Required to Achieve a Majority of 50% or More

HOA President Derek Jurovich called the meeting to order shortly after 2pm.

Mr. Jurovich introduced the current HOA Board, which included Vice President Kari Boiter and member Larry Nelson.

Mr. Jurovich provided HOA Members with an update on parks improvements made over the past year, as well as new contracts procured for seasonal services (e.g. lawn care, snow removal, sprinklers, etc.).

Ms. Boiter provided HOA Members with an update on proactive communication with various Departments at the City of Billings (e.g. Parks and Rec, Planning and Community Services, Public Works, etc.)

A motion was made and seconded to ratify past appointments to the HOA Board, including Mr. Jurovich, Ms. Boiter, and Mr. Nelson. Opportunity for discussion provided. Motion passed with an overwhelming majority of HOA Members in favor. A hand count of votes in opposition was conducted, but did not carry.

Ms. Boiter provided HOA Members with line-by-line overview of proposed FY 2024 budget (July 1, 2023 – June 30, 2024). A motion was made and seconded to approve the budget as proposed. Discussion occurred. Motion passed with an overwhelming majority of HOA Members in favor. A hand count of votes in opposition was conducted, but did not carry.

A motion was made and seconded to amend the proposed budget by freezing all expenses in the Community Events category until funds could be raised to cover the associated \$7,100 in costs (minus projected sponsorship and donation income). Discussion occurred. A substitute motion was made and seconded to increase monthly HOA Dues by \$5 to maintain all existing amenities and services, including community concerts and fireworks. Further discussion occurred. An HOA Member called the question, which was seconded by another HOA Member. Motion passed with an overwhelming majority of HOA Members in favor. A hand count of votes in opposition was conducted, but did not carry.

A motion was made and seconded to clarify the previous action with further detail on the specific expenses to be covered. Discussion occurred. A substitute motion was made and seconded for the \$5 per month increase in HOA Dues to be restricted for:

- creation of three (3) annual reserve funds (general operations, parks, seasonal services) in the amount of \$3,000 each, totaling \$9,000 in reserves each year; and
- maintaining **ALL** existing amenities and services, including Community Events (4 x Summer Concerts, 1 x 4th of July Fireworks Show, 1 x Easter Egg Hunt) in the amount of \$15,100 annually (minus projected sponsorship and donation income of \$3,000), totaling \$12,100 in annual expenses for the Community Events category

Motion passed with an overwhelming majority of HOA Members in favor. A hand count of votes in opposition did not carry.

Nominations were accepted to fill the two (2) Board vacancies remaining. The following HOA Members were nominated:

- | | |
|------------------|-----------------------|
| • Pam Havig | • Spencer Bowers |
| • Jeremie McCoy | • Carol Pearson |
| • Carole Boerner | (withdrew nomination) |

Paper ballots were distributed with two (2) fill-in-the-blank lines available for HOA Members to write in candidates' names. A motion was made and seconded to adjourn the meeting and authorize the Board to count ballots and report the results of the vote to Members via Buildium¹. Motion passed unanimously with nobody opposed.

Mr. Jurovich adjourned the meeting shortly after 4:30pm.

¹ Ballots cast at the Annual Meeting presented several technical challenges, resulting in the need to conduct a runoff election at a later date. Unforeseen circumstances included:

- Absence of a majority of HOA Members in favor of any single candidate
 - 75 votes required for approval, based on number of Members attending in person or by proxy
 - The highest number of votes attained by any single candidate was 66 in favor (9 votes short)
- One candidate withdrew their nomination after ballots were submitted, creating uncertainty about the appropriate action for votes cast in favor of this candidate
- Numerous ballots were altered, with one candidate's name being crossed out, and in some cases, a third candidate's name listed, making it impractical, if not unjust, to ascertain voter intent
- Accusations of voter fraud, while unfounded and unwarranted, precipitated the need to seek further guidance from legal counsel, which advised the HOA Board that a runoff election was the most equitable means for rectifying

SUMMARY OF MEMBER ACTIONS:

- 1) Current HOA Board ratified by a majority of a quorum of HOA Members
- 2) Budget approved as proposed; single amendment passed to increase Member dues by \$5 per month for the creation of \$9,000 in annual reserve funds, while also maintaining all existing amenities and services
- 3) Nominations fielded to fill remaining HOA Board vacancies; 5 candidates presented to HOA Members for formal vote; meeting adjourned prior to results being tabulated