

DRAFT

**MINUTES
OF
ANNUAL MEETING OF THE MEMBERS
OF CREEKMOOR PROPERTY OWNERS' ASSOCIATION
TUESDAY MAY 21, 2024**

The 2023 Annual Meeting of the Creekmoor Property Owners Association was held on Tuesday, May 21, 2024, at 6:00 p.m. at the Creekmoor Clubhouse in Raymore, Missouri. J Neff Basore, President of the Creekmoor POA Board of Directors, called the meeting to order with the introduction of the Board Members. Those members of the board who were in attendance were Neff Basore, Jody Latham, Sandy Dolence, Jeff Kyle and Stan Christopher.

Staff Present

Rick Scott, General Manager
Joe Taylor, Head Golf Professional
Tim Nielsen, Golf Course Superintendent
Jessica Munce, Food and Beverage Director

Neff Basore opened the meeting thanking the members who were able to attend the meeting and introduced the POA Board members. Neff reminded those in attendance to make sure they signed the sign-in form at the door to the pavilion so that there is an accurate accounting of owners attending. Neff shared that the Annual Meeting is a statutory meeting of the Property Owners Association – there will be a POA presentation along with questions and answers following the presentation followed by a presentation from the developer along with questions and answers. At the conclusion of the Association portion of the meeting, the meeting would be adjourned and those wishing to stay for the developer's report were welcome to do so.

The annual meeting minutes from 2022, which had been previously distributed, were approved as presented without objection.

Neff then introduced Rick Scott, General Manager of the Creekmoor POA, to present the General Manager's report of operations.

General Manager's Report

Rick thanked those in attendance for joining the meeting in-person and to those who joined the meeting via Zoom conference.

Rick shared that 2023 was a year that we will all remember for many reasons. Operating throughout the year with the threat of a landfill being developed near the community and the many challenges that presented were a large focal point for the POA. Rick commended the property owners for uniting and doing whatever it took to show their opposition to the landfill. Rick also shared that

the leadership of the City of Raymore, along with the owners, the POA and the developer all did an amazing job to oppose and resist the efforts being put forth by the landfill developers and were all contributing factors in seeing the “fill be killed”. Rick stated that in spite of the threat of the landfill, 2023 was a successful year financially for the POA.

Rick introduced the POA staff members in attendance. Joe Taylor and the golf shop staff, Tim Nielsen and the golf course/common area maintenance staff, Jessica Munce, our Food and Beverage Director and her staff along with the POA administrative staff including Melissa Morris, Candace Roller and Leanne Dial.

Rick introduced each of the committees that help guide the community – the Architectural Review Committee, the Lake Committee, Beautification Community and the Code of Conduct Committee. Rick thanked the many volunteers on our committees.

Rick introduced a guest presenter for the annual meeting, Raymore Chief of Police Jimmy Wilson. Chief Wilson spoke to those in attendance on the topic of speeding in the community. Chief Wilson shared that reports from a traffic review conducted in the community in April. During a 14 day period, there were 2 locations - Creekmoor Drive and Lakecrest Circle going westbound and another at Creekmoor Drive and Kettering Lane going eastbound. The Creekmoor/Kettering location reported 15,222 vehicles over the 14 day period, an average of 1,087/day and the average speed reported was 26 mph. The Creekmoor/Kettering location reported 12,486 vehicles through the area – an average of 913 vehicles per day with average speeds of 27 miles per hour. Chief Wilson encouraged our owners to contact him if they had any concerns that they would like to see addressed going forward.

Chief Wilson also shared that his staff will continue to conduct golf cart inspections for the community for owners with their own golf carts.

Chief Wilson commended the association for their purchase of Flock Safety cameras for the community. Chief Wilson spoke of the value of the camera systems to aid in the investigation of criminal activity that may take place in and around the community.

Rick shared that the meeting minutes and summary of the meeting this evening will be available along with the POA website in the coming days. Rick also referred owners to review the agenda and financial documents that were distributed at the meeting.

Property Owner Report

Rick shared that the POA ended 2023 with 979 property owners in the community. There were 937 owners at the end of 2022 for a gain of 42 owners in 2023. Through April of 2024, the POA is at 994 owners. The developer has forecasted 25 new homes being added in 2024. In spite of rising interest rates and the threat of the landfill near our community, the development continues to move forward with significant growth, continuing to add many new owners to the community.

There were 142 Improvement Permit Applications filed in 2023. Improvements applications are required to prior to the start of any project planned for work done on the owner’s property – including items such as improvements to the exterior of your home, such as painting, staining, patio additions, etc.

The Architectural Review Committee (ARC) for the POA takes an active role in ensuring that the homes in the community are maintained to a high standard. The POA sent approximately 40

letters to owners in the community in 2023 requesting maintenance/repairs be made to the owners' home. The ARC is currently in the process of doing the community tour for 2024.

Rick shared that in 2023, the POA began to offer a monthly payment of association dues for our owners which proved to be quite popular. Rick thanked the owners for their timely payments and maintaining a current owner account. Rick shared that we do have owners with past due balances and the association continue to work on collection efforts for those owners with outstanding balances.

Rick also reported that there were 62 reported violations of our ARC regulations in 2023, compared to 49 in 2022. The ARC sent out approximately 40 letters to property owners requesting the repairs be made or that work be performed to bring their home up to the community standard. Frequent violations that occur in the community include homes that are needing maintenance/upkeep, trash containers being left out after service day, vehicles parking on the street and trailers/RV's parked on the street or driveway, etc. Rick shared the importance of owners parking in their garages/driveways and not along the streets in the community. Rick also reminded owners of the expectations for trash service and the need to return trash containers to a location inside your home on the day of service.

The POA has a fining mechanism in place to address matters that aren't resolved in a timely manner. Rick shared that there are very few instances where a fine has had to be levied and most owners are quick to address an issue brought to them by the POA.

Rick shared a reminder of the community regulation prohibiting parking in the streets. Now that the school year is coming to an end, there will be an increase in the number of owners out and about in the community. When parking on the driveway, Rick reminded our owners to make sure that the vehicles are not blocking the path of the sidewalk – preventing those on the sidewalk from passing by without having to enter into the street to do so.

Amenity Report

Maintenance of Common Property

Rick Scott shared that the POA continues to manage the maintenance of the common areas in the community. These services (mowing) were once outsourced however the POA began maintaining these areas in 2018 and will continue to do so going forward. Rick shared that having POA staff doing this work allows the POA to realize a cost savings as well as improvement in response time – rather than having to wait until the service provider returns on their schedule, the POA and staff are able to react in a timelier manner.

The POA has contracted with Big Green Turf Management to perform weed control measures for much of the common area along Foxridge and surrounding areas. The POA continues to service (mow) the undeveloped lots for the developer in 2022 and is compensated by the developer for this work. The villa maintenance agreement for services provided to our villa owners is managed by The Lawn Barber. Please refer to creekmoorpoa.com for a map of the areas where maintenance is provided along with a schedule for maintenance.

Mr. Scott shared that the fountain at the north entrance is currently under repair. The pump that pulls the water through the fountain has broken. The POA received the repaired motor late last fall

and considering the time of the year, waited until springtime to install it. Upon installation this spring, we learned that the manufacturer sent in a three phase motor when we were to receive a single phase motor. The motor has once again been returned to be wired properly and we are awaiting its return so that it can be installed as soon as possible.

Golf Course Maintenance Report

Mr. Scott stated that the Golf Course Maintenance Department ended 2023 under their operational budget for the year by \$40k. Tim Nielsen, our Golf Course Superintendent, continues to do an excellent job in managing the business of maintaining our golf course. The golf course continues to be highly regarded in the KC area. The golf course maintenance budget has increased in 2024 to \$973k. The increase is primarily due to higher costs for materials and supplies along increasing labor costs year over year. The golf course maintenance budget was \$940k in 2023.

Mr. Scott gave a review of the swimming pool amenity for 2023. As we entered in to 2023, the Board approved of significant equipment updates at the clubhouse pool. Those repairs should put us in a position to have a successful pool season. The POA manages two pools in the community and has once again contracted with Icon Pools to be our service provider for the pools in 2024. The pools are set to open on Saturday, May 27, 2024. With the increasing concern on access to the pool in mind, the POA will utilize pool attendants to monitor access to the pools throughout the season. Mr. Scott stated that each property owner will receive 5 complimentary guest passes for the pool in 2023.

Mr. Scott shared a report on the lake amenity. The 2023 operating budget included routine lake assessment services, including routine water quality testing, to ensure that the lake is healthy, and the water quality is safe for those using the lake. These services were provided by Blue Valley Labs. Mr. Scott will share the findings of these assessments on the POA website and will communicate any items that pose a safety concern for our owners. The Board has approved of these services continuing in 2024. Mr. Scott reminded owners that the lake is for owner and member use only. New signage will be provided at the lake entrance to serve as a reminder and a deterrent for those who aren't authorized to use the lake without an owner being present.

Golf Operations Report

Mr. Scott shared that interest in golf and golf activity in general continues to be at an all-time high for Creekmoor. The golf course was again recognized as one of the top 5 golf courses you can play in the state by Golf Digest. That is a significant recognition and honor – one that we are hopeful helps increase non-owner activity at the golf course.

37,059 rounds of golf were played on the golf course in 2023, an increase of 28.1% from 2022. 66.5% of all rounds were played by Creekmoor golf members or property owners compared to 67.3% in 2022. Creekmoor continues to be a highly sought after tournament venue for association events as well as charity/benefit events. In light of the increased golf activity and growing golf membership, the POA Board approved of a decrease in the number of outside golf tournaments hosted by the POA. This decision was made in an effort to have more days available for our owners/members to have available to play. The POA has increased tournament guest fees for 2023 and in doing so, allowed the association to achieve the same revenues as the previous year with fewer events. In 2023, revenues from outside/non-member tournaments were \$286k. Mr. Scott shared that further evaluation of the number of outside events the POA hosts will be done on an ongoing basis to maximize availability of the golf course as well as the financial success of the golf operation.

There were 334 golf members at the end of the 2023 season, an increase of 69 members from the 2022 season. The 334 golf memberships is the highest total in POA history.

The Golf Shop produced a net income of \$1.356, an improvement of \$286k from 2022. The Golf Shop concession is extremely important for the overall profitability of the POA. In 2023, the Golf Shop had \$393k in sales, an increase of \$73k from 2022. We continue to ask that the Golf Shop at Creekmoor be considered when you make your purchasing decisions for your golf needs– every dollar spent at the POA goes back to the POA and helps reduce the debt burden carried by the POA.

Golf membership fees have been increased for 2024 to \$210 per month for resident owners and \$320 per month for certificate (non-owners). The cart/range program pricing will also be increased in 2024. For owners with their own carts, the rate will increase to \$140 per month. For owners using the POA's fleet of carts, the rate will increase to \$160 per month.

The Member Referral Program remains in effect for anyone who refers a golf member to the POA. A referred member who is a resident has a \$400 credit and a certificate referral is \$500. This referral does not apply to a Preview membership.

Food and Beverage Report

In 2023, Food and Beverage operation revenues were \$935k, an increase of 15.9% over 2022. This was an 11.4% increase over our budget for the year. We are approaching the \$1m mark that was predicted when the clubhouse expansion occurred! Operating expenses for the year were higher than budget, in part due to higher labor costs, increasing supply costs along with the cost of goods increasing from our various providers. Mr. Scott shared that the Tavern on the Moor was once again profitable for the second year in a row. The Tavern will unveil a new menu for the summer of the 2024 season and anticipate that it will be successful and enjoyed by our patrons. It is anticipated that the Food and Beverage operation continue to remain profitable in 2024.

We continue to utilize Jennifer Morgan and Andrew Harvey, Creekmoor associates, to lead our marketing/social media management for the association. Daily specials in the Tavern are shared along with special events and general information. These efforts have driven business to the Tavern and have been instrumental in growing the business. Andrew has plans to host several Trivia Nights, Karaoke Nights and evenings with live music to add to our calendar for the summer. The association will continue to host non-member parties, receptions, etc. as this event business is vital to the success of the Tavern. Mr. Scott again asked for owners to continue to support the Tavern on the Moor.

Financial Review and Report

Mr. Scott reviewed the financial statements for the previous year reporting that the POA budgeted for a loss of \$126,759 in 2023 and ended the year with a positive net income of \$74,034 – an improvement against budget of \$200k. The total Gross Revenues for the POA were at \$4.608M for 2023, a \$636k increase from 2022. Our EBIDTA was \$245k ahead of budget for 2023. Revenues for 2024 are budgeted at \$4.766M, which if achieved, will allow the POA to have an EBITDA of \$669k.

Rick reviewed the loans that are in place (working capital loan and infrastructure loan) with the developer. He stated that the POA will continue making payments on the interest-bearing working capital loan with the developer in 2024 per the agreement between the POA and the developer.

Monthly payments of \$25k have been made throughout 2023. The payment schedule escalates each year until the balance is paid. The loan payment will be \$30k/month in 2024. The payment is not servicing the monthly interest on the loan and there is approximately \$3k per month being added to the working capital loan (gap between the payment made and interest accruing). The payment in 2024 will be not only service the interest payments but start chipping in to the principal balance on the loan. The working capital loan increased in 2023 solely due to the gap between our monthly payments to the developer and the accumulating interest in the loan. The current balance of the working capital loan at year-end was \$9.879M. There is a \$7.5M balance (capped – with no interest) on the infrastructure loan.

An update on the Special Project (Assessment) Loan repayment was shared. The loan was established in 2016 and the owner assessment to repay the loan took place at that time. The Association has been making accelerated monthly payments to expedite repayment of the loan. As of this meeting, the current loan balance is \$230,017. Continuing our payment plan could have the loan balance satisfied by the end of 2024 – approximately 2 years before the term of the loan. The POA continues to make accelerated monthly payments in an effort to get the balance paid as quickly as possible.

Mr. Scott shared that the 2023 audit has been completed. A copy of the audit is available at the POA office for owners to view.

Rick encouraged all in attendance to review the handouts provided at the meeting as well as to visit the POA's website – www.creekmoorpoa.com, for more detailed financial information.

Mr. Scott shared the capital improvement projects that have been approved for 2023. Those projects include the addition of Flock Safety security cameras for the community, cart path repairs needed along hole #12, new hitting mats for the practice range tee, an irrigation valve replacement project throughout the community, drainage replacement (and engineering costs) behind Sandwick Circle and along hole #7 along with the completion of the outdoor patio addition on the north side of the clubhouse.

Rick stated that the resident Board members, along with the POA Board in general meet regularly to assess the current state of the POA, including the association amenities as well as to plan for future needs of the association. Rick encouraged those in attendance to reach out to the POA if they would like to be a part of the discussions and to be a part of the planning process to determine the future needs of the community.

Mr. Scott shared that the POA will return to hosting Town Hall meetings in 2024. Dates for the Town Hall meetings will be set and communicated to our owners through community email.

Rick concluded the association report and opened the floor for questions.

Open Forum

An owner asked about the new development that is taking place to the south of 163rd Street and asked if there will be additional golf as part of that development. Rick shared that the area to the south of the clubhouse and 163rd Street is not a part of the current footprint of the POA and is owned by another developer. Rick stated that there are no plans for additional golf being added to the association.

A question was asked about adding fountains to the pond on Creekmoor Pond Lane along with the pond near the 18th green. Rick shared that there are no imminent plans to add fountains to either pond. Rick shared that there was once a fountain in the pond on Creekmoor Pond Lane. Due to the nature of that pond and its current conditions, the pond isn't deep enough to allow a pump to function properly. Rick shared the history of the pump that was previously in the pond and that it was taken in for repairs frequently. The decision was made to discontinue having a fountain in the pond. Rick shared that the ponds are being treated regularly for algae and any nuisance plant materials in the ponds and that the association has opted to treat the ponds going forward at this time.

An owner asked a question about the status of the drainage project along hole #7. Rick shared that the POA has had engineering performed on the project site and that the Board has approved of funding for the needed repairs/replacement. The POA is meeting with the contractor for the project in the coming weeks and with the approval in place for the project, the POA will move forward with the project once the contractor has delivered the proposal. The project is expected to be completed in the summer/fall of this year.

An owner asked a question as to whether there were any plans for dredging of the community lake. Rick stated that there were no imminent plans for dredging to take place. Rick stated that he has met with the Lake Committee and there have been discussion on the creation of a reserve fund specifically for future lake maintenance needs.

An owner asked a question on the special assessment loan specific to the repayment of the loan. The question was with the available balance on hand and the receivables we have from our current owners, the loan balance could be satisfied. Sandy Dolence spoke to how the loan was structured and stated that the POA has to make a monthly payment until the balance has been paid in full. Rick stated that general association funds can not be used to pay the special assessment balance as they are separate accounts and are separate assessments. Rick shared that there are approximately \$70k in collections from owners who have not paid the special assessment. Rick also stated that the association continues collection efforts on those owners with delinquent balances and that the association can/has placed liens on owner's homes who have outstanding balances as a means to collect.

An owner asked if the owners who use water from the community lake for their home irrigation should contribute additional funds toward dredging or future maintenance of the lake when compared to owners who do not irrigate their lawns from the lake. Rick stated that this would be a matter that would be taken up with the Board and the Lake Committee.

With no further questions being asked, the POA meeting has been adjourned.

Developer Report

Jody Latham delivered the developer report.

Jody shared that there are 19 lots from the original development footprint that remain unsold.

Jody stated that the development plan for 2024 includes the development of the area along 163rd Street. This development will bring 39 lots available for sale. Once that area is developed, the next phase will be the area northwest of the Cunningham development and that will include 40 lots.

Jody shared that the developer portion of the extension of 163rd street to the east has been completed.

Jody concluded the developer report and opened the floor for questions.

Open Forum

An owner asked what impact the threat of the landfill had on lot sales. Jody shared that for a period of 18 months, there were no new lots sold. The homes that were built in the community were on lots that were owned by builders.

An owner asked how many lots would be remaining to be developed once the 2024 plans were completed. Jody shared that there would be 171 lots remaining once Eastbrooke 4 and Cunningham 4 are completed.

The owner asked a follow up question about the pricing for those remaining lots. Jody shared that the average lot pricing was \$85k per lot.

With no further questions, the Developers Report was concluded.

Following the Developers Report, the Annual Meeting was adjourned at 7:15 p.m.

Secretary/Treasurer
Creekmoor Property Owners Association, Inc.

J. Neff Basore
President and Chairman of the Board
Creekmoor Property Owners Association, Inc.