

Pawnee Hills Community Association
Board of Directors Meeting
August 14, 2008

Board Members Present: Tina O'Bryan, Pam Schultz, April Osborn, and Gail Brouillard were present. Greg Brendlinger is not here tonight. Sandy Perry was present as Treasurer.

Meeting was called to order at 7:08 p.m. Motion was made and passed to approve the agenda.

MINUTES:

Tina: Before we start with Cynthia's report, I am going to state that we have a new Board member who has volunteered to join us at least until January of 2009 when we hold our elections and that is Gail Brouillard. Normally what we do is the current Board members vote to put you in place. I am going to go ahead and make a motion that we appoint you to the Board. Do I have a second?

Pam: Second.

Tina: Discussion? All in favor?

April: Do you have an extensive criminal background?

Gail: I do.

April: Oh.

Tina: It might be helpful. Good. Then you are in! All in favor?

Aye. Aye. Aye.

Tina: Greg Brendlinger is not present tonight.

Facility Coordinator Report - Cynthia

Cynthia: First off, we have steam room issues, the timer is not shutting off so if someone leaves it on it stays on. The electrician is supposed to be here to look at that on Monday. I'm getting bids, so I have three companies looking at the retaining wall and the drainage underneath the deck. It has actually for years been eroding away from the pillar, the support beams—posts underneath the deck and so what we are proposing is that they do gutter extensions and then trench solid drain pipes underneath and out toward the deck or out toward the gulley so that it actually quits eroding underneath. We are still going to get the drainage and drip from the deck but not to the magnitude that we do from the existing gutters.

Tina: And if anybody would like to go underneath there like Cynthia and I just did, you can see where all of the dirt has eroded away from the concrete.

Cynthia: There is concrete and then the dirt.

Tina: So if we don't get that fixed we could easily work away our deck.

Cynthia: And years ago a volunteer put some perforated tubing but it falls off and people take it off of the gutters so that is our next drainage thing to have taken care of as far as the building is concerned. And

then I have three companies bidding siding and gutter and then if we need roofing, they also do roofing but we haven't gotten to that point yet. I think if we do gutters and siding and make sure the flashing is in under, I don't foresee having a problem with the roofing at this time.

Tina: Okay, does anybody have anything else for Cynthia? Any questions?

Cynthia: I am not extending the season on the pool. It will close right after Labor Day this year.

Tina: OK.

Sandy: Another thing and I don't know if it is the right time to bring it up or not but we were contacted by our attorney regarding the necessary pool repairs and Tina, I sent this out and Cynthia, I didn't know if you ever saw it.

Tina: No, she didn't get a chance to see it.

Sandy: Okay, I was just wondering. Take a look at this. I guess there is a new law that is going into effect at the end of this year that there be a mandatory cover on the drain or something. There is an article attached to the paperwork from the attorney.

Cynthia: Actually that is already one of the things that I was discussing with our pool guy prior to my even knowing that so I am aware that is actually an issue and we were discussing that when we redo the pool. That was already something that we have been looking into so proactively without knowing it taking care of that.

Sandy: One thing, if you are getting bids on that, you might want to get that bid kind of like where you can break it out separately because we don't have a choice on that.

Cynthia: To do what they are doing here you have to basically redo a bunch of your structural plumbing anyway so we were going to do it all at one time since we were going to have to be doing the structural as it was and then we already know the coping stones are a problem. The fact that our tile is coming off every year now is an issue so none of it really can wait.

Tina: We hired George Duvall at \$10.00 an hour to do, well, tell them what all he worked on.

Cynthia: Right now he is doing ground maintenance.

Tina: And fixing and painting of the shed.

Cynthia: He and I are actually going to do some fence repair this weekend and replace one of the boards that is just too deteriorated on the shed to paint and also he has been spraying. Ground maintenance. He is helping do the things that I just can't get to.

Tina: He is just a part-time employee so we had—Pam was out of town. I talked to April and Greg and we basically made a motion and a second to hire this employee on a part-time basis for a few months trying to get all of this ground maintenance and everything taken care of. So we are going to keep him as long as we can to get all of this stuff caught up before winter comes.

Cynthia: He let me know he can work through mid September which is perfect. He has been outstanding. Anything I ask him to do he does. He follows directions impeccably and it has been a pleasure to work with him.

Tina: So three Board members had approved via the phone to approve to hire this employee for a couple of months.

Cynthia: He has also started doing work around the barn to get that caught up.

Sandy: Okay. And then I also, I picked up his W-4s and all that information, I mean I-9 form. You need to sign off that you verify that the documents were reviewed.

Cynthia: I did it.

Sandy: It is on two different forms.

Cynthia: Oh, okay.

Tina: Anything else anybody can remember? Sandy, anything you can remember that I am forgetting here? No?

Communications from Community Members:

Sandy: This was a letter that was e-mailed out that probably needs to get read into the record.

Tina: Okay.

Sandy: And then I will just pass this around. This is just some basic stuff that comes through that doesn't need to be read into the record.

Tina: Okay, this is from Susie Hundley of 1143 Belgian Trail. "Pawnee Hills Board members/To Whom It May Concern: I am writing today with a concern about easements. Our neighbor at 1185 Belgian has done a major landscape remodel of late. I find it interesting that I was told I would have to plant trees, etc. at least 15 feet from the bridle path as an easement. A neighbor has now moved two huge dirt mounds and they go up to and on to bridle path. I want this addressed as to why he was allowed to landscape with [I think it is] disregard to the easements and I was not."

Tina: I will call ACC to have Pete research this for us.

Tina: I will jump over to Mike and Darla Orton of 1644 Shoshone Trail. Basically, we sent them letter number one for the covenant violation of having more than four horses on their property on June 13 and then they sent a letter on June 11th to the Board saying we will make the necessary changes to comply with PHCA covenants. And then what happened was, we had sent out on July 14th letter number two because when we got this letter here stating that they are going to comply with the covenants, well that's great but when? So, we ended up sending them a second request giving them 15 more days in order to come into compliance and then on August 4th, I had spoke with Mike Orton. He called my house and he also called the clubhouse and left a message so when I got back from vacation I spoke with Mike Orton and he basically said, "How much time do I have to do this? You guys sent me a letter." And I explained to him how much time he had and basically what he said, "I don't know if it is going to be this weekend or the following weekend but I will have them gone." I said, "So basically you are telling me like August 18th? How about that?" And he said, "Yeah, I'll do that." And I said, "Can you write a letter stating that August 18th is when you are going to have them gone?" And he said, "Absolutely." And I said, "Please, Mike, don't let them be gone and then bring them back." I said, "I've got a couple of homeowners already watching you and they are counting horses daily." So if this happens, we don't start from square one. We start right from picking up the phone and having the attorney fix it. He said, "No, no, no. I understand." I just want to make sure that he understands we can't do the bouncing of the horses. That

is just not going to work for us. So he did send the letter. Trust me, I will know if the horses aren't gone by Monday. I'm sure I will get at least three phone calls so hopefully that will be done if it hasn't already been taken care of. Then the next communication is—

Sandy: So when are you going to talk about all of the people that want to be treasurer?

Tina: We're not because I just decided you are going to be it and whether you like it or not it is going to happen!

Sandy: There should be a mile long list of people who want to be treasurer.

Tina: Yeah right.

Pam: They have been banging the door down pretty much.

Greg: Yeah, they are waiting outside.

Pam: Aren't there are claw marks on the door, Cynthia?

Tina: Moving on... Letter dated July 7, 2008 from Mr. Bob Rowland. "Regarding June 2008 dues. I am in receipt of your statement claiming that my June payment was not received or posted by the first of July and therefore you have assessed a \$10.00 and a \$2.50 fee to my account. As per your letter, I am contesting this assessment based on the following. I have confirmed with my bank, US Bank, that the payment was mailed to your address on June 23rd and that it was delivered no later than June 26, 2008. That was business day Thursday, thus giving you that day and two additional business days to process the payment for my June 2008 dues. However, you did not process and cash the check until July 7th, 2008, a full seven business days after the payment was delivered to your lockbox and a full 11 business days after it was mailed to you. The bylaws and covenants as well as your published rules clearly state that payment must be received by the 30th of the month before any assessment can be added. Therefore, per normal business standards, you should have procedures in place to process timely payments and I object to you using your late handling of my payments once received to then assess these charges. I demand that you adjust my account accordingly and remove these charges from account immediately. The Board has published unclear instructions to homeowners to "make sure their payments are mailed in a timely manner" so as to avoid their not being received by you by the 30th. I strongly recommend you disclose your in-house payment procedures to advise homeowners that you are penalizing them for delaying handling of payments once they are delivered to you should you continue that practice. I also strongly recommend that the Board who is in office to represent the homeowners issue a clear advisory that this practice is resulting in assessments to our monthly dues. Perhaps by defining a deadline mailing date each month to the homeowner since your practices appear to be out of the ordinary when compared to most standard business practices. I would also strongly advise you to consider setting up electronic payment capabilities so that homeowners can post payments to you with verification of receipt to avoid these issues in the future. Robert Rowland" Pam and April and I came up with this response letter to him August 13th: "Dear Mr. Rowland: Per your letter dated July 7, 2008, the Board has reviewed your account history from Colorado Management and Associates, Inc. and has determined that the amounts are correct. Attached you will find the detailed account history showing when your payments were received/posted to your account. March 1, 2008 dues of \$45.20 were received/posted on 03/03/2008; 04/01/2008 dues of \$45.20 were received/posted on 04/21/2008; 05/01/2008 dues of \$45.20 were received/posted on 05/29/2008; 06/01/2008 dues of \$45.20 were received/posted on 07/02/2008; 07/01/2008 dues of \$45.20 were received/posted on 07/24/2008. Your dues are due on the first of the month. Assessments are charged to your account at the end of the month if payment has not been received. If you are paying by automatic bill pay, then you have to

coordinate with your bank to ensure that your payments are being received by the due date. All bank institutions are different. Therefore, we cannot control when payments are received. Please contact your bank to ensure these payments are being sent in a timely manner. Colorado Management and Associates offers an auto debit payment plan that you can sign up for that will ensure that your payments are received on time. Please contact them at (303) 730-2200 and they will assist you in getting that set up. If you would like to meet with the Board to discuss this further, we would be happy to meet with you. We are available either before or after the next Board meeting on Thursday, September 11, 2008. Please contact us if you would like to meet to discuss your account concerns. Sincerely, Pawnee Hills.”

Pam: It's just one month in question?

Gail: Apparently but didn't he say that his bank said that it was delivered or something by the 28th?

Pam: Well, it was received by then. He doesn't say how many months.

Tina: No. Basically what he is saying is that what his bank states is on a certain day. We can't control what the bank states on anything. What happens is, it goes through a clearing house and as soon as they pick up the mail, that day it gets posted that day. That is the law that any time they receive any funds that day, it has to be posted that day. Now, obviously Sunday they don't pick up anything.

Gail: Right.

Tina: So it can never be posted on a Sunday but Monday through Saturday it posted on the day that they receive it.

Gail: Because it looks to me like he is saying that it wasn't posted when it was received?

Tina: Right. What he is saying is his June dues he says was mailed—supposedly US Bank mailed it on the 23rd.

Gail: Okay.

Tina: Payment receipt date was the 26th. Well, that is not when we got it.

Gail: Yeah, that is what I was wondering.

Tina: And it was cashed on the 7th. He is saying, “My bank cashed it on the 7th.” And we are going, “No.” The bank cashed it on the 7th, but they don't have to deposit every day. They have to post every day. So it was—

Gail: So it could have been cashed—

Tina: Posted on the 2nd and it was cashed on the 7th and he is going, “Hey, you guys had 12 days.” And we are going, “No.” He has got to write his checks sooner for it to get there in a timely manner—because as soon as CMA gets it, they post it.

Tina: So when it says lockbox—

Gail: Yeah, what does that mean?

Tina: That means that is when it was posted. That is when they get it, the payment.

April: So he needs to be working with CMA to get his date that he gets his business—

Tina: He has got to work with his bank and with CMA.

Gail: And the automatic debit thing.

Tina: Yes.

RC: One of the things I would like to know is, have you personally seen what day they are posting and are you going by their word. I mean, let me tell you why, okay, before you answer that. The reason why is I am reading from US Bank scanner payment plan, okay? Payments are guaranteed to be accurate and delivered by the payment date you select, okay? So, if I go into my account, my US Bank account, and I put in April 16th, okay? And I put in their pay date, April 17th, the computer flashes back boom, boom, boom. Nope, can't do that. That's not enough time to process it. Right? It is saying that his posted check or payment date of April 16th for a payment date of May 23rd so they should have received it, a guaranteed receipt date by May 23rd.

Gail: And that is a whole month.

RC: It is not posted until June 2nd. I mean, so he gets charged a late charge. He sends another one with a payment receipt or guaranteed date of June 26th and it has not been posted until July 7th and that is when he is going to get a fee. Okay? So, have you, I mean, how can we be certain? Are you saying that for all US Bank customers that they put a guarantee date on there and it is not happening?

Tina: Well, I can't tell you what is going on with his bank. I can tell you what is happening with CMA but I can't tell you what is going on with US Bank. I can't tell you what Bob's doing.

RC: Have you specifically checked with CMA besides reading from the ledger that it is the law that it posts every day? How do we know that they are posting it?

Tina: Because I have been talking to CMA.

RC: Okay, so we just never checked with Bob's bank?

Tina: Well, US Bank has also been talking to CMA.

RC: Right.

Tina: US Bank did talk to CMA. CMA talked to US Bank. US Bank went through the ledger with CMA and the bank agreed with CMA and US Bank said, "We will talk to Mr. Rowland." And US Bank said, "Can you waive these fees?" And CMA said, "We cannot." And they said, "We will discuss it with Mr. Rowland."

Cynthia: You know, like they are just taking the word of CMA. There was due diligence.

RC: Was there due diligence done?

Tina: Yes.

Cynthia: I just heard that and I got all involved in this? Either way—

Tina: I have been talking with CMA, I have been talking to our attorney, and I have been getting the information all the way through. All I can do is just to say to any and every homeowner, please make sure that your payments are on time. I am also trying to tell everybody it is due on the first of the month. That's when it is due.

RC: It doesn't matter when it is due—

Tina: If it lands there after the 30th—The point of it is, our policy says it is due on the 1st. You don't get assessed late fees until after the end of the month.

RC: That is correct.

Tina: I have to go by the company that we hire to handle all of our accounting and I have to go by their policies and accounting practices and everything that I have done for research to assure they are doing their job. I can't really say a whole lot about Mr. Rowland's account and the only reason that I can talk about this is because he has written a letter to the board regarding his account and it has become an open record. Otherwise, I would not even be discussing his account. I wouldn't discuss Cynthia's. I wouldn't discuss your account.

RC: I'm not discussing specifically his account. I am looking at facts that we could be in trouble.

Pam: I think we need a written statement from CMA.

Tina: That's fine.

Cynthia: The other thing here is what we need to know, is it an ACH wire tap or is it truly being mailed? Because the US Post Office—If it is physically mailed that you take into account that it could be late. When I mail a house payment, it took three weeks and I paid the late fee because when I mailed it they said when they got it... Then I started doing the ACH wire taps and that is a totally different thing.

RC: I see what you are saying, Cynthia, but we are talking about, you know—we aren't talking about a Podunk balance. We are talking about a large federal institution who is guaranteeing that—

Gail: I just want to say one thing when you are talking about delivery and things. I don't know about you guys but the last six months or so I have had neighbors come to my house with my mail. I have had bills not get to places. I have not received bills—

RC: We are talking about rural—

Gail: Yeah but this has never happened. I have lived here 15 years and I have never had that happen before. This is the first time.

Cynthia: The thing with the bank, though, I actually took that to the post office.

RC: It is hard to believe that four times in a row—

Cynthia: Right. That's odd.

Tina: Well that has not happened. He has only got one that didn't—

RC: Well, but the guarantee date that was posted from US Bank to the account are way off.

Tina: Well, like I said. I can't control—I can't even control when Sandy sits down and writes a check and sticks it in the mail if it is going to get there on time. I can't control banks. I can't control the post office—what I can do is I will get the policies on the postings and receiving. I can get that directly from CMA and I have already verified and I have gone through all the documents.

Pam: I think that would be a good idea.

April: I'm wondering since this Association hired CMA to take care of this, okay, if Bob has been in contact with his bank and with CMA enough to try to resolve that discrepancy, that time discrepancy, okay? Rather than the Association here, people sitting at the table trying to figure out his accounting problem. Has Bob diligently tried to get CMA and the bank to get their stuff together?

RC: Yeah, I believe that that has been done and—I believe as a nonbiased person that there has also been an attempt to try and reach a resolution with the Association and that that attempt has been blown by the wayside.

Tina: What do you mean?

RC: It is very clearly in a letter here from Robert where he is asking for alternative resolution.

Pam: Her point is, and I agree with her, her point is that letter was in March.

RC: And here we are in—

Tina: I know. I agree. We should be on it faster than that. We should have jumped on it and wrote a letter to him saying we should do an ADR.

Cynthia: Which of the other Board members—

Tina: Well, no, you are saying that he wanted to do an ADR and we did get a letter saying he wanted to do an ADR.

RC: Right.

Tina: We just didn't get a letter out to him saying, "Yes, we will do an ADR and these are the dates that are available. So in this last letter, realizing he had brought it up and we forgot to do the letter offering an ADR, we did that. We said we would be happy to meet with him at the next meeting, either before or after the meeting to resolve this. I will go over his accounting with him.

RC: Yeah. That's a slow process for anyone and I can totally understand him not wanting to deal with that delay of a process and being assessed a late fee just because of some type of miscommunication somewhere.

April: If there is a problem with CMA posting things in a timely manner, we need to know about that.

RC: Exactly.

April: But, how many people are having this same problem? I haven't really heard of anybody else with this problem. If they haven't been able to resolve contacting the bank and CMA and getting the big boys to work it out rather than us trying to work it out.

Cynthia: There have been some issues but they were all able to resolve them on their own, because I get a lot of calls and I will just say to please contact CMA and they do.

RC: So we really don't know if they have been resolved or not.

Cynthia: Because the homeowner is in control of their payments.

April: I have also worked with this group, CMA, because of problems I had with them not getting my debit taken out in a timely manner and I got a late fee. I contacted them, okay? And I contacted the bank and it is fixed. Easily fixed. But again, you know, we don't know what Bob's method of—what is the word I'm looking for?

RC: We just need to make sure that on this end it is completely covered and we are sure it is being done because they tell us so.

Tina: No, RC, I have done research.

RC: We just need to make sure—

Tina: I have done my job and then some.

RC: Okay. Your attitude on this particular set of minutes doesn't look like that. Just in the reading it just simply says "talked" and if you follow up through other Board meetings and you read the minutes, there has been no follow-up that we can look up and say, "Oh yeah, here. It is in the minutes. It says this is taken care of."

Tina: There is a lot of stuff behind the scenes that you don't know what is being taken care of that is the follow-up. I don't have time in the minutes to go through every detail that we have done.

RC: We have had old business and this would be an old business matter. We have a homeowner requesting resolution. There should be a place for old business in the next meeting instead of waiting three months for it to become an issue where regardless of who it is and bring the issue up again so that it gets resolved. There has got to be some type of old minutes covered, you know, old minutes. You have a section of your meeting that takes old business so that things that are put aside that are not finished from the previous meeting can be taken care of.

Tina: Okay. Anything else? Sandy, you're up.

RC: I think I just got blown off again.

Cynthia: No RC she recognized you.

Tina: RC, what do you want me to do? I am trying to get through this meeting.

Pam: RC, she acknowledged you.

RC: Well you have an attitude.

Tina: RC, I guess I do have an attitude. You know what that attitude is? I have a missing Board member. I have a brand new Board member at her first meeting. I have another Board member who has been going through physical problems and has not been able to give her all and I have another Board member who is just now trying to get a grasp of what is going on with the association. I am a little overwhelmed here trying to take care of everything.

RC: I've been there. I understand.

Tina: No I don't think you do.

Tina: I am just trying to get through all of this stuff. I am doing the best that I can. You were done with your sentence. I thought you were done... if you were not done, let me know if you would like to speak some more. Did I not recognize that we should have done an ADR with Mr. Rowland? Absolutely. I apologized for that. I tried to take care of it as soon as it came to my attention that I had forgotten to take care of it.

RC: Okay. We will move on.

Tina: Okay? I am doing the best I can with what I've got. Sandy, treasurer's report, please.

Treasurer's Report: (Sandy)

The bank balances as of the end of July 2008: Checking Account \$273.31, Savings Account \$5,707.52, Replacement Reserve Fund \$15,877.36. Grand total of operating and reserve of \$22, 108.19.

Gail: I really haven't kept track of this but weren't there CDs?

Sandy: Oh, those were cashed out at the beginning of the year when we knew that we were going to do the mold remediation.

April: I think a good suggestion that Sandy had was if there are some of these bills that could be worked out like budget billing so we would have a little better idea, you know, of what the monthly expenses would be rather than just kind of guessing, you know? I know that has worked very well for me.

Sandy: Well, I think the way that it is spread through the budget is, I didn't break it down by month.

April: Right. But as the bills come in, they are varying wildly, right? In the summer it is very high.

Cynthia: We could set it up where we pay a set amount every month.

April: One month it adjusts up or down, okay?

Cynthia: Right.

April: But you had a good point. It would help us get an idea of what the monthly expenses will be more consistently.

Sandy: Yeah, summer is always expensive but then in the winter the clubhouse heating kicks in but—

Tina: Kind of balances.

April: Not having to come up with bigger amounts of money, clunk right in the middle of the summer and spread it out.

Sandy: And that is when our insurance is due. For budget billing you may have to pay a fee for that service.

Tina: That would be nice. Sandy, I'm sorry. Do you have anything else?

Sandy: Yeah. There are a couple of things. Somewhere it is written, I think it is possibly on the delinquent, the detail delinquent report, a suggestion was that we write off somebody's debt because homeowner A has moved out of state and even though we have a judgment against homeowner A that it is suggested we drop that.

Tina: We have to write it off?

Gail: Is that that bad debt?

Tina: Yeah.

Sandy: And so, I guess I need to know, should we take that off the books or should I tell CMA to actually move that off the books for homeowner A?

Tina: Yes. I thought that what happens is that as soon as our attorney states that it is a bad debt then it goes to bad debt—

Sandy: Okay.

Tina: Because for that particular homeowner A, we can't go any further. It is done. It is dead. It is a bad debt and we won't be able to collect on that bad debt ever. I will give you an example. Like a foreclosure that happens in our Association, if it goes to foreclosure, the only thing—even though we have a lien on it the bank can come in and turn that lien into a super lien to get it released back to them and by law they only have to pay us 6 months worth of back dues. That is the only thing that we can get. Everything else no matter if it is in the tens of thousands, it doesn't matter, then becomes our bad debt.

Gail: Really?

Tina: Because it is a cost of doing business.

Gail: Is that what is happening here?

Tina: Not on this one.

Gail: This one? Because I saw that super debt thing and—

Tina: If you see something that has a super lien on it, yeah. Then that is all we can get. So when that happens, then it is basically whatever is the balance that CMA holds on that ends up and could end up—we hope that eventually someone will, you know, maybe the new bank coming in will do something. Maybe we will get a judgment and be able to get more money.

Sandy: Okay, well, homeowner A, and, I can't find the comments right now, but I believe that they are just kind of like casual—the lawyer has told us they are declaring bankruptcy or not to pursue this. Should we write it off?

Tina: Yes.

Sandy: So it is kind of in limbo. We don't have really any official thing from the attorney saying you will never collect this so stop this?

Tina: Yes, we do. It was in the status letter.

Sandy: Okay, so then I need to tell CMA then to remove it from our receivables to bad debt.

Tina: Yes.

Sandy: Okay, then there is homeowner B who, again, I got your e-mail from this less than a month ago where it says you have got homeowner B's letter and then CMA was asking—the attorney seems to think we are never going to collect and should we write this down. I guess I just need to work off of something a little bit more official than "what do you think and should we do this."

Tina: No, we know homeowner A—as soon as we get the information from the attorney saying it is a bad debt, it has to be written off as bad debt—

Sandy: Okay, because the one thing I am kind of curious about and I haven't followed through on this is, on homeowner A, are they still listed as the titled owners of that property? Are they still being assessed monthly dues?

Tina: I can't remember what they told me on that.

Sandy: Because it seems like that is a big number.

Tina: No, that was the judgment. That is part of that judgment.

Sandy: Yeah, but I mean, it seems to be increasing and, I'm sorry, I have been kind of tied up and I haven't been going after the stuff but if we can just kind of—yeah, see, it has gone up because we must be trying to collect dues on that property.

Tina: Well, I think what happens is, it still keeps going because we can't just stop it. You just can't say even if it is a vacant lot, no matter what, we have to continue.

Sandy: I need to know then what amount of homeowner A to write off. Now homeowner B, the property has changed hands.

Tina: Okay.

Sandy: So I need to know, like, again on homeowner B, how much but I'm assuming it is probably going to be closer to all.

Tina: Yeah. Let me talk to CMA and see how they do their math because we are not the only—they do Associations every day. They know how to handle this stuff.

Sandy: I think they just have to—it seems like they have to have written okays. Like, if I talk to CMA and say yeah, transfer \$5,000.00 from savings to checking, I have to put it into writing so they have documentation that I said to do it.

Tina: Well, and that could be easy enough as an e-mail from Cheryl and myself saying—

Sandy: I mean, this is kind of—clear up stuff and then as far as—I haven't gotten any other numbers together. Seems like you were talking about the super lien only going six months.

Tina: I'll call. Let me call. I know that there is a lot of legal stuff between foreclosures. There is like a huge delay between the two. It is almost like it is a hot potato. And it is like they get this free pass with the hot potato. Like you didn't know it was going to go from one to the other? And then they keep selling off these properties to each other. Banks keep selling out and I think that is part of the trick that they are doing right now. They are selling them off to each other.

Pam: Yeah but still owes if for that month.

Tina: Well, I'll give you an example. Stephen Gile's old house, it went into foreclosure. They did all the legal stuff. They did the super lien and they are like, hey, Mr. Realtor, you want to try selling it for us? And the property goes from the bank to the realtor to sell.

Pam: What I think is, once you do the super lien, that takes care of, in this case, Stephen's account and we got what we got which isn't what we needed but we understand how that works.

Tina: Right.

Pam: Okay, then you start at zero and somebody new owns that property and that happens to be the bank in this case so they owe payment. That has nothing to do with the super lien. That is over and done. They are the new owner.

Tina: I tell you, when I get an answer, I am going to have you call them if it is not the one we want.

Pam: Yeah, and put it to them just like that because that is what—

Tina: I agree totally. Moving on...

Architecture Control Committee (ACC) – Pete Smilanic. No report.

Activities Committee - Karlene Herbrand. No report.

Buildings and Grounds: Greg. No report.

Covenant Committee – Bill Curley. No report.

Directory – Sandy Perry. No report.

Equestrian - RC Cuellar.

RC: The arena is completed. Hey, that is about a years' neglect so we got off easy. On a positive note, they did break it up. It was a lot lower than he estimated but it did not affect our billing rate. Now what we have to worry about is maintaining the area.

Gail: So what does the maintenance entail?

RC: Well the maintenance entailed, the ground needs to be worked. When I say “worked,” it needs to be worked both the bottom and the top soil and to keep it all broken up. If it gets hard packed, then we are right back where we started.

Tina: Okay, now, what about that tool thing that you guys were talking about?

RC: That tool thing, I have been shopping around quite a bit and the most reasonable one that I can find is \$1,900.00.

Gail: Have you gone online?

RC: I have even considered going to Oklahoma City and picking one up myself. I found a used one.

Gail: Well, tell me what kind of tool it is. My son-in-law does a lot of rodeoing on horses. He might—just tell me what it is called and I will ask him.

RC: Well, one is by a company called Parma, P-A-R-M-A, and I think they call theirs an arena drag, I think that is what they called it.

Gail: Okay.

RC: The other one is suitable for this type of clay pan and it is called “ground hog”.

Gail: Seven foot, okay.

RC: Well, seven, six, or five. Let me do it that way. Seven, six, or five.

Tina: Seven, six, or five foot. Okay.

RC: Yeah.

Gail: I will ask him because—

RC: If it is a ground hog and it is inexpensive and we can get a five footer, it is the best tool for the money. As a matter of fact, I am having a demo done on the arena on Saturday at 10 am with the parma tool. It is not something that breaks down. It is not something that needs any maintenance at all.

Cynthia: How large is it?

RC: It is a five footer.

RC: Fifty two inches this way, it is five foot.

Cynthia: So it can be stored in the barn.

RC: I don't recommend throwing it in the barn. I would hate to see something like that take off.

Cynthia: Me too.

RC: I will take it one step further. If we get this piece of equipment, I am actually willing to provide the work to work the arena once a week. The only thing I will charge is gas, that's it.

Tina: Okay, that is what I was going to ask.

Cynthia: Is it in a self-contained unit or you have to haul it behind a truck?

RC: I have to haul it behind a tractor.

Gail: I am getting the idea it is kind of like a pull you pull on the back of your truck.

Tina: How often would you have to do it?

Gail: She said she would do it every week.

Cynthia: My suggestion here too is to get something in writing as to actually what you want the maintenance schedule to be. Be very specific about what the requirements are so that when you leave or when someone else isn't here, one of the things just you need to maintain the history of how to do what you do.

Tina: Okay, now my question to you then is, as you can see in our 2009 budget because this is your budget, have you thought about how we are going to work this? Because in your budget you've got the arena maintenance at \$2,750.00, alright? And we have barn maintenance and repair is \$1,000.00. And I don't see where we are going to find the money yet.

RC: Did that come down from last year?

Tina: I am missing a line I can't find yet. Let me see. Your committee, \$900.00 in your committee.

Pam: I have the 2008 but not the 2009.

Tina: So in other words, RC, what I am saying is, your committee is \$900.00. Did you want to write this down because I am trying to figure—if you can make this work, we can do this but you have got to make it—

RC: I can make it work temporarily.

Tina: Your committee has \$900.00, okay? Barn maintenance and repairs are \$1,000.00. She has got to figure out how she is going to make this work. And arena maintenance is \$2,750.00. Now, my question to you is, did we get any of the trail markers done this year?

RC: No. They have not been done yet.

Tina: Will they be done?

RC: They can be.

Tina: Wasn't that part of the—

RC: I just haven't turned that in yet because I was making sure that we had enough money.

Gail: What are trail markers?

Tina: How much more are we looking at?

RC: I don't want to pull it right now without having the exact figure. I can bring that to the next meeting but I don't want to miss-speak.

Tina: Because basically what I am looking at is, if you can make what you have to do any work for—we are talking the trail because you are doing Equestrian so you are the trail, the barn, the arena, everything.

RC: Right.

Pam: Those trail markers have been put off long enough.

Tina: Well, that's what I'm saying. If she can make this work somehow by—you know what I'm saying? By trying to figure out how we get those markers out. We were trying to get it done this year but if you don't think we are going to be able to make it this year—

RC: Well, we've used every bit intended in the 2008 budget with the arena.

Tina: Without getting the markers?

RC: That is what I am asking.

RC: Because you said you could come up with some funds.

Tina: And that's the thing. I don't know how much more you need. Do you know what I am saying? If you said to me, "Tina, I need \$600.00 to get the trail markers done," we could find \$600.00. If you tell me we need \$1,200.00, I am not so sure I can give you \$1,200.00

Gail: What do the trail markers look like?

RC: They are—it is a welded piece of steel that can be welded on to a t-post and then it has got arrows made out of horse shoes pointing in whichever direction.

Tina: She had samples of them.

RC: We figured out that most of the ones that we need are going to be 3-pointers and that they would be a little bit more expensive because they are 3-pointers.

Tina: But you were going to try and get so many out, maybe—

RC: Thirty one actually total.

Tina: Three-pointers or 31 total signs?

RC: Thirty one 3-pointers.

Tina: Okay.

RC: And most of them are 3-pointers. But I will get an answer for you. Yeah, I will do it tomorrow.

Tina: Well, you see where I am going with this?

RC: Yes.

Tina: I don't know anything about what you are doing or what.

RC: I totally understand but at the same time, what we do need to realize though is that all the work that we have done in the arena will go completely to the wayside if we don't maintain it.

Tina: That is what I'm saying.

RC: Right.

Tina: You have to tell me. If you come back and say, "You know what? I've got this whole thing figured out and I need an extra \$500.00 in my budget for 2009," I've got to know that.

RC: Okay.

Tina: That is all I'm looking at. I'm not saying no. I'm saying I have got to figure out how it is all going to tie together because if you are planning on getting this little tool, and I think that is great that you are offering and all we have to do is pay for gas, that is fabulous. It is not going to help us—I mean, in the future when I don't have a person who is going to volunteer, then I will have to know how that is going to play out in the future. My other concern is the signs.

Gail: How long does it take to do that?

RC: To do the arena?

Gail: Yeah, with that tool.

RC: An hour.

Tina: Well, and if you can just break it down for me and then that way when we do the budget for 2009 we can see where we are at.

Pam: We will do what we can.

RC: Once a week which is about what it needs to be done for the amount of usage that that arena gets. And if we do it on that type of a schedule once a week, based on the usage that it is getting now and I am surprised at how much—I mean, it is getting used which is an excellent thing. But based on once a week, if we do that, you know, we are looking at 10 years before we have to do this kind of work to it again.

April: What was Jeff charging to do that?

RC: I believe his rate was \$35.00 an hour.

April: And it was taking him about an hour—

RC: Right. That is what we are being billed for.

Tina: And that's cheap.

RC: Thirty five an hour for that type of work is fair, especially when you consider what fuel is costing now but I will cut that down and do it at least for the next year just for fuel. We can make it work and then I will sit down and I will write out a budget.

April: Now that you have been riding the trails more and more, you appreciate our community and how open it is for being able to just ride all over the place.

RC: I don't think that is a question of anything that needs to be asked. I have always appreciated—that's why I moved here.

April: Ah, I got the impression that you did more riding away than you ever did here.

RC: Well, no, I do ride the trails here. I don't use the arena here because the arena wasn't usable. But now it is a true community area that is actually used. It is an asset to those of us who moved here just for—I mean, I'm going to be honest with you. I moved into that house because of that arena and then two weeks later after I had closed on the house, I took my horse, I went down to the arena and I'm like, what the hell did I do? Because it wasn't useful to me.

April: How long have you been here then?

RC: It is my third year.

Tina: It's been bad for a long time. What do you think the next big thing is necessary over there?

April: Besides your arena drag?

RC: Arena drag. I've also gone in there and I have seen hay in there a couple of times that homeowners are storing. I know that at one point there was a homeowner who for some reason had too many horses and had to keep a couple there at the barn for a few weeks. Maybe it was just a week. It wasn't very long. I know they weren't there very long. So there was like three horses in the barn for a while.

Gail: Is it livable, the barn?

RC: Like for a person?

Gail: Yeah, like my husband?

Tina: No.

RC: So I guess it is really going to depend on what all we want to do with this.

Tina: What can we do with this?

Gail: Yeah, what is its use?

RC: It is to store horses. Like, I had an overnight guest or something.

April: Or I had neighbors that they were building their loafing shed and had gotten their horses already and it was winter so they used the barn.

RC: Yeah, something like that would be its use but it is not a year round use.

Gail: Not a real frequent use, I guess.

RC: Not a very frequent use so maybe we could just get away with maintaining it by sustaining it.

Gail: Without doing any real improvements on it.

April: And I am just so pleased to see something happening with the trials.

RC: Oh, by the way, the monthly ride has been going very well. We are averaging seven, eight, nine people per month.

Tina: Okay, anything else for Equestrian, RC?

RC: No.

Newsletter – Susan. No report.

Sandy: Susan had asked me about getting an account number for advertising income from the newsletter. We do have that account now.

Tina: Okay, did you get that information to her then? No, she doesn't need that. You just need to code it to that—

Sandy: And I haven't gotten any funds from her either but we will have a separate line item now for advertising.

Tina: Good. And anybody else know anybody that wants to advertise in our newsletter, that would be fabulous. Anybody else have anything for the newsletter for me to tell Susan?

April: I would like to find more information about this water adjudication.

Nominating and Welcoming – Pam Schultz. No report.

Website – Sandy Perry. No report.

Open Forum:

Tina: Anybody? No?

Tina: Okay, RC, I had open forum. Did you have anything?

RC: No.

Tina: Okay.

Pam: I want to talk about ACC guidelines. Because she wants to put the suggestions in there and I don't want to put the suggestions in there.

Gail: In where?

Pam: ACC guidelines.

Tina: Okay, Gail is not up on that.

Gail: The building people, yes?

Tina: Yes.

Pam: And what we are doing is, we are taking the covenants and there are bits and pieces regarding ACC spread out in all different places in all these different covenants.

Gail: Yes.

Pam: So April and I are pulling that information from the covenants and trying to put it on one piece of paper for the ACC committee to use. So we have one thing to look at. So you don't have to flip through all these pages to find it so we will have a reference page basically is what we are working on. She wants to put suggestions in there and I am not comfortable putting suggestions in there. I just want it to be straightforward what they are supposed to do, what they can and can't approve.

Gail: You've got your guidelines; your one, two, three, four.

Pam: And the suggestions she had I want to put in the newsletter because they are suggestions for homeowners that I don't know what the ACC is supposed to do with suggestions. You know, they are just supposed to approve or disapprove a plan.

April: Mainly what I was talking about were things like, and I think it is actually in the covenants, one of them, about approved or suggested types of grasses, native grasses, okay? So nothing too specific. It is saying these types of grasses would be suitable for here and listing them, okay? I am not saying that we should try to convince people that they need to do it differently like xeriscaping rather, but that is an alternative.

Pam: Well why not put it in the newsletter?

Gail: I see your point there but I think if you are taking the stuff out of the covenant as a guideline you ought to just go with what is already in there and just pull that up.

April: Okay. I guess the reason I said that was when I got the packet that had all of the covenants, all of the amendments and bylaws, okay, I had to actually incorporate it, the changes for 2000, okay, which turned out not to be but there were several things on there that I thought were very important and I think that since they even bother to come up with these what they hoped would be changes but didn't end up being, they were things that people thought were important like trying to limit the amount of landscaping. Things like that but only as a suggestion.

Tina: But we can't suggest in a standard—this is a standard. This is basically saying this is our standard. I can't suggest in a standard. A standard is "a fence cannot be over six foot tall."

April: So what you are saying now is—

Tina: "It can't be over six foot but you can use cedar and pine and oak but you can't use birch." You know what I'm saying?

April: So what you are saying is, we are no longer going to be saying that we suggest that dog runs be kept to 200 square feet.

Tina: That is not a suggestion. We can actually make that a standard.

Pam: Because it already mentions chain link.

April: For a dog run.

Pam: But it doesn't go into detail on—

Tina: And we have also had history. See, this is the trick. We have actually had committees, ACC Committee determining the size of what they felt the dog run could be approved or not approved. They didn't approve a half an acre but they approved, you know what I'm saying? A 20 x 40 run.

Gail: Right, yeah.

Tina: So I have already got history that has been followed through for years that—

April: What I would like to see and I have never seen—

Tina: And that's the thing—

Pam: I'm glad we are writing it down because a lot of it has been verbal.

Gail: Your own little book of suggestions.

Tina: I think the suggestions are fabulous but they belong in a newsletter. The standards are a black and white piece of paper that—

Gail: It's more like a legal document.

Tina: I can hand to Gail and say, "Okay, Gail, you are now head of ACC" and she goes, "Okie dokie. How do I do this?" Okay, dog run. Someone's got a dog run. Wait, what do I do?

Gail: I have to see how big the dog run is going to be.

Tina: Yeah, what the max is.

April: So after this is approved and there is a date down here, okay, the homeowner would be given a copy of this that has the ifs, ands, and buts, and then we will just simply give them another page or two that just simply has the latest and the greatest in the covenants and the bylaws, right? The most current.

Gail: Oh, she's talking about what you are pulling out of the covenant? Is that what you are saying?

April: Right. So essentially that is all we are going to end up with. We are going to end up with this information here and another page or two that simply has a summary of the latest covenants and bylaws.

Pam: Summary.

Tina: Yeah I'm with you now.

April: Okay, so if we do that, then that just made it a whole lot easier. What I thought we were trying to do was come up with something that had this information and the covenants.

Tina: No. The only thing that is changing on this piece of paper—

April: Are the attachments.

Tina: Attachments 1, attachment 2, attachment 3. That's the only thing that is changing on this.

April: Okay.

Tina: What we are trying to do is do an ACC guideline. And we have to be careful what we mean by "guideline" because see, this just says this is how you approve—this is how ACC and the homeowner get something approved. It doesn't say that this is not allowed and this is not allowed.

Gail: Right, that you have to have so many square feet.

Tina: Right. We are coming up with kind of a simplified version of the covenant that specifically says this is your easement. Because sometimes you are reading for 15 pages to figure out what is my front easement. What is my back easement?

Gail: Putting it all in one place for easy reference.

Pam: Exactly.

Tina: Right. We can't change anything. Now, what we can do is define—we can really define the size of that darn dog run. But we can't define the size of someone's porch.

Gail: Yeah.

Tina: You know what I'm saying? Because that is really up to ACC. ACC still has the discretion. We just have to make sure they didn't overstep their boundary in any way.

April: Well, it is beginning to sound more and more like all you are going to get is simply a list of the most current, the most relevant covenant and bylaw period.

Tina: And I am hoping that maybe we can—ACC like Pete or what was passed down with like Debbie Leo going, you know what? She used to check when people were cutting down a tree. I mean, you couldn't build without her blessing that. I mean, we couldn't. We had one tree that was going to be right smack dab in our driveway and she said, "You can't touch that tree." And I'm like, what do we do?

Gail: Chris's house next to me, they pulled out that one mature tree and I sat there and went, I don't know.

Tina: But see, it depends on who you have with ACC and what they have passed from one person to the next to say yes, that is okay or no that is not. There have been times where Judy Trawinski would call

me and go, "Tina, this is a gray area. What do we do?" And we have had to look at it on a plan with the Board.

April: What have we been looking at up until now?

Pam: Probably flipping through the covenants.

Tina: Really, it is just that house and he has already taken care of that, Paul Stedman extra property. He did all of that and he was all on top of that and that has been approved.

Pam: And all the stuff for Beireis.

Tina: He has but yeah, that's a while back but recently I don't have anything. Are you talking about what he has done so far?

April: I just wondered what he was referring to.

Pam: I think he was flipping through the covenants.

Tina: No. All he had was the covenants and he has got Bill Herbrand who has been on ACC for quite a while. We've got a history. So that's the trick of it is trying to get all of that past stuff and try to make something out of it.

April: And this is a great reference here.

Tina: Okay.

Pam: But the suggestions still need to go in the newsletter.

Tina: I like the suggestions.

Pam: Those were good suggestions.

Tina: I like suggesting that we recycle. I like suggesting xeriscaping. I like suggesting all of that stuff.

April: I just wanted to mention that one of the most glaringly obvious things to occur to me as I was looking at this, I didn't even know if my well was in my name so I contacted the State of Colorado and they sent me a copy of my well permit. My well permit does not allow animals.

Gail: Oh, mine does.

April: But what surprised me was finding out that there are many that do not here and we are an equestrian community so I am wondering how this is going to work, okay, if we are an equestrian community but there are places that will be on the market coming up at some point where their well permit will not allow horses and I wondered if—that's kind of a conflict of interest and I didn't know whether that had ever come up as a question before.

Pam: I'm sure it has when people are selling their house it has come up.

Cynthia: No, it has actually even come up at meetings.

Tina: Yeah, but there is nothing we can do about it. I mean, it is not a Board thing. It is not an Association thing.

Cynthia: It's not an Association thing and it is through the state but it is one of those things that, you know, they make these laws that they have no governing or funding behind it so there is no real—but if it was pushed, the state could do something about it.

April: And as an Association, there would be nothing we could do about it then, huh?

Tina: Yeah, well permits, the Board won't even touch that.

April: I just wanted to ask. When you are looking at the image of our community, we are an equestrian community, people find out that my well permit won't allow it. How are we addressing that is what I'm wondering.

Pam: How can we address that?

Tina: How can we?

April: Okay, well.

Pam: No, seriously. Is there something we can do because I would be all for it if there was.

Gail: Dig a new well?

Cynthia: At one point it went out, you know, some publications to the community that that did exist and along with that went not being able to water lawns and xeriscaping and all that came up and at one point we had some community get-togethers where we actually had the county come out and have some conversations about that. Kind of around the time that we started to have some growth here that happened.

April: Well, I would just simply hate for us to get sucked into some weird lawsuit because we are claiming to be an equestrian community and then they get moved in and find out that—

Tina: Yeah, but that's the state.

April: I know, I know.

Tina: The state is the one that does the permits.

Pam: I understand what you are saying, though.

April: But I know how angry people will be.

Cynthia: But the well thing came after and the people that bought and drilled those wells were aware of that at that time. It is kind of a grandfathered type thing. The Association came along and the original wells are the old style wells that complied with that when it was originally done.

April: It says right in here that in 1993 they quit issuing domestic well permits for anything under 35 acres.

Cynthia: Right.

April: You know? Okay. I just wondered if that had come up before.

Cynthia: It has but not to that—

Pam: What did they start issuing instead of domestic?

April: Households.

Cynthia: Household use only.

Tina: And that's not right because ours is later than that.

Pam: And yours says domestic?

Tina: Yes. I don't know if you can get the well permit changed because it is filed with the state and what you have is what you have. The state is not going to come and start messing with people who—

April: Oh no, it wouldn't be the state. It would be someone coming up, you know, with an idea for a lovely lawsuit, you know, or something like that. I don't anticipate that the state would be a problem.

Cynthia: Actually, I was addressing something with a paralegal at one point and one of the things they said is you can sue anybody any time over anything and it is kind of like, why fight a disease that hasn't happened. You need to be proactive and be educated but not necessarily an alarmist. There is a difference. You can be cautious, educate yourself if you have a concern and then go from there.

Tina: But there is no way I am going to go and find out my neighbor has this type of well and I have this or I am going to call the state because the state would be like, yeah, stand in line behind. I really don't think that would ever become an issue. I really don't.

April: That's good to know.

Motion made to adjourn the meeting. Motion passed.

Meeting adjourned at 9:10 p.m.

Respectfully submitted.

Tina O'Bryan