

Pawnee Hills Community Association
Board of Directors Meeting
August 6, 2007

Board Members Present: Tina O'Bryan, Brian Cook, RC Cuellar, Steve Hamblin, Sandy Perry was present as Treasurer.

Meeting was called to order at 7:09 p.m.

Motion was made to approve the agenda. Motion was seconded and passed.

MINUTES:

Tina: I have on the agenda the appointment for the vacancy of a Board member position. Pam Schultz's term technically ended on July 1, of 2007. She was elected at the June 24, 2004 special meeting for a three year term. Her first official meeting was July of 2004, making her term ending on July of 2007. Therefore, I would like to make a motion that we appoint Pam Schultz onto the Board to fulfill the rest of this year's term ending in January when we have our annual meeting and can hold elections.

Steve: Can we have a discussion before there is a call for a second on that? I think that that is premature.

RC: You have to get a second before you go into discussion.

Tina: Premature?

Brian: I will second it so we can.

Tina: Okay, so it is seconded and now we can have discussion.

Steve: My whole question is and from discussions I had and looking at this, do we need to or are entitled to even appoint somebody in this kind of situation?

Tina: We have a vacancy on the Board. We can appoint someone to fulfill that vacancy until the next election which is in January, so help me out, guys, because I'm a little confused.

RC: I don't know what he is looking for but I know what I'm look for and when I find it I will give it to you.

Steve: The summary as we look at this, the summary is that it is—the way that I read it and looked at it was, and again, I should have marked this as well, but, that it basically says that if somebody leaves before the end of their term, then somebody is appointed.

RC: If somebody resigns or is removed, then you have the right to appoint someone. But in this case, neither resigned nor was she removed. Her term simply expired.

Tina: The Board can appoint for any reason. Are we looking in the bylaws? Steve, what page are you looking at?

Steve: It is page 519.

Brian: As I understand it, so other than being removed, then remaining Board members—and I don't remember if it says "shall" or "can" appoint another person to fill that vacancy. But a removal, then you would have to wait.

Tina: Okay, you guys are reading something different than what my understanding is. That is why I am a little confused here.

RC: Well, it is a little bit confusing.

Tina: Okay here. I have vacancy. "A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the office."

RC: But there is no term remaining. The term expired.

Tina: Okay, vacancies. "Vacancies on the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled by vote of the majority of the remaining Directors even though they may constitute less than a quorum." "Even though they may constitute less than a quorum and each person so elected shall be a Director until successor is elected at the next annual meeting of the Association." This is what we have always run by.

Brian: It says "shall" so that apparently we have to refill the position according to the bylaws. "Shall" means—

Tina: Am I missing something, guys?

RC: Do we have a minimum?

Brian: We are just having a discussion.

Tina: My understanding is that vacancies of the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association—so if the Association came and voted Brian Cook off this Board, this Board could not turn around and appoint him back in for the remainder of the term.

Brian: That's correct.

RC: Or anyone.

Stephen Gile: Number 13 is talking about removal.

Tina: Uh-huh.

Stephen Gile: And then it goes on to vacancies and that refers back to the removal.

Tina: Right, but nobody removed Pam from the Board. The Association nor the Board of Directors removed her from the Board. Her term ended, only because we held elections in mid-year because the homeowners requested we call a special meeting.

RC: I'm just looking for something that I saw earlier. I just don't want to contradict our bylaws.

Tina: I don't either. We have had, in the past, people resign before their term was up and we have also had people just not show up so we have had to appoint. We have always been able to appoint—and that was the understanding through our bylaws. If there is a vacancy, the Board of Directors can appoint somebody to fill the term—the remainder of the term which is up in January which is when we hold the annual meeting.

Stephen Gile: That's the operative word, "term."

Tina: There is a term. You fill the vacancy until the next election. That is the term.

Stephen Gile: You are talking about somebody that still has a term of office left.

Tina: And it says “and each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association”.

Steve: Right. This is all dealing with somebody that has been removed and has an unfilled term.

Tina: No.

Brian: This is a vacancy.

Tina: It is a vacancy.

Brian: It qualifies as a vacancy.

Steve: Okay, even if we just go with vacancy, I think the Board knows how I feel. I would like to explore other options, other people that may be worth appointing and things like that. I know that when you had two people or three people on the Board that you went months prior to appointing people and I certainly don't think until everybody is comfortable just with this that we need to do anything—take any action tonight.

RC: That's exactly where I am coming from. This hasn't been put out to the community to say, you know, there is an appointment available. You know, is anybody interested? Does someone want to look at this? Does someone want to volunteer?

Tina: Okay, is there anybody here that would like to be appointed onto the Board?

Bob Rowland: Yes I would.

Stephen Gile: Yes.

Bill Curly: Yes, but RC's point is valid. I happen to be here because I happen to know that at the last meeting a vacancy—

Tina: There is a vacancy on the Board. The Board is the one that fills that vacancy until the next annual meeting whereby the homeowners elect the Board of Directors.

Bill: Well, according to the SB100, you are required to notify the community of any of these important issues. Publish the agenda and allow the community to participate in the decision, according to the SB100. According to the law.

Stephen Gile: How many people were there at the last meeting?

RC: Guys, I don't know if—

Brian: It's not prudent.

RC: I can't tell you if it is SB100 right now that is governing how I feel, okay? What I'm telling you is that we should have put this out to the community just in all fairness and said there is an appointment available. Is anybody else interested? Does somebody else want to, you know, talk about it? Does somebody want to, perhaps, join Pam, you know, and, I don't know, work together? I mean, there are all kinds of options out there and the fact that we—that it has not been publicly made known that the term expired except for a few, what, handful of people, and now we are just going to appoint somebody—

Steve: To bring that up and nominate a person as the first call to order on a meeting with really no discussion or anything else prior to this—

Tina: I put this on the agenda and you approved the agenda. I've got an opening. I didn't know that you guys did not want Pam Schultz to be on the Board. So I am just used to, whenever you have a vacancy—

Steve: You took three months the last time or four months—

Tina: No.

Steve: Yes, ma'am.

Tina: Do you know why it took so long to appoint?

Steve: No—

Tina: Because the Board of Directors at the time could not agree on an appointment.

Steve: Okay.

RC: Okay, well I guess it's fair to say we can't agree on an appointment right now. We have other options.

Tina: Okay.

Pam: I am confused by an e-mail you sent to me RC.

Steve: Does it have to do with the motion on the floor?

Pam: Yes.

Steve: Can we talk about that separately?

RC: We can actually talk about it later but it's not a problem.

Pam: Yes, it does have to do with the motion.

RC: I stated my position as to how I felt regarding this and it really needs to go out to the public.

Tina: Okay, so you are saying we do what? A mailing out to the community saying there is an appointment?

RC: Post it in the newsletter.

Tina: Okay, so the next newsletter we are saying we have—

Steve: It could be posted in the mailroom.

RC: It can be posted in the mailroom.

Tina: An opening—

Brian: So if we can agree to elect someone at the next meeting, I would be for that. That would be great because I think everybody—I agree that everybody in the neighborhood should know that there is an opening and—

Steve: It's not elected, it is appointed and I don't know that we need to agree or to fulfill it. The last Board took some time until they felt that they had people that fit in with the Board and I think that we are entitled to discuss it, determine the direction that we are wanting to go and to find the person that fits into that category the best. That is how they handled it the last time.

Tina: Okay, so we put it in the newsletter and absolutely nobody says anything that they want to be on the Board except for Pam Schultz and you are going to tell me that we send it out to the community and there is only one person that says that they want to be on the Board and it is Pam Schultz and—

Steve: Again, it has not to do with personalities, it has to do with the direction that I feel the Board needs to go and things like that and candidly, Pam and I have disagreements on that fundamentally and if I have a vote to choose who is going to be on the Board, it would be somebody other than Pam.

Pam: So you want to appoint people that agree with you.

Steve: No, I didn't say that.

Pam: That's what I just heard.

Steve: No, but I think that you have been on the Board for three years. If you have been on the Board for three years, I think that it is time to possibly to bring in other leadership.

Pam: But what you said was you don't want someone on the Board that disagrees with you.

Steve: No, I didn't say that. I said that I want somebody on the Board that agrees philosophically with me in the direction that I'd like to take the Board. That's absolutely correct.

Pam: And how do we disagree on the direction?

Steve: That's not the motion on the floor, Pam.

Pam: But you've got to know.

Steve: That's not the motion on the Board. You brought it up.

Pam: No, you brought it up.

RC: Okay, guys. Totally off line.

Tina: Wait, Sandy?

Sandy: Just wanted you to know about the newsletter. Next month we may or may not be sending out a newsletter.

Tina: Because we have the coupon books.

Sandy: If you are going to write some kind of motion regarding the newsletter then it is going to have to be a separate mailing.

Stephen Gile: When we mail out all those coupons, could we—

Sandy: CMA is going to be doing that and I'm not sure when they are mailing them. But we could just like put out the last newsletter and warn people that coupons are coming, newsletters will be going quarterly, annually, monthly, whatever. It depends on what the board decides to do with the newsletter.

Tina: Nevertheless, if we do not send out a newsletter, we will just post it at the mailbox shelter that there is a vacancy for a Board position and that would be our September meeting and that position would run until the January annual meeting. I'm sorry, Steve. I had no idea you guys had something against Pam. I really—

Steve: I think that it has—Excuse me. I would like to speak.

Tina: If I had known that there were issues—

Steve: I have made it clear in an e-mail to the Board. I think I said that I would—that I think Brian could tell you how I felt from the e-mail that I did not think Pam would be who I would appoint and you received that e-mail.

RC: And for you to refer to it as a personal issue is completely off line.

Tina: Well, unless he can say that Pam Schultz has done something to deserve to be off the board—you're talking—

Steve: Tell me why you didn't appoint me!! Tell me why the Board didn't appoint me? You sculpted the Board the way you wanted it, Pam, and we have the right as Board members to appoint anybody we want and I don't want to appoint you.

Tina: Okay.

Pam: I appreciate the truth coming out; that it is all about you not being appointed—

Steve: That's not it at all, Pam. That's not—no. The issue is, if you go back to the minutes for the last six months, is we have had big differences on the fees, on posting legal issues. We go head to head every meeting, Pam. And the fact that you don't even remember that or see that, that is where the issue, not because I wasn't appointed, Pam. The issue is that we go head to head on different issues. I see the Board going in a different direction, not being as hostile to the community. Not being all about fines, not being all about punitive and I would like to see the Board go in that direction. You do not fit into that category. You sit there and you hold up your rules and your regulations and your amendments and that is the issue. So if you want the issue and you want to ask why, that is the issue. It has nothing to do with personalities. It has to do with the way that you were leading this Board, I disagree with.

Pam: The last discussion I recall about fines was the one where I said we need to have a special meeting to go over that policy as soon as possible. That is the discussion I had with you and you chose not to do that.

RC: Once again, in order to diffuse the situation, I really think that we are going way beyond any possible discussion.

Tina: Let me go backwards a little bit. Do you feel that we can't—we're not talking about who, I'm talking about, do you feel that we can or cannot appoint somebody? Because if you, RC, you are telling me we cannot—that is your belief. You are telling me we cannot appoint somebody so I don't want to go through this whole newsletter posting hoo-ha if you guys truly believe that we are not allowed to appoint.

Steve: Then let's bring it up at the next meeting when it has been time to go through the minutes and go through the discussions and to have some points of order.

Brian: That will give her a little time then and probably if she wants to have a discussion to the folks that want to be on the Board, I'm all for a discussion between folks that want to be appointed to the Board. It's not that I don't want Pam. I'm not going to take that road.

Tina: And that's fine. My concern is that, I don't want to say that we are going to appoint somebody if you guys believe that it is against our bylaws to do so.

Brian: No it's not.

Steve: Now let's just look at the time line then. This is August meeting. If we hold off until September just to have discussion, if we are going to appoint somebody, then that goes out to the newsletter and things like that

and it goes to the October meeting. So somebody is effectively going to be sitting in December and January meeting because of the way it falls for two meetings. So is it worth the effort or do we just run with a four-man Board for the remainder of this year?

Tina: That's what I need to ask. I believe you can appoint. If you guys feel that you are going against the covenants and saying you can't, then I don't want to go through this whole thing to come out with you guys saying we are not allowed to do it.

Brian: You can appoint someone per the bylaws. I just don't know that we are going to be able to because obviously other folks want their chance at a seat and that's good.

Tina: And that's fine.

Brian: It is good that there are folks here that want the seat just as bad as Pam does. And that's good. It gets people in and out and, you know, I think that's a good thing. I think someone should be appointed in the next couple of meetings.

RC: There is a motion on the floor right now. Motion either needs to be voted down or withdrawn and then we can continue to have other discussions but there is that motion on the Board to record.

Tina: You're right. My motion was to appoint Pam Schultz back on to the Board until the January meeting and I had a second. We had discussion. All in favor? One aye. All opposed? Three opposed. There we go. Thank you. We got that done.

Facilities Report - Cynthia.

Tina: Cynthia is sick, so I am going to attempt to read this and fill in some of the blanks with what I know here. We are having issues with minor vandalism. The chlorine tablets are smashed on the deck and other peoples' toys they leave behind are being broken. When the chlorine tablets were removed, they ended up using the granular for a temporary fix. A tennis shoe was destroyed and thrown in the pool. The steam room door was ripped off three times and the phone was stolen downstairs. This happened between the last meeting and this meeting, just to let you guys know the time frame of this. Just this last Sunday, early in the morning, 1:30 in the morning, there were swimmers over here.

Stephen Gile: I heard them.

Tina: You heard them?

Stephen Gile: Yeah, I heard them over here.

Tina: Did you call the police?

Stephen Gile: I wasn't sure about—now that you are saying they were over here. I heard people over here. I didn't know if it was here or some house but I heard somebody about that time.

Tina: A homeowner picked up the phone and did call the police. Just to let everybody know, any time you do hear somebody over here after hours, the police need to be called. That way we can at least try to catch them in the act if there is vandalism and go after them for damages. They are trespassing. The police were called. Cynthia was called. She came over here. She got the license plate down and she forced the people to walk around with her to make sure there wasn't any damage and told them that the police were on their way and that if there were any damages that they would have to pay for those damages. There were none.

Stephen Gile: Just a question following up on - what time do they actually close the pool down? At 10:00?

Tina: At 9:00 p.m.

Stephen Gile: 9:00? So if hear people, sounds like it is over here after 9:00, let somebody know?

Tina: Well, I would say, normally we close it down at 9:00 but sometimes she gets over here around 10:00 to put the cover on.

Pam: I would say any time after 11:00 p.m.

Tina: Sometimes there are reservations that go that late.

Pam: Until they come and close, you are welcome to swim and—

Tina: I would say if you hear anything after midnight, we are probably in a situation.

Stephen Gile: After 9:00 or when they close and then just by ear after that. It is kind of if you notice something is going on, it is kind of a red flag to make sure you start paying attention.

Tina: Usually midnight, 1:30, 2:00, 3:00 in the morning is—we have had 3:00 in the morning people also.

Stephen Gile: With kids or adults?

Tina: Kids.

Brian: Does the pool need to be open after dark? I mean, really, 7:30 it is pretty much dark.

Tina: Well, some people have parties over here.

Brian: I understand.

Brian: That's fine if there are reservations but—

Tina: But if she hears anything after she has put the cover on, then we know we have got a situation. Because that means that they have had to pull the cover off to get into the pool and that is usually when it gets ripped and torn up so we were lucky enough that the police did come and everything was taken care of.

Pam: Just my opinion. If you see something is going on, this is your place. Everybody owns this and everybody should take responsibility for it.

Tina: Cynthia does have the license plate number so if anything else happens that we find out later there was something damaged, we can go after them. There has been smoking in the steam room, sauna, and basement and in general, requiring additional cleaning because of it because they throw their cigarette butts and trash around. Due to reservations every week in August, the remediation has been postponed until September following the pool closing and we will talk about the remediation situation hopefully. The electrician is out of town and Cynthia has not been able to get his opinion on the fans for the steam room. Scheduling of the fire extinguisher and fire inspection is in process. She is waiting for a call back. That is done once a year. Pool closing is pending a return call from the pool company to schedule the exact date following Labor Day. Sometimes if the weather is right, we can extend the pool time, depending on how our weather goes. Shelley and Brian will stay in employment to come help periodically on weekends but are going to go back to school August 10, 2007. This will be on an as-needed basis. So, we need to support Cynthia on this stuff. This is a lot of work for her to do.

Stephen Gile: How much have we spent on vandalism in the past year or so?

Tina: We have made it all year, if you are just talking about them pulling off the door and extra clean up, it is minimal. I bet it is maybe \$200. So it is not enough for high security yet, Steve, but I understand where you are going with that.

Stephen Gile: A camera would only cost us \$300.00.

Tina: I know. But as we talked about before, the concerns we have with a camera and people not wanting them or their children photographed. Anyway, moving on, the door is re-hung in the document room. The bolt lock still needs to be adjusted. It has always been stiff to lock.

When you leave the meeting, please make sure the doors to the main level are all locked. The middle door to the basement was left open last meeting and the deck door has been left unlocked. Please don't lock the basement exit door unless it is after hours and there is no one else in the building. Please do not lock the bolt lock to the main level because people with reservations cannot enter with their code. Cynthia purchased a new sprayer and will take care of the walkway and between the tennis courts within the week. She got the mower back Friday and she had most of the external mowing done until she got rained out.

RC: We still don't even have a contractor for the remediation.

Tina: We do have for the mold and the stuff for the remediation, yes. We've got a bid, we've got a solid contractor but that information just hasn't gone to the Board yet because she is still looking for another company to bid so that we have at least two bids.

Communications from the Community Members:

Tina: I will go ahead and start with the one that Steve Hamblin handed to me at the homeowner's meeting. This is to Pawnee Hills Community Association from Jim Chandler, 1425 Shoshone Trail. "In your latest letter dated 7/17/2007, you claim that you have enclosed a report that shows the activity on my account. Perhaps that was an oversight. There was one and only one sheet of paper in the envelope. There is no accounting of your latest charges. Colorado law and our covenants require that you conduct a vote of members gaining 2/3 approval for any changes to the covenants. You have never conducted a vote. Our covenants do say that a Board may charge reasonable fees as defined herein. Unfortunately, the authors of the document decline to state any schedule of fees and fines herein. To add a fee and fine schedule to the documents so that it can be included herein requires a 2/3 vote of the homeowners, not a decree by a three-person committee. I state once more my objection. You may not charge me these fees. You have no legal right to them. You have broken the law of the State of Colorado by trying to charge me. The State of Colorado also requires that you have some sort of process to allow people to discuss their disagreements with you. That means that you need to sit down and talk this out with me. It doesn't mean that you can continue to ignore my objections and keep adding more bogus fees and fines to my account." Cc: Colorado State Attorney General. With this he had paid his dues in full so he is completely paid up and back in a zero balance so he paid all the fees and the charges incurred.

RC: But we still need to respond to his letter. I mean, he told us that we are ignoring his letter. So if we don't respond—

Tina: We did respond to his letter.

Steve: I don't know that a response is necessary on this letter. I mean, this has been an ongoing thing and I think that a better response would be if we looked at the resolution and the fees and look at what is going to happen with the new accounting firm and I think that we have to discuss all of those things. I think just to respond that we got your letter and he will respond back, I think it is kind of an endless loop.

RC: I think a response indicating that there is, you know, look at the resolutions in process might be better than just ignoring it which we have ignored—we responded to one letter and he keeps telling us that we are ignoring him and we keep not responding to him which in my—

Tina: We did respond back to him. We did send a letter back to him. Right before this letter, we wrote him 7/17/2007. He wrote us this letter and included his check in with this letter. So I'm taking it as, here is my check, I still disagree with you, I am still going after you with Colorado State Attorney General but this is my

feeling but here is all your money. I don't know whether we can say thank you for sending us your money. I mean, I don't want to irritate him.

RC: No, not what I had in mind.

Steve: I think that the issue, and it has to be visited, although we didn't say that there was a time certain on that, is, he questioned our right or the Homeowner's Association to levy fees and penalties, an argument that we have heard more than once by more than one person. It was responded, if memory serves me, because I don't have it in front of me from Tina saying that we do have the right and citing the bylaws and the covenants giving us that right. To go back and recite that seems a bit redundant and we should probably revisit the resolution, how we handle things, if we are going to change anything with the new accounting firm and things like that. But I think just to respond and cite paragraphs again is—

Tina: I think is annoying. I mean, that would just annoy him. We will be going to a coupon system and new accounting system so things will be better.

Steve: I think that we need to set aside some time for meetings. I think that we have a lot on our plate and it is very hard to accomplish in this and I would like to try to set—I don't know if people have their calendars but I would like to, if not tonight, by the next meeting or at some point set some time when we are going to sit down and work through some of these issues.

Tina: Absolutely.

Bob Rowland: On the issue of Jim's letter or that issue, I had that issue myself. I would just like to say, I do believe that that is a legal issue that if a homeowner, whether it be me or Jim Chandler or whatever, wants to challenge that rule about fees paid, that should be done in court.

Brian: That is correct.

Bob Rowland: And it don't have to be done—he has recourse, Attorney General or whatever, I have recourse. But I would kind of agree with you on this. You know, there is not a letter you could really write to resolve that. That is at a point where it would have to be resolved by a third party, not you guys. That's my point.

Tina: Okay. Bill?

Bill Curly: I'm wondering if the Board is aware that they cannot meet in private. That all meetings of the Board have to be public.

Tina: We can have working meetings.

Bill Curly: No.

Tina: We can sit down and work, we can have working meetings as long as we don't make any motions or decisions at that meeting.

Bill Curly: Where do you find that in the statute? All meetings of the Board—

Steve: Let's not get into this tonight. This is way off topic.

Bill Curly: The reason I raise this folks, is that we need more transparency here.

Tina: Okay, if we need to call extra meetings, we can do so and post it up at the mailbox shelter and invite everybody to come. Absolutely.

Stephen Gile: This is in regards to Jims letter, to respond to him. I think you should write him and tell him we are planning on looking into this further. That's what I'd want to hear.

Steve: Just to keep things moving and I respect everybody's opinion but this is a response to one letter which I think is a Board issue not a large discussion from the floor.

Tina: The next communication from a homeowner was dated July 17, 2007 to Pawnee Hills Board of Directors from Robert Roland. "Board of Directors: Article 4, section 8 of the bylaws regarding the issue of Director terms and when members can vote to fill vacant positions. The current bylaws language clearly states that the first Board comprised of three Directors in 1977 was for terms of a one year, a two year, and a three year term. It then goes on to say that all subsequent Board members will be elected for a term of three years. Even with the members vote in January 2005 meeting where we voted to make two year and three year terms, there is no one year as shown by the official minutes of that meeting. At the very least, every current member of the Board who isn't specifically a three year term would be two years. Also, the covenants and bylaws require recording these changes and that has never been done. I could argue either way but two years is the minimum and I believe anything less than three years leads us open to a legal challenge. Current Board member Pam Schultz was elected to the Board by a majority vote of the quorum present at the June 2004 membership meeting. This calls for her term to expire June of 2007 and for a replacement director to be seated at the first meeting following a vote of the membership. Article 4 of the bylaws, paragraph 5 states 'the order of business at all meetings of the members shall be as follows' then lists on line 1 election of directors if applicable which, of course, after three years is just that, applicable. Put that together with the clear language of the bylaws allowing her a three year, 36 month term, and this is clearly a required order of business at the July 28, 2007 meeting of the membership. The Board must allow us to vote on this expiring term at the upcoming meeting. To ignore this bylaw and member right and to leave her on the Board following this meeting would make her an improperly seated and illegal director. I believe that this would put Ms. Schultz and the Board in a very dangerous legal position when it comes to voting and spending HOA funds beyond the end of her term. It should be noted that Steve Richardson was voted to the Board at the June 2005 member meeting, then at the January 2006 meeting. The Board discussed, made a motion, and voted to start his term in January, ignoring those first six months, thereby exceeding their authority. This was not allowed for based on the points I have made above as the Board cannot change the right for members to vote on Board member positions at all meetings of the members. The Board made the decision while reciting that the January meeting would be the only meeting where members would be allowed to vote for Board members, thus, exceeding their authority. The mid-year member meeting as well as the January member meeting both meet the definition of article 4, section 5. If the Board members term has expired, the Board is bound to follow this bylaw. Therefore, as a member in good standing, I remind the Board of their responsibility to follow the requirements of the bylaws currently governed, governing our HOA and that you recognize that Ms. Schultz's three year term to the Board has expired. This will require the nomination and voting by the memberships to fill that position at the member meeting on July 28, 2007." Sincerely Robert Rowland.

Tina: Bob, you understand that we cannot elect Board members except for at the annual meeting per our bylaws.

Bob Rowland: Obvious by that letter I disagree. But I will not argue with you, that horse is already out of the barn.

Tina: Okay. Do you need a response back or—

Bob Rowland: I have my response. You do not have to respond.

Tina: Okay.

Bob Rowland: My point in my letter was you did not properly make that change. But just so you know.

Tina: Okay. Alright and I think I did so there we go. Sandy, you want to go ahead and do your report from the treasurer and then we will talk about this IREA rate change because I think that is a positive item to discuss.

Treasurer's Report: (Sandy)

Listing of checks written and discussed. Motion

Tina: Does everybody know about this IREA change? Just to let everybody here know that Brian was wondering why we were being charged the commercial rate for the electricity for the clubhouse and so Brian called and said that we are a non-profit so it gets us a better rate and so called them and then Sandy and I worked on getting the paperwork of course. For some reason they didn't believe Brian when he said we are non-profit. Sandy and I ended up filling out all the paperwork to go out to them to get the rate changed. So it is less.

Brian: What was the change in rate? Do you know? Can you tell?

Sandy: It is a little bit less. They also gave us a \$5.00 credit. So I'm not sure where the credit came from or from what dates.

Sandy: As far as what CMA does, I tried to get a hold of Jennifer today. She is out of the office until Wednesday. I need to verify that our coupons will be going out before the end of the month and get things going with the payroll. And if they can do the collection letters—

Tina: But the timing may not work so we will see what that is.

Sandy: But then also, if everybody saw the welcome letter that I tossed out to you guys—

Tina: Did everybody see this?

Sandy: And just see if maybe if we've got any changes or something because we need that to go out with the coupons so the sooner the better.

Tina: Okay, the only changes that I had were, the colon here. And I want to put "please keep us posted" and take out this sentence here.

Sandy: Okay.

Tina: Alright? So I took out that sentence. I put these in quotes here, alright? I took out that so your association "now" offers...

Sandy: Okay, then this paragraph—

Tina: The paragraph that we wanted to add in there, Sandy and I were talking about, was adding in, like, for pool keys, club house reservations, or any questions regarding the Association not related to payments of assessments, please call the 646-0126.

Sandy: Because the letter I forwarded to you guys was CMA's generic—

Tina: Welcome letter.

Sandy: We're taking over the whole property kind of thing so they were giving out 24-hour emergency numbers and stuff like that and I just kind of scratched that out because it doesn't apply so we were just thinking just that people still need to know to call the clubhouse for stuff.

Tina: So I just put that little paragraph in there so that if it doesn't have anything to do with your—

Steve: This is CMA just talking about—that's going to go out with the accounting change notification, how they are handling things like coupon books and all we are saying is, because their boiler plate letter stated that for

emergency 24-hour service that we are just saying that we are keeping that in-house and that is not going to CMA's responsibility.

Tina: Do you want me to read this out loud you guys or are you guys okay? Okay. The only concern that I have, and I have talked to Sandy about this is, there is one part where it says to take advantage of this service which is the auto withdrawal. There is a yellow piece of paper, auto withdrawal initiation form in your coupon booklet so I want to make sure that the cover letter, the coupon booklet, and this withdrawal form, make sure it all goes out to the Association so that it makes it for the letter. So there you go, Sandy. Those are the changes. If you can't read it, call me because I am a scribbler.

Sandy: Everybody else is okay with it then?

Tina: Everybody else is okay. So out the door it goes.

Brian: Great. This is going to be awesome.

Tina: Does anybody have any questions for Sandy? Otherwise, I am going to make a motion to approve the bills as read. Discussion?

Motion to approve the bills as read. Motion was seconded and passed.

Tina: I have to say, Sandy has been working her butt off trying to get this transition going from one bookkeeper to the other.

Brian: Thank you, Sandy. You rock!

Tina: We should be getting the coupons out the door for September 1. I did send out the letter to Diane Kramer of Total Bookkeeping Operations (TBO) regarding the cancellation and terminating her contract as our bookkeeper. I faxed it out to her and then I called her on the phone and she was very nice about it. In fact, I think she was happy that we were going away. But I told her, thanks for everything.

Brian: But she was okay with it.

Tina: Everything was okay on that one so that letter went out to her and then, of course, we signed the new account agreement with CMA to get that done so that is taken care of.

Steve: Can we spend just a couple of minutes maybe for people in the meeting because I don't know that people are even really aware of this change. I don't think it has been—

RC: CMA?

Steve: Yeah.

Tina: Well, we have had a few problems with TBO, Total Bookkeeping Operations. We have had Susan Johnson with ABC Solutions as our bookkeeper for years and Susan decided not to up her contract. We then hired Diane Kramer with TBO as a bookkeeper. They are really just bookkeepers. They do it out of their home. Years ago, I think that was a good fit for Pawnee Hills but we have evolved so much and the times have changed. We were having some difficulty with the numbers that Cheryl was getting for collections. You know, years ago we never went to collection status, we just would put a lien on somebody's house for 100 years. We charged them 1% per year. They didn't care. They didn't bother paying. The liens were on there forever. We have kind of evolved a little bit. We need somebody that was more of a property management company that was able to handle all of our accounting needs in a timely fashion, homeowners could pick up the phone and call them and actually get a hold of them, that they weren't on vacation, that somebody was always there to back them up if we had a situation or a question. We had looked at CMA prior to picking TBO and that is why it was an easier fix for us to go right to them. We think they are going to save us some money. We voted as a

board, last month I think to go ahead and go with CMA. They were equipped to be able to do the coupons which we think is a huge savings for us and they were equipped to do automatic withdrawal that we didn't have with Diane. Does anybody have any questions?

Steve: Some real plus' to this was 1) It was a fixed cost. 2) Is that they manage I think over 4000 properties in 40 some or maybe even more than that HOAs. It really kind of gets us out of the collection business. It gets the HOA out of that. It becomes a business transaction. They will have their own phone number set up so that when you call, they could answer "Pawnee Hills." It is just done right. People can pay by credit card their monthly thing if they want to do that. Get the miles. A little short this month, pay by credit card and avoid a lot of the hassle. So I think that there are a lot of advantages of having a professional management company handling this. And just having the coupon books I think is huge.

Tina: I do to. I think it is a real positive thing.

Sandy: Since we changed the meeting date, Diane did not have the account balances for us for this meeting, but I should have it for the newsletter posting.

Architecture Control Committee (ACC) - Pete Smilanic

1576 Belgian Trail, they had approval for a driveway. They changed it to have a single access instead of double access so it was just a re-approval on that. 1198 Belgian Trail had a six foot fence in between his house and his garden and then a wooden fence up above his property. Both of those are very simple. 1145 Pawnee Parkway wanted a little bit of green fence right next to his house and then 1638 Pawnee Parkway widened a driveway.

Activities - Karlene Herbrand. No report.

Buildings & Grounds - No report.

Covenant Committee - Chuck Nichols. No report.

Directory and Welcoming – No report.

Tina: Pam is volunteering to be on the Welcoming Committee.

Pam: So if we could just set it up with CMA to let us know when there are new occupants I could take a Directory to them and kind of welcome them in.

Tina: We would have to check with CMA.

Pam: Well let me know.

Equestrian - RC Cuellar.

Tina: Do we have signs?

RC: No, we don't have signs.

Tina: Do we have pictures of signs?

RC: No, we don't.

Tina: Just to let everybody know, we have been talking to RC as far as getting more signage up just so that people have an idea of where the trails are. RC was trying to look for something that was affordable. Obviously, we need quite a few of them. I am looking at maybe we just get as many as we can afford to get

and get those out there and then we just keep adding on when the funds become available but I think it is really important to get those signs up, whatever signs we can.

Newsletter - Susan Laessig.

Tina: I haven't seen Susan or talked to her but I guess we need to decide what we want to do with it.

Sandy: Can you just put a mention in the newsletter if it goes out asking people to mow their easement because there is a lot of grass around and just in case of fire there is a danger.

Tina: Sandy, did you have something? Newsletter, guys. We have to decide what we are going to do here. I don't have a problem with—go ahead, RC.

RC: Quarterly newsletter.

Tina: Well, we don't always have stuff for the newsletter. We can state in the next newsletter that the newsletters are posted on our website otherwise if you want a hard copy to please contact the clubhouse.

RC: Can you try quarterly newsletters?

Tina: Starting when? Already I've got something to go in the newsletter.

Pam: Well, if you do the monthly thing, I mean, the ads and—

Steve: And I think that that could be—I think that—I do think that the newsletter done right, if we can fill it, is worthwhile. I was thinking tonight talking to my wife, we have got to get hay. There is probably enough people in this community that need hay that if people leveraged the buying power of Pawnee Hills, now that would be a great thing for the wide space. I would be happy to organize it with somebody else and we could—and so I think if we start using the newsletter as a community newsletter, that I wouldn't mind continuing it monthly until we just—if there is nothing there to post out on the website and in the mailbox, that there is not going to be a newsletter in September. There is just nothing newsworthy and that in itself would be good news.

Tina: We could put out the newsletter any time if we do it—and I know we were trying to save money too, so do we mail the newsletter out to everybody or do we create the newsletter and post it on the website and have it up at the mailbox shelter? That is really what we need to decide.

Pam: As myself and other homeowners have mentioned to you in the past, not everybody has access to the internet.

Tina: Exactly. So we can also post it at the mailbox, but then again, not everyone goes to the mailbox shelter.

Stephen Gile: To save money and everything, I know a lot of us would just rather get it electronically.

Tina: Well, we can't send it out electronically. I can have it on the website.

Steve: Wait, wait, wait. Time out. Just a second. Let's talk about that because if we had enough people which could go into the community section that says I want it electronically, I have no problem putting up a distribution list, I get it one time, I push send, it is done electronically for everybody there. It would take a matter of minutes if we decide to do this monthly.

Tina: Well, what is the difference between putting it on the website and then getting it electronically?

Steve: Well, maybe they are not going to browse to the website but if they get an e-mail with a newsletter, they may read it. A lot of people are not going to go out and—

Brian: They don't have internet access but they have e-mail and stuff like that.

Tina: How about if we do this. How about if we go ahead and create a newsletter for this month. I think there is something we can put out every month. I really do. We just started the community section portion of the newsletter that I think will take off—

Steve: I do too.

Tina: I mean, you've got to give people a chance and I think we need to send out a monthly newsletter. I think it is important.

Brian: I think we need to get smart with it and try to get an electronic type of file.

RC: So it is going to be a September 1—

Steve: I think that is certainly worth looking into and check the regs but it is pretty easy to do. If we can do and I would think that because if you use a newsletter and you can talk about meeting dates and things like that, then it is going to fall under the public right to know and—

Tina: But think of it this way. If Steve Hamblin decides that he is going to do this and then he decides that he is going to stop doing it, then who will pick up the ball and run with it. So let's do this. Let's go ahead and do our regular monthly newsletter. Let's look at what you are talking about at the next meeting because what we do is also put in the newsletter—we need to put something out to the community asking if you interested in doing it and if so, you have got to do XYZ. So if you can come up with a form that they fill out that they return back to PHCA with whatever information you need to get it going. So are you going to draft that?

Steve: Yeah.

Tina: Okay, you draft that. I'm writing it down.

Stephen Gile: Just don't show everybody's e-mail on the mass mailing

Steve: Absolutely.

RC: You can do it like a group, right?

Steve: Yeah. Once you get the e-mail and then you would blind copy to the entire group and then nobody sees anybody's e-mail. It just comes to undisclosed recipient.

Nominating Committee: Pam Schultz no report.

Website: Sandy Perry

Steve: Can I make one point? When you are scanning things, whether it be for the website or distribution, is there a way that you can turn the resolution down so that each page isn't taking up almost a half a meg?

Sandy: I got it set at 150, 100 it tends to get a little bit fuzzy. I know that—

Steve: Because I can stand the PDF for about 45K with very high resolution so I am just wondering—

Tina: This wasn't a very good copy that we had originally. That is our problem.

Steve: Well, everything that we get, correspondence and things like that, they are just huge files and when you are on the road, it is—you know, and receiving big e-mails it takes up disk space.

Tina: I did let you guys know that there was notification to TBO regarding cancellation of the contract. I did send a letter to Cheryl regarding the commercial activity resolution. I attached it to her and I said "Attached is a copy of the commercial activity resolution that the Board approved. A copy of this resolution will be posted on our website as well as mailed to all the homeowners with their August newsletter and statement. I have faxed a copy to Chuck Nichols for his own information. Please be advised that the Board would like to stop the declaratory judgment. We do not feel the need to continue with this class action and would like to put this to rest once and for all. Please notify David Rolfe of our decision so that we do not incur additional charges regarding this issue. Feel free to call me if you have any questions." So that went out, to let you guys know that that was taken care of. The only open item that I really have for the Board which doesn't have to be addressed right now is, obviously we have the ACC Rules and Regulations that need to be reviewed. I asked you guys about that last month. We should probably get on that soon and then the changes to the pool rules sign, again, Cynthia is going to work on that and we will put a draft together of what we think the changes should be. Unless anybody can think of anything that I am forgetting which I am surprised because I was kind of caught off guard. I thought I had a couple more days. Does anybody have anything for open forum?

Open Forum:

Bob Rowland: On the communications part of the discussion, something that came up at the 28th meeting, just FYI, I had created a blog called "Pawneehills.wordpress.com. A blog that is set up with a name that has been registered, Pawnee Hills blog. It is a place where people can go post and see all the other comments. It needs a non-partisan administrator and I am willing to turn that over to the Board, give you the password of which you would be able to change and properly administer. I think it would be a wonderful forum, something that somebody is willing to use. There is no cost for it. It is free. There will be no ongoing costs and people can go onto that and discuss issues of the day or whatever. I will need to show somebody how to get into the administrator part of it. It is a little bit complicated but once you do, get your own password and you can watch the contents to make sure there is no vulgarity or inappropriate comments or whatever.

RC: I think it is a great idea.

Brian: Good job.

Tina: I don't have time to administer it. I am not going to sit there and read it. I am not going to be able to say, you know—if a Board member wants to look at it and then take parts and pieces off of it saying a homeowner suggested XYZ and bring that to the Board, I think that is a good idea.

Pam: Whoever administers it needs to honor that commitment and look at it daily.

RC: Actually, it is just a place where—it is not a forum for the Board to take suggestions off of or for the Board to take suggestions off of there. It is simply a place for Pam to talk to Robert and—

Pam: Well I thought if somebody does throw something inappropriate or vulgar or whatever, whoever commits to this needs to commit to a daily—

Sandy: For the website, do you want me to include a link to Bob's blog?

Bob Rowland: It is not a blog.

RC: You should probably see how much activity it gets and give it some time.

Steve: I would like to plug it in the newsletter that it is there and to see what kind of thing—at this point, you started it. My feeling is, you can administer it for a while.

Tina: Well, that's kind of what I'm saying.

Bob Rowland: I mean, quite frankly, I don't want to administer it.

Brian: Are you non-partisan?

Bob Rowland: I am probably not.

Brian: I appreciate your honesty.

Bob Rowland: Let's be honest. And, I mean, it is not going to fly. It is a tool. We set it up. It is easy to set up but it needs to be administered.

Steve: How about we plug it in the newsletter just so that it is out there, that you put it on the blog that it is in need of a non-partisan administrator and see if somebody from the community is going to step up.

Steve: We can pull the link to it at any time we want. If it starts looking like the Bob letters, we can pull that in a heart beat.

Pam: Who is going to decide who is non-partisan?

Brian: Exactly.

Bill Curly: That is the point to the blog. The whole point to a blog is to get different takes on issues. There is no partisanship here. We just either agree or disagree on issues. That is all a blog is.

Tina: You guys started it, you should monitor it.

Bob Rowland: I do not want the responsibility nor will I accept the responsibility of deciding who would take it. I am saying it is yours. Do with it what you will. I don't care who you give it to.

Steve: I thought that was very responsive. I don't have time to administer it. I can't make a daily—

Bob Rowland: There is somebody who can go in it as the administrator—

RC: I will be glad to do it. I am online almost 24 hours a day.

Tina: Okay, so, what do you do with it then?

RC: You basically just—is it a post? Is it a post moderator approved type thing?

Bob Rowland: No.

RC: It's not?

Bob Rowland: No. The only thing you can do as the administrator is go in and post a general question or you can go and delete posts if they are inappropriate.

RC: If they are inappropriate. Okay. I will be glad to administer it.

Bob Rowland: I will give you the password and show you how to take over and then you change the password so it is no longer accessible to me.

Tina: And can you write the paragraph for the newsletter just so to make sure I get the right whatever you've got to do to go there.

Steve: And I would say that you put the link in the website as the newsletter comes out because I think right now a link to a website that nobody really knows what it is, that would cause—

Tina: If you are trying to keep the Board out of it, then how can we have RC administer it?

Bob Rowland: All she is really doing is taking the vulgarity out.

Steve: She is also a resident.

Tina: And she is also a board member.

Bob Rowland: Don't worry. If it gets to the point where it becomes so edited that nobody can talk, I will start another one.

Steve: RC is also a resident and can do it as a resident.

Bob Rowland: Can I make a suggestion?

Brian: Shoot.

Bob Rowland: Why don't you guys start it this way. See where it goes. And if it becomes another committee like the Equestrian or Covenant, it is up to you but you know, it is your deal, I just set it up.

Steve: I thought it belonged to the community not—

Tina: See, I don't want it to belong to the Board.

Bob Rowland: No.

Steve: It belongs to the community.

Tina: I mean, that kind of defeats the purpose of having homeowner input, if the board is tied to it.

Bob Rowland: It is a free exchange of ideas. The only thing, that if somebody went in and said, you know I hate the board, we might want to delete it.

Pam: I did take a look at it, Bob, because I was interested in what you were doing and I noticed there was one post on there that didn't have a name. People don't have to put their name?

RC: I did see that. Somebody must have registered as Pawnee Hills.

Tina: How do you do that?

Steve: There is nothing to verify who you are.

Bill Curly: That is an excellent rule that if it is anonymous, it gets deleted.

Tina: Okay, but—

Bob Rowland: It doesn't show your e-mail address. But it will show your name if you registered it with your name.

Tina: Okay, we could talk about this all night. So let's keep moving on. RC can look at this and figure out how it works. We can just put a little thing in the newsletter I guess.

Steve: But thanks for putting that up.

Tina: I just want to make sure that people understand it is not a Board thing.

Steve: A Pawnee Hills homeowners thing but not sanctioned by the board.

Tina: We have to make that clear because we are putting it in the Pawnee Hills newsletter which makes homeowners believe it is Board sanctioned.

Steve: How about I put it into the community notices and then it is not sanctioned or anything by the Board.

Tina: And make sure they understand that. Let's do that.

Steve: Okay.

Tina: Is there anybody else that has anything for open forum? No.

Motion was made to adjourn the meeting. Motion was passed. Meeting adjourned at 8:52 p.m.

Respectfully submitted.