

**Pawnee Hills Community Association
Board of Directors Meeting
July 05, 2005**

Board of Directors Attendance: John MacArthur, Tina O'Bryan, Pam Schultz and Walt Day

Call to order: 7:16 pm

Agenda: Motion to approve agenda. Seconded, Passed (4 For – 0 Opposed)

Minutes: Motion to approve both June 9th and July 5th Board Meeting minutes. Seconded, Passed (4 for – 0 opposed).

Introduction: Board Members

Roll Call: See Attached Roll Sheet
Leslie Varnicle-One objection of not being required by law.

Statements from The Board

Pool Incident:

June 27th, 2005. We apparently had an incident reported to the board by Bob Rowland that same night of a dog swimming at the pool. Fortunately two board members were at the clubhouse on other board related business. They found the minor daughter of Simone and Brett Wade had attained access to the family pool key and let four of her friends and the dog belonging to one of the four girls into the pool. The board members got the dog out of the pool and took the pool key. They then called the sheriff and had the Wade's daughter call her parents. We would like to ask the Wade's what they intend to do in regard to this situation. The Wade's have assured the board the their daughter is being disciplined and this will not happen again now that the Wade's are aware of the situation. The board has returned the key to the Wades and thanked them for their prompt attention to this matter.

Simone Wade: Gave special thanks to Pam Schultz for communicating to resolve this issue.

Summary Attached of Police Report from June 27th, 2005

Due Increase Clarification:

At the May 2005 Board Meeting, an increase in Home Association dues was approved by the board. Despite assertion to the contrary this increase is in compliance with the Associations Covenants and Bylaws, and the 1986 court case. The board acknowledges that this is a significant percentage increase even though it is only \$9.00 per household per lot. The total increase amounts to about \$18,000.00 annualized. Further, the board believes that it may not have provided the best explanation and rational for the increase. The following are some of the reasons the board feels the dues increase is necessary. These items are outside the original 2005 Budget. The association spent over \$6,000.00 more than it collected in dues last year. This came out of the contingency funds or savings that the association maintains. These funds need to be replenished. We have to address the waste concrete pile near the sport court this concrete pile represents a potential liability. Also, we need to put in a retaining wall to keep the property from eroding further into the creek. The concrete pile will be used as fill rather than being removed. The cost to do this is nearly \$9,500.00. We anticipate increased legal fees in association with covenant actions. Of course this will be dependent on how willing certain homeowners are to come in compliance. Also affecting our legal fees are homeowners who are significantly in arrears on their association dues. These fees have been estimated at about \$2,500.00. Additionally we expect to receive the Reserve Study shortly that will have additional items that we will need to consider.

Covenant Violations:

The board has stated several times that we are not seeking out covenant violations. However we are bound by the Covenants to address violations that are reported to us. Since February of this year we have been inundated by complaints of covenant violations. We feel it is important to note that of the seventeen violation reports that we have received. Eleven were submitted by Bob Rowland and five were submitted by Greg

Hahn. These same individuals have intimidated that the board is scouring the community and hounding homeowners about covenant violations. Nothing could be further from the truth. The truth is that the board is not responsible for starting or continuing the consistent ratcheting upward of the covenant issue. The board is unwilling to be painted as the bad guy in this situation as created by others. The current situation stems from Bob Rowland's letter on December 2004 to the board that detailed his own covenant violation for maintaining chickens. The board has kept a lot of this information as close hold, meaning we kept it to our selves. This has caused some to believe what they have heard from others. The community deserves to know how this situation came about.

Introduction of new Facility Coordinator: Darren Jones

Darren was welcomed into his new position for the community and is being paid \$9.00/hour to maintain our facilities as needed and recommended.

Open Forum

Board: We are going to go down the list in the order people signed in.

Ronnie Renfro: Someone has stolen a rock from my house it was a huge rock. The rock was from brother-in-laws land in the mountains and would like it in the newsletter to please return it. Someone had to pull a truck into my driveway and load it up and steal it. The rock was so large one person could not steal it and had to be more then one. Her driveway is on Pawnee Parkway and the rock has been there for three years and somebody stole it and would like it returned. Community member volunteered a rock for replacement from her pasture she has a large pile.

Board: Please may we have order?

Holly Hahn: First of all I would like to say that just because I am wearing AVIA shoes does not mean I am here representing AVIA. Apparently there was a miss communication last week. That Kevin and yourself called the Elizabeth Fire Department and reported that my husband stood up in the meeting and identified himself as being a representative of the Fire Department. So, I don't want any miss communication that I represent AVIA.

Board: Your item of discussion was the violations, please.

Holly Hahn: Yes it is, but I just wanted to make that point. Okay, I am being sued for my four chickens. The board approved my chickens and I have a signed letter from 1997 from the board President approving my chickens. When I read the minutes from last months meeting it said in here, "The homeowner in this incident about the multiple out building was investigated and is not in violation of covenants. ACC documents were located and are approved with the understanding they are allowed to have two outbuildings. We are not responsible for previous board members and do not imply current board approval". This current board is choosing not to go after that member because he has a letter signed by the ACC for two out building. So, therefore I would like an explanation as to why it is necessary to waste homeowner dollars suing me when I have a letter from the board in 1997 approving my chickens?

Board: Will you provide us with that letter?

Holly Hahn: Why didn't you ask me for the letter before you started litigation?

Board: Do you have the letter with you tonight?

Holly Hahn: You are wasting homeowner's money. You have not even come to me and asked me for the letter. I don't have the letter with me.

Board: First this matter is in litigation and was contacted by the board. Second, we gave you ample opportunity to submit any letters you may have. You have provided nothing.

Needs more information to handle the current situation.

Holly Hahn: Why didn't a board member ask me for anything? Why did you just mail me letters and then turn it over to the attorney. It should be on file here, we paid Cynthia's daughter to file upstairs, so it should be filed up there.

Board: We are in litigation

Holly Hahn: My husband talked to Tina about it in February and you she said that if it only has one signature on it then it is not valid.

Board: That is correct no one board member can approve something like this with just one signature you would have to have full board approval.

Eric Laessig: The board did not turn you in on this violation, did the board let you know who wrote the letter turning you in and that is who you should talk to. Who turned in the Hahn's?

Holly Hahn: I know who it is and that's not the point. It does not matter who turned me in it does not matter.

Board: Mr. Bob Rowland turn in the letter concerning the Hahn's.

Linda Lee: Previous board members did have knowledge of this in the past and this board should have had knowledge of this.

Board: We are now in litigation and we cannot go into this matter at this time.

Holly Hahn: I just want everybody to know what this board does to waste our homeowner money and how they handle these situations.

Bob Rowland: Brings me back to my Baptist beginnings. There's a group of us, as you well know, who are in opposition to the dues increase and are trying to exercise our right that we feel we have to challenge. You received our letter signed for certified mail on the 13th of June asking that three items be placed on the agenda for the July 30th homeowners meeting. Number one being a vote of the homeowner to rescind your action on May 12th to increase the dues. Number two to change article 3 section 3 of the Covenants/Bylaw language that is interpreted we feel is wrong to a language more exact stipulation on using the 5% increase. Number three section 3C of the same article to change the Bylaws to require 2/3rds vote for any special assessment dropping the language for emergencies. We as our group would like an answer if you are going to support our effort to present this to the homeowners.

Board: You are represented by council as stated so in your attorney's letter, and the answer has gone back to your attorney, twice now including today.

Bob Rowland: We didn't get anything that we felt was an answer and maybe we missed something. It simply said that we had to follow the procedures to get this done. We have also sent you a letter asking for some help. We are homeowners and I am 1 of 167 we would like help in getting this done. Are you going to help us do what we feel is the Democratic thing to do.

Board: You are represented by council as stated in your attorney's letter and the answer has gone back to your attorney twice now including today. Your attorney should provide you with the information you requested from your attorney.

Ilene Warner: Can we keep this subject open and discuss it, I am not represented by council. Individual homeowner and can we at least see if I can get it done.

Board: We are protecting 167 homeowners and we cannot risk this legal matter.

Board: We are in litigation on this matter and we cannot go into discussion.

Rowland Dale: You have not answered any question. Move on, you will not answer any other question you won't answer mine.

Member: What good is this board meeting if we don't have input from the community.

Jim Schwandt: Minutes clarification in last meeting. 21 reported violations total what time frame do you look at them and then get through them. How long does it take to get through them? If you have a violation then fix it. I moved in 10 years ago. I assumed that the board will get through the violations. I try to be good neighbor, but if you are in violation then fix it. This has gotten to be an embarrassment.

Holly Hahn: If got approval previously?

Jim Schwandt: If I had gotten a letter or any communication from the board I would come into compliance or produced the letter. Why let it go?

Holly Hahn: I responded to their attorney, but they should have come to me first.

Mr. Schwant: Why did you not respond with the letter to the board and stop the litigation when this came up. Why don't you just come in compliance and stop this nonsense. Were you notified?

Holly Hahn: The first letter I got was from their lawyer.

Mr. Schwant: I would assume you got notification and when that happens you have to take care of it and come into compliance. If they are notified then you must produce the letter to the board to clear up the matter.

Board: We sent out several letters and the Hahn's choose not to accept the certified letters with 30-day's and 15-day's, so they can now say they did not get any notification. Then we had the attorney get involved to get the communications going.

Board: First there is a process if we receive a report of a violation from a homeowner we then take that under advisement and try to investigate it. Then we try to figure out if there is a violation or not. For instance one is a homeowners fence being to far into the bridal path. We investigated it and the finding was that his fence was set back 11" too much. So, we have to be careful because the violations are only allegations. We have to do our due diligent to make sure it is a violation. We look at it and see if it warrants sending the homeowner a first letter. Then the homeowner gets the first letter in registered mail, which if they don't pick up they don't get. That letter gives them 30 days to respond to us, if they do not respond in 30 days. Then the second letter is

sent registered mail asking for a response and allowing 15 days to respond. If we still have not received any response, then we hand it over to the attorney. Then the attorney's first letter goes out and it takes her couple of days to generate a letter and the homeowner has another 15 days. Then the second letter with another 15 days is sent for them to respond to from attorney. Then if we get no response or an unsatisfactory response then we file on that violation. If you add this up you see that we have 60 days plus a little extra and the attorney process time. The process is one fair and two defined and three provides adequate time for the homeowner to reply.

Do we have a lot outstanding? Yes, we have been a little inundated, recognizing as you all do, we do have another life. In spite of what you hear, we don't like spending hours and hours getting into research to get these resolved that may not have to be done, but once it is reported we have to follow through on it. To us 17 letters is a big bunch, so we've been clearing through them. We are preparing the letters and sending out the letters to Mr. Bob Rowland and Mr. Greg Hahn as the primary submitters in response to their complaints. When we have done that we will read those letters out at the meeting following the letter completion.

Jim Schwandt: A date to get this done and will get this cleared up on a date. If you can answer this we can get this done in time. You may need to talk about this, but is there a rough estimate on when you expect to get this done. Considering that there may not be any more submitted.

Board: It is tough to say because we have had more submitted recently and some will be solved quickly and other will take time.

Jim Schwandt: I understand that you are all volunteers and this is a ton of complaints to go through and complete, but we would like an estimated time frame. It is very obvious to some of us that this is not an easy job and it is embarrassing to see what is happening with these violations. I am hoping that people who know they are in violation should come in compliance. Just take care of it and people who are not in violation should be let off the hook and the sooner the better. This could go away to some point if we get these resolved.

Board: Possibly by the end of August and maybe some finished in September. Provided we are not still inundated with more complaints.

Jay Zimmerman: I would like to know why he got more time than Bob Rowland did at the podium? It seems you have something against Mr. Rowland.

Board: We asked him question and that extended his time, but we appreciate your opinion.

Steve Hammond: I have not read the covenants and hopefully I will never have to. I have a question on the violations as to being a county issue and passed to the county. In last month's minutes it said some of the violation were county issues and not board issues. Does that mean that there is nothing in the covenants that covers that issue?

Board: Example: One of the violations has to do with the number of driveways. The covenants say the number of driveways will be kept to a minimum. We cannot clearly define minimum. The county controls the number of access points and minimum and maximum that can enter the road. They also control issuing of permits. If covenants were written better they might cover this.

Dawn Hill: First I would like to ask that we get the minutes recorded and then somebody that could type them up quickly and get them out by the next month's newsletter. Then the community could be informed and have the current minutes to dispute anything that is being said. I also would like to ask a question to Mr. Rowland that did not get answered last month. It asked if whether or not you were trying to get the HOA disbanded by December? Are you shooting to get this HOA totally taken down?

Bob Rowland: John asked me if it was my personal agenda to get this HOA disbanded. Yes, he was asked and my response was yes. If we don't get what we want resolved he would like to see it disbanded or get it resolved. I am not married to that idea and would hope we can get this resolved, but if ultimately if we don't get this resolved then yes we need to disband this HOA. I said it then and I say it now.

Dawn Hill: What is your definition of resolved?

Bob Rowland: We work together and hash out some of the issues and put them to a vote. Maybe, get some involvement in covenant changes and have a democratic voice. Make us feel like we are a part of this community and not just dictated to. Allow us to ask questions on due increase and rescind the increase. To have a voice in the budget to find out why they are not being adhered to when they were voted on. We would like to have a voice in the dues increases and not see them just handed down. This is a Democracy we want it to be more of a Democracy and to have a voice. We all get our feelings involved and we all get carried away with the cause. I would like us to sit down and resolve some of these issues and the board to be more receptive to my ideas.

Chuck Nichols: I guess, there are lot of feelings involved and a lot of hurt feelings and close held emotions. The best and greatest way to do that would be with a group of people to resolve issues. But, the people would need to take it to heart that they are going to resolve these issues, and without pointing the finger, and without the board being painted as the bad guy. There are things that the board can do, and whether or not they support anybody's changes to the covenants. That's neither here nor there; if we as a community want to change the covenants there are certain ways to do this. Next months meeting is not a voting meeting and if you read the covenants. They clearly state that our vote counts will happen at the annual meeting. This is a homeowners meeting it is not the annual meeting, so the covenants clearly say that you cannot vote. So, to put the board on the hot seat here I think it's kind of wrong and I think you are directing your anger in the wrong place. If you would redirect that to constructive change, and I have said this before, I know how to make the changes. Nobody has asked me one thing and I know how to make this process work and how to make these changes. If you'll come to me I will help to make some of these changes, but don't direct your anger and discomfort at the board. The board's responsibility is to enforce the covenants once they receive a complaint, that's it. They don't have to be in favor of your changes, they don't have to like your changes or support your changes. We as a community bring up these issues and solve them ourselves, not the board and I am willing to help you do that. That's all I have to say.

Linda Lee: Chuck I would be more than happy to help, since we are on opposing sides last time. I would like to work with you to get some of this resolved. I would like to bring my side and get together with your side and get this solved. I have been trying to get this done for a long time. The covenants need to be updated and clarified, but if we just angry at each other we cannot get it done.

Chuck Nichols: Do I have a vote of confidence?

Board: Yes.

Chuck Nichols: Until some of the animosity is set aside and some of the things that you have done and Bob have done. You have done some things that have been destructive and until I see something constructive and that we are going too be objective rather than subjective. It is very hard for me to believe that, but you know what I made the statement and I am going to do it. I think this will go a long way to heal this community. So, Yes I will take this on, but this stuff about your side, my side has to stop.

Board: Chuck the board would be very interested in you and Linda putting together a proposal for an arbitration committee process. Something that would help arbitrate this and from that proposed group come forward with a proposal. We would be very interested in hearing what that is. We are on a road to discussing some healing here and we would like to pursue that direction.

Member: Linda, is your proposal to come forward with something that is okay we can know live with this covenant or is something that we are going to get rid of covenants.

Linda Lee: No, unless it is something that would make the covenants work. The battle right now the issue is that people that have two out buildings and the covenants state one were given permission. People like me who have chickens for 8 years and previous boards know this then now it not okay. Then will the next board come in and make the people with two buildings now take them down. They cannot enforce the building violation, so why should they come after us who have chickens even though the building is in direct violation of the covenants. Four chickens are not going to hurt anybody.

Chuck Nichols: And that will be something for everybody to decide, but we will go forward with this.

Linda Lee: The covenants to resolve some of the issue she has chickens and not tear down the two buildings and the animals. Everybody can live with this.

Simone Wade: Just want to say we have come to a fundamental issues and everybody fights for their own rights and families. What does everybody want in this community and they have tried this before with two, three and four sides. But is does not get resolved to satisfy them. What does the community want? We don't hear from the people that don't come to the meeting and that is the majority of them and nobody here really know what they all want.

Chuck Nichols: We will find out what they want. There is a process that makes it very simple. We can get everybody to get together. Yes get together to solve this issue.

Board: The board is very interested in getting resolution to this and we would like this process to move forward. But we want you both to understand that we are still governed by the voting process and we still have this to overcome.

Member: Is that the 2/3rds vote issue?

Board: Yes it is. It is that way on purpose the people that made these covenants did that way; so that they could not be easily fiddled with. It's a two edged sword, it's hard to change, but sometimes that's not so bad. It prevents a lot of vacillating back and forth change it this way and then change it back later.

Carol Chandler: If we find some people working with this stuff can we suspend some of the legal action that is going on? First step of healing is to call a truce.

Board: We are going to have to see from the attorney what options are available to us. I don't know once started and filed I don't know. We will have to have a little discussion amongst the board and with the attorney see that there is progress with this. The legal system does not have a great deal of immediacy we have a little time.

Pam Schultz: I understand what you're saying, but my concern is it will take a lot of time to get 2/3rds majority and committee started. Last year they tried this and it does not seem to be finite to me and this will take months and months to change.

Carol Chandler: It just seems we need to put some of this behind us to move forward.

Bob Rowland: Chuck's idea is wonderful and we have been talking about this for a while, but I do want to remind you that we have a lot of issues here. The least of those are the covenants, we have the dues increase issue still remains and needs to be solved and Linda and Chuck could solve this. Some issues like the dues and the agenda items will still need to be addressed and approved. It would be great and would go a long way to cool this down, but several items will not be. The dues increase and the agenda items are in motion and still will need to be resolved at the July meeting. I just wanted to clarify.

Chuck Nichols: Bob, You are willing to maybe address these issues and are you willing to withdraw the complaints? I recall when I asked the question I did not get an answer.

Bob Rowland: I asked the board a couple of months ago to let me withdraw my complaints. If you go to my website and my site is not close to the site that the community has they have done a wonderful job. But, I do have couple of ideas that would go along way to resolving these issues about buildings and animals. Of course I would be willing to talk about it.

Chuck Nichols: This is directed toward Bob. If that is something that you are willing to give up and maybe that will go a little way toward healing and moving to settle the dust a little bit.

Bob Rowland: I will tell you why I did it; I did it to get everybody attentions and I did.

Board: Bob, you have our attention.

Eric Laessig: Question directed to Linda. If you have a committee and everybody gave a little and we found common ground, but we still didn't get the 2/3 rd's needed then were would it go.

Linda Lee: Back to the drawing board I guess.

Eric Laessig: Would that be with Bob submitting 11 complaints of covenant violations again and stirring up the community again. Is that where we are going with this committee?

Linda Lee: We would have to come up with something acceptable to the homeowners. Bob said he would stop everything that he is doing and is not going to submit any more, right Bob?

Eric Laessig: If we all give and it goes no were without the 2/3rds are we going to end this and are you and Holly going to stop with the chickens.

Holly Hahn: I am going to go to court.

Linda Lee: If you don't get the support from the homeowners on the issues then they die and as they are if the community doesn't turn out in July then we are stuck. We almost got the covenants changed last time if it wasn't for the darn cow. It was a learning experience for us. Chuck said it himself that he has done it before and he knows how to do it and get it done.

Dawn Hill: Response to the statement that should the board suspend the procedure with the current violations. Just because something is in the process of change does not mean that what is there is not enforceable and doable. I hope that everybody should have read their covenants when they bought here, except the gentlemen in the back that didn't read his. I may be wrong on this, but I believe that once the board receives the violation they have to follow it through. The bylaws state that we must follow through with the violations and I hope the covenants can be changed, but they are not changed now. So once people decide to either fix it or pursue the legal process it is not the boards to decide.

Homeowner: You know what, we all moved out here under same agreement that we would abide by the covenants. We moved out here for that reason that there would be certain restriction on the properties, so we would know what is going on next door. To change that now is not very fair to the community and people that are not living under those covenants, I am a live and let live person. If your not going to bother me I am not going to bother you and that's the way I handle everything. But, if you want to change the whole situation for

everybody in the community for your own reason, that's just not right. Just because you want to live your way need to keep it at the 2/3rds majority and that's the only way to change.

Board: In the mean time they should come into compliance.

Steve Hamblin: Opposing point of view and I think that the people have been notified legally from the board and the attorneys. I don't think anybody here is arguing whether they are in compliance with the covenants or not, they know. I think the committee and trying to work on it is the best idea at this point. Things change and the laws change it happens all the time. We are a growing community and as long as it is supported by the 2/3rds majority. That is the way you make change, but it's spending so much of your time, my time listening to it, the boards time and peoples feelings. I think we should put everything on hold and no more violations until the January meeting, because this is not voting meeting in July anyway. Bob stop the complaints on everything and everybody else just stop it's getting into name-calling and everything else. I hate to see this community getting that divided over chickens and that's what it really comes down to it's over chickens. Do chickens bother me? No. But, obviously they bother other people. Some people think it's going to be cows and other things. That the way it was where I from and I didn't like it either. I am bias and I don't have chickens and I am not going to have chicken, but they don't bother me. Attorneys will hold of for six months as long as there is not a time issued for the courts and a phone call would do it. Let's get the committee working and if they cannot solve this then we can have another slugfest in January. Signed up.

Steve Hamblin: Question to Chuck. What would be the time frame to get something to the board from the committee?

Chuck Nichols: I cannot tell you at this time, but I would like to at least have a list of names to the board very quickly.

Steve Hamblin: Based on your education of past issues how long does this take.

Linda Lee: My schedule is open and I would be able to attend anything. She thought the meeting in July was a homeowner meeting and as long as we have enough people we could vote.

Chuck Nichols: That was a special meeting when we voted.

Board: The process is outlined in the covenants and bylaws are a little longer then that and Chuck said he is aware of the process and Bob's attorney I am sure is aware by reading the covenants and bylaws and that is the process that needs to be followed. We would glad to work with you two on how to proceed through that process.

Chuck Nichols: The process of getting information to the homeowner and getting feedback as to what they want I have done several times here and at other places. The timeframe I am not sure on but the special meeting was in July last year. The January meeting is for voting because it is the annual meeting. The July meeting was for discussion of issues and communication to the community.

John MacArthur: Break - We felt it necessary to have the Sheriff have an officer to help with security do to the heated words we have had in the last meeting. He had to leave and we thanked him for being here. He had a 911 call and will be back later to make everybody safe.

RC: Ask what is the proposed budget for the employee that we have hired.

Board: We had six positions and broke down the jobs listed and we had description with estimated hours for each job. Then we estimated the total job was over \$18,700.00 per year and what we looked at to get it done.

RC: You would have to add taxes at about 17% to 18% to that also.

Board: Yes, then we also looked at what if we took one piece and had to get it done. We also had to look at what it would take to have somebody like Marry Maids to do this facility and get it done twice a month and then we looked at having them once a day \$282.00 for first time trip and \$183.00 for each additional time and that is off the top of my head with the numbers. So if we had contract labor come in everyday it was more than \$9.00/hour like three or four times and he was willing to be doing all the items. That's why we offered this to the community.

RC: So, this position he is doing will be covering all of these things, right. Then the line item will be out of the budget and it will be removed.

Board: What line item?

RC: The line item for somebody to come in and clean will be removed?

Board: No, this was not a line item for a cleaning company. We had an employee and we are trying to replace the employee. He is not expected to work 40/hours a week, so we are scheduling him as needed.

RC: So, you have it in your budget to hire this employee this year and you had an employee in you past budget last year?

Board: Yes.

RC: Some of these projects you have like rock removal and other project will also fall under this employee.

Board: No, he cannot do that it will need to be done by professional that will need to submit bids.

RC: So, you are taking a line item that is 18,000.00 plus or minus 15% to 25% for an employee.

Board: When you recognize that during the winters the hours go down and the pool is not open and then we have other duties to get done. So, you cannot get an accurate guess.

RC: Who does this employee report to?

Board: The board.

RC: In it's entirety?

Board: No, to Tina as appointed contact.

RC: Who does the payroll for the employees and what is the fee for booking keeping.

Board: \$30 for payroll (Reading of ABC solutions invoice for month of June) this includes the payroll fee.

RC: Can someone tell me exactly what the responsibility of our bookkeeper is?

Board: Can you be more specific?

RC: Sure, do they simply do invoicing and collecting of our simple dues or does our treasurer write the checks.

Treasurer: She does the bookkeeping, payroll, pays the taxes, files the liens and foreclosure, and the mailing of monthly bills including postage and quarterly reports for the board and community and other things.

RC: We have a service that is \$7,000 to bill 167 homeowners and handle the community and then we have an employee that is approximately \$18,000 for the handling of the services that are being farmed out to other people.

Board: If we could not find an individual to handle the position then we would have to get others to handle the community and farm out the jobs. We would have to hire True Green to mow and Merry Maids to clean, and somebody to do the pool, and fulfill the community needs with contractors.

RC: So, you had a person doing some of these things and now you hiring somebody to replace this person.

Board: Yes.

Stephen Giles: Same lines if we are hiring this and are we not getting the volunteers to get this stuff done.

Board: You can get help once in a while and then we don't get people for the daily stuff and we need somebody that is trained.

Stephen Giles: Some we can get help and others can get this done.

Board: We have not been able to get somebody to do this on a regular basis, in the past they have helped on one or two jobs. But just because it didn't work in the past it may work now.

Chuck Nichols: I would rather pay then do the jobs.

Board: The issue is the person that volunteers and then does not do it and it does not get done. They volunteer to open the pool and then nobody shows what do we do.

Board: Stephen Giles does a lot of time to help us and donates a lot of time

Carol: Did Cynthia quit or did somebody complain about her.

Board: Right now both are doing the job and trying to get the hour's coordinated.

She has been doing it for a long time and they are co-working and Darren is the primary and they are backing each other up.

Eric: Darren have a defined job description?

Board: Yes.

Linda Lee: Did we clarify that we are having a voting meeting in the July meeting.

Chuck Nichols: I don't know if you can have voting meeting.

Linda Lee: Why did we vote for Steve in meeting to office?

Board: (Reading of bylaw change. August 24th 2004)

Linda Lee: Why can we not take a vote at a homeowners meeting?

Board: In the January meeting we voted to have a meeting for the homeowners, but we did not vote on changing the bylaws. We just voted to get together and did not change the bylaws.

Linda Lee: So, there is no voting and you will not answer the meeting.

Board: We are stuck in the formality of this and we have to meet the covenants and bylaws. Mr. Rowland getting legal counsel and forcing us to follow the legality of this issue also restrains us. We cannot step outside Mr. Rowland's attorneys request that we communicate with the attorney. We did not ask for this it was brought onto us.

Linda Lee: Why is it different for Bob Rowland to item on the agenda. We have done it in the past with past boards.

Board: Depending on the item and how it is presented. Past boards did not have it presented through an attorney.

Chuck Nichols: I cannot add to the agenda as a homeowner it has a process and will need to be followed to change the agenda.

Linda Lee: Are you going to just vote a member to the board and that's it?

Board: The way it is set up is that the board can appoint a member of the community to replace a board member, but it takes a majority of the board to do that.

Simone Wade: I am confused on all of this. First when can we vote and is there a process that needs to be followed to vote? What do we have to do to get the information? That person would fill the position until the next annual homeowners meeting. We have not been able to arrive at a majority of homeowners to appoint somebody.

Board: Last first. There is a new website up and we will be adding the covenants and bylaws to that within the next week or sooner. I am committing somebody else's time. I really, really regret that I cannot give you a cookbook formula to solve the process and work through everything. It takes a lot of work to get this done and is preparing a summary of the plain. You must read the whole set of covenants and bylaws and Mr. Rowland attorney is going through them and will be providing him with the details.

Simone Wade: What about putting legal action on hold? If I were a homeowner I would go to the board. Is it possible to answer that question?

Board: We are constrained because of what gone on and the process is laid out. Whether or not any legal action can be put on hold and we are in a bind with the covenants. We are bound by the covenants to follow through and if we don't then we are not doing our job and can be held liable for that. Then the next complaint we get is you didn't do your job. So now if I go down one road we go to court and if change we do something differently we still end up in court and we are not doing our job. What are you doing to us?

Simone Wade: I think that is a good idea and we support you going to the attorney and asking what can we do. I thank you and that helps me a lot and I understand.

Bob Rowland: I would like to clarify. I did not hire an attorney a group us hired an attorney. To seek some advice including helping us wade through what we also find to be extremely confusing. In the letter we sent we wrote that we needed assistance and asked the board to assist us if you can with getting. We do believe we have an opposing opinion and that's all it is we have an opposing opinion. That the dues increase is not permissible under whatever reason, but we truly want to resolve that and put it to a vote of the people. We also wanted to get a vote at the Bi-Annual meeting that we thought we could vote at. If you go back to that meeting we said that we wanted to have two homeowners meeting for stated reason of conducting business and not waiting a whole year. We are going by the process and we are trying to follow the rules, but we find very little communication back and maybe that's because we too have not been very good at communicating. We want to work with you and feel we have a right to get this on the agenda and take it to the people for a vote on the increase and the other two items on the agenda. The covenants are a separate issue and the committee is a great way to resolve that. We are not currently worried about covenant violations as we are about the dues increase. We believe we have a right to speak and vote these issues. We did not hire an attorney, we have not filed a court case, and the attorney even said the cheapest way to resolve this is take a vote and see what the community wants. The attorney is dumb found that the board is not supporting this.

Board: The item that you have asked for on the letter from your groups attorney did you first submit those items to the board? Did you come to the board and ask to have these items added or did you go to an attorney and have a letter sent asking the board to communicate directly with the attorney? At this point the letter from the attorney says that she represents you and we must withdraw our questions.

Paul S: Safe and reasonable. In the letter you asked to the board from the attorney and did you ask directly to the board and not through the attorney. Withdrawn.

Bob Rowland: Group and not individuals and he cannot afford it by himself.

Simone Wade: Would the attorney's be able to talk without going to court.

Board: We do not know and it may be able to happen.

Dawn Hill: Responding that Bob thinks each homeowner and we did vote in this term to vote in this board and they micro manage this and not us. I don't want to have to do it myself.

Bob Rowland: Democracy that is all we ask.

Jay Zimmerman: To the board and opposing fact country folk and what happen to a handshake and, so what about a chicken and building and then not do anything to resolve this. We need to resolve like people and Not

Highlands Ranch bozos. People are being crazy and I get upset everyday at the mailbox and one side tears down the other sides and the back and forth.

Carol Axtell: Why did you move out here? Did you move out here for the chicken's, cow's and goat's.

Jay Zimmerman: I will agree that rules are rules, but we need to get along.

Carol Axtell: When this community was founded and it was for horses/equestrian and not everything else these people have. I have 26 years in this community. All of these people came after me and we all came for the horses and that's all and we did not want to move for the horses this is not Western Country Ranch's and you can't have chickens, cows, pigs, and goats.

Jay Zimmerman: They moved because of this neighborhood and they got turned in.

Pam Schultz: What do we do if just one person comes up and turns them in and when will it be solved.

Carol Axtell: I was not hateful and we did not get mean to each other. Know we have to turn in everybody and turn them in on Buildings and Horse manure piles and whatever else they find.

Jay Zimmerman: We should be like a family and brother and sisters.

Board: Wonderful sentiment but you have 167 different people and you need to be able to relate to each other and solve the differences also.

Jay Zimmerman: All this legal stuff is it really necessary.

Board: This is not 1920's and when people have a legal complaint they should be able to do so. Cimarron is trying to get their Homeowners Association back and is trying to get their covenants changed to stop allowing this very thing.

Simone Wade: Please leave Cimarron out of it.

Stephen Gile: How can we get all this stopped and does that apply to the dues increase being stopped also.

Board: The dues increase was properly implemented and properly voted in by the board in accordance with the covenants.

Stephen Gile: Some members are very against this issue.

Board: There is a proper way to handle any violations.

Chuck Nichols: Homeowners about taking this to the community and there is nothing in the covenants or bylaws to change the vote. This was implemented 1972 and 1986 and voted on then also and it stood up. The Judge stated the opinion was that you can vote and do not have to implement the increase and you do not have to implement it then it can be done later.

Bob Rowland: We think the court decision in 1986 was not made and did have a stipulation and said you guys grow up and get this implemented. We also think not only do you have to vote and you still have to be implemented. We think that we would like to get it voted on and the take to the community for a decision.

Eric Laessig: You are talking like it is you and them. It needs to be "we" as a community. Then get it on the agenda for the next time we meet and then we can get it done in the next voting time.

Bob Rowland: "We" is directed to the people. We are in a difficult position on this, but unfortunately this is like a train running down the track and we cannot stop it.

Eric Laessig: Can we reduce the dues? This is what they should do if they need less then they can reduce the fees at a later time.

Chuck Nichols: That is what the board is for they decide what the community needs.

Eric Laessig: You told me that you were there and helped try to get the covenants changed and the community said NO.

Bob Rowland: Can we get away from the previous thing, we did not get it done right and I am sorry. I am surprised it got this far as it did it was a mistake. We had a couple of beers and decided to do it and now it is coming back to haunt me all the time. I would just like to forget it.

Carol Axtell: You are just mad because you did not get your votes to be on the board and that is what this is about.

Eric Laessig: Gas is up and I am not set up to pay such high dues, but I can understand that everything is up.

Bob Rowland: We are surprised that the board did not stay with the budget they agreed to stick to.

Chuck Nichols: Items were left out and the current Board did not vote on that budget.

Eric Laessig: We spend every meeting talking about Bob's stuff and we should talk about handrails and things that need to be repaired. We need to drop this battle and get to the issues of what needs to be repaired and fixed.

Bob Rowland: We are trying to get this done but if the board won't help get this stuff on the agenda.

Eric Laessig: Why can't we have a special meeting?

Chuck Nichols: Straw vote to see what would happen and take some sort of survey to see if the issue has the support.

Bob Rowland: Who would do it the committee from both sides that we are setting up.

Chuck Nichols: Then you can get a feeling about what the community would support.

Carol Axtell: We have had several years without an increase and that saved us money. Now they need the money and they are taking it. We have saved money all the years they did not take it and now we need to pay, but we have still saved for nine years or something.

Open Forum: Closed 9:39pm

Communication for Community:

Reading of letter from Bret and Simone Wade (Attached) Article 2 Section 3

Variety of minutes (Attached)

Report from Treasurer:

(Attached)

Bid True Green Land Care - tree trimming \$1,560.00 for approval.

Motion to approve bill payment for tree trimming.

Seconded, Approved (4 for – 0 Opposed)

Balances:

Checking \$17,730.18, Savings \$18,185.41, Unpaid Dues \$2,715.40, Deposited \$4,504.62

Report from Facility Coordinator:

Heating Radiant – Checking with IREA

Signs on Pool – Update rules 3' x 4' Parker Signs seems to be the best bet. Hold for formal Estimate.

Darren – get bid on handrail and look at that.

Motion to approve \$400 for the purchase of office legal size file cabinet Seconded Passed (4-For 0-Opposed)

Reports from Committees:

ACC – Fencing approved at 35443 Cherokee Trail

Cross Fencing Approved for 35712 Cherokee Trail

Existing moved to fencing to pre-approved trail 1198 Belgium trail

Activities – Garage Sale is on July 15 & 16 Signs and add in paper. Very nice signs

Arbitration - inactive

Budget - inactive

Buildings and Grounds – see above

Directory and Welcoming - inactive

Equestrian – See attached

Need to look at bids for Sand to cover bringing in something \$30/yard

Need to look at under surface

Newsletter - Inactive

Nominating - Inactive

Board Business:

-Aspen Reserve two weeks more by the 30th

-Neighbor bid and concrete pile but wife has died-Hold

-Motion to pay \$9.00 Rachel Cregger for pool attendant and other duties as assigned.

Seconded, and Passed (4-For 0-Opposed)

-Motion to start on September 1, 2005 homeowners in arrears more \$250.00 will began foreclosure process.

Seconded, and Passed (4 for 0-Opposed)

-Workman's Comp. - ABC solutions

-Motion made to adjourn meeting. Seconded, and Passed (4-For 0-Opposed)

Motion to adjourn meeting, motion seconded and passed. Meeting Adjourn: 10:40pm