

Pawnee Hills Community Association
Board of Directors Meeting
July 12, 2007

Board Members Present: Tina O'Bryan, Brian Cook, Steve Hamblin, Pam Schultz. Sandy Perry was present as Treasurer. RC Cuellar was not present.

Meeting was called to order at 7:10 p.m.

Motion was made to approve the agenda.

Steve: I would like add one thing, to talk about the accounting issues with Susan Murphy and accounting in general.

Tina: Okay, we've got the accounting in general on the agenda so we will add Susan Murphy to it.

Motion was seconded and passed with the adding of Susan Murphy's bill to approve the agenda.

Communications from the Community Members:

Tina: We do not have any communications from community members but we do have two letters that we wrote back to the community members from last month. We wrote a letter to Larry Beireis, 1145 Pawnee Parkway, dated June 29, 2007. 'Dear Mr. Beireis: We understand your concerns and have responded to the questionnaires/requests for information we received from the State Fair Housing Authority on behalf of your request to them. Please be advised that the Board of Directors is awaiting a response back from the Fair Housing Authority regarding the handicap accessibility requirements for Pawnee Hills Community Association's common facilities. We will work with the state to ensure that we become fully compliant. Thank you for your cooperation in this matter. Sincerely, Board of Directors, Pawnee Hills Community Association.

Then we wrote Jim Chandler, 1425 Shoshone Trail, June 29, 2007. We responded back to his matter. "Dear Mr. Chandler: Per your letter dated May 31, 2007, regarding protesting your manifesto in which you illegally asserted an illegitimate right to assess late fees, etc., and that late fees, finance charges, and letter processing fees are not in the covenants. "There has never been a 2/3 vote of the community to ratify your manifesto. Therefore, it is no part of my agreement as a homeowner with PHCA." Per our covenants, article 4, creation of the lien and personal obligation of assessment, each owner of any lot, by acceptance of a deed, therefore, shall be deemed to covenant and agree to pay to the Association monthly assessments for charges together with such interest thereon and cost of collection thereof as here and after provided. Assessments attributable to any lot in the Association together with the interest therein and cost of collection including reasonable attorneys fees shall be a continuing lien on the property against which such assessment is made and shall also be the personal obligation of the record owners of the lot at the time when the assessment becomes due and payable. At the regularly called Board of Directors meeting held on February 9, 2006, the adoption of a resolution regarding policies and procedures for collection of unpaid assessments was unanimously passes. The purpose of this resolution provides notice of the Association's adoption of a uniform and systematic procedure to collect assessments and other charges of the Association. The authority is a declaration, Articles of Incorporation, and bylaws of the Association and Colorado law. Sincerely, Board of Directors, Pawnee Hills Community Association."

Steve: There was a response to that which I gave to Sandy which was distributed. You may just want to put into the minutes.

Tina: So, Mr. Chandler wrote back July 1, 2007 to the Board of Directors, Regarding your finally response to my objection. Regardless of your five votes, the community has not accepted your resolution. You need another 107 votes to make it legal. A vote of the Board is not enough to add your document to our covenants and there is still nothing in them here and after provided to set any amounts for the fees. The covenants, Articles of Incorporation, and bylaws of the Association in Colorado law gave you the authority to propose

changes and the authority to conduct a vote of the members. They do not give you the authority to enact by decree. Until the community votes and approves the fee schedule set up in your document, it constitutes no part of my covenant with the community and it is an illegal document.” And that is all the communications we have going back and forth.

Treasurer’s Report: (Sandy)

Listing of checks written and discussed.

The bank balances as of June 30th: Checking Account \$1,628.79, Savings Account \$21,228.38, Reserve Account \$21,084.88, CD #1 \$5,224.32, CD #2 \$5,231.80, CD #3 \$5,232.96.

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

Tina: I want to talk about the Arapahoe Pool and Equipment Company bill for the \$3,539.44. Of course, yes, some of it is for our pool supplies that we normally get but Cynthia and I are talking about writing a letter to Sunshine Plus Pool Company for their poor work last year that may have caused extra work this year. So, we are going to take what we can off of the invoice from Arapahoe Pool, basically highlight it, write them a letter saying we feel that you should reimburse us back some of this money. It may work, it may not work, but if you guys are okay with Cynthia and I doing that and sending that letter out and see if we can get any money reimbursed back. So do I have approval for Cynthia and I to try to see if maybe we can get some money back for ,recoup some of that.

Steve: I’m all for getting money back.

Tina: Pam?

Pam: Um-hm.

Tina: The tax return and audit update is about when? Another month? Another two months?

Sandy: He should be just about finished. He was billing us for sending out—just the last letters out to the owners and stuff and they got a draft copy and they are just proofing it, so, it should be just about done billing on that.

Tina: Okay.

Sandy: I went by and picked up the 2006 receipts and financial books and all the bank statements. The only thing I am actually lacking is the tax return.

Tina: Good. So we are almost wrapped up with that. Also, to let everybody know, Sandy is going to take first crack at the budget. She is going to basically put it on a spreadsheet just like Susan with ABC did for us. So then we can sit down with the computer or laptop and if you need to borrow my laptop, Sandy, let me know, we can load it right onto my laptop using Excel or whatever you want, and basically work with the numbers sitting down as a Board, but she is at least going to get initial numbers in there for us to work on. My goal is that we have the budget for 2008 done in October or November. I know that is right around the corner but I like to send it out in the December newsletter for everybody to review.

Pam: Sandy, on the delinquent report, if they are positive balance, why would they be on a past due report?

Sandy: That shows that it is a receivable, that it has a balance in 30 days.

Steve: Let’s wait until we get to this because I have some severe issues with this—

Tina: I may have the problem solved.

Steve: I'm going to keep you here until midnight.

Tina: No we are not. We are going to get through this stuff, I'm telling you. It is a lot simpler than you think. This is good.

Steve: You are an optimist.

Tina: I am an optimist because I've got already solutions to the problems, so that is always helpful. You guys may not like my solutions but I do have solutions to the problem.

Steve: I don't have my—the rest of the Board here so I don't want to make any long-lasting decisions, so, okay, let's keep moving.

Tina: Let's keep moving. So, I want to move just the accounting/collection process, that type of thing, and the coupons that we are talking about doing. ~~that~~, I want to take that into Board business so we can get through some of the rest of this stuff. Cynthia has got her report and basically, we just need to have some updates and then she is going to tell us about the mold stuff.

Pam: Well, wait a minute. We are in a pickle here because Steve, if you don't want to make a decision without the other people, then—

Steve: I think we can talk mold. I think we have beat that one to death already, so—

Pam: But aren't they going to want to hear the bid and the estimation from the bid?

Cynthia: You are not going to get enough information tonight to make a decision.

Pam: Okay.

Tina: Well, at least we know we have got the pool keys, that we have those so anybody calling and the pool key situation is under control. The railing into the pool on the shallow end, it had to be special ordered. Our weather is not helping us.

Facilities Report - Cynthia.

I have my petty cash request that I am handing to the treasurer. In addition to that, I have a reimbursement for Office Depot for the three toner cartridges so we won't be left with that one. We had extra for \$428.14. I have a reimbursement—the rest of these for the ground for \$222.31 that was when I was opening the pool. That's the one I thought I had lost. And then I have another one for all the reseeding and fertilization in the areas where we do not pay someone else to do it for \$324.92. The electrician who was contacted before, he has just been swamped and we did not have any really pressing need to have him come out and finish but he tentatively wants to complete it by next week and, just to remind you, that is the flickering light right here and to complete the lighting under the deck area. The mold remediation, since we lost all but two of our remediation companies and after we got the asbestos tests done, one of them does not do asbestos cleanup. So I am down to one bid. So I am back to pursuing additional bids. Right now on the table is \$10,000 to remediate the asbestos and mold.

Tina: What does it look like as far as us getting another bid?

Cynthia: Oh, we can get other bids. Your gentleman, Brian, said he was too busy to even help us out. So I'm kind of back to ground zero. The homeowners who are reserving the clubhouse haven't had a problem. They have all been—every time they sign the reservation form, they are given the notice that you sent me that was also posted several times. So before they actually use the facility, it is attached to their form.

Steve: Can we get them to sign a copy? I think—

Cynthia: I already do.

Steve: We have a signed copy of the mold statement, not just the rental agreement attached to the back?

Cynthia: I actually have a note on the thing. You are signing this reservation form, there is also a notice that you got this mold notification. Brian is concerned about the landscape vapor barrier because he saw the blue tarp covering the dirt that was out there and he took pictures of it. I did talk to Mile High Contracting, they said they did not use that old tarp, that they did use a blue colored plastic vapor barrier that they use on a lot of their landscape. So, we didn't specify materials list. That brings me to the next section where I want to say when the remediation is complete, I would like to have a request for proposal and materials list from the Board to begin the bid process for the rebuild after the remediation so that we don't keep coming back after our job is complete and say, "Oh, we should have used this" or "we should have done that." I would like to see the RFP and materials list up front of the Board's expectations so that we can handle that on the front end instead of the back end. And maybe we can do that better. That has been initiated a couple of times this year. We did get our keys and they have been handed out to everyone that's called but one gentleman called yesterday and he has been contacted at what time he could come get a key and I left him a message that if those times did not work, please call back and we would do something that would work for him. I got messages that people had called repeatedly. There was one person that called twice and that was two days in a row so I picked up early one day and late the next day. They called twice in that time frame. So they have not been waiting. If you are being told that, that is not a true story and I will be the first one to admit I didn't get to it. Tina was the first one I called to say, "I'm really sorry. I didn't get to this expediently." She knows so that if she gets waylaid, she has the answers up front. I even called her about that check. Said I would be bringing it back to the Board. The office doors are stained. I would like to use steel wool and re-stain them but they look nice. They ordered the part we needed for the riding mower but the business location moved and so the repairs were delayed further for their relocation. So I borrowed a mower and I need approval to have the blades replaced, oil changed, and a new filter because borrowing that one was a lot in replacing those items and it was a lot cheaper than the \$125.00 a day to rent the mower that I was looking at. The handrail to the pool will be installed next week, depending on weather and unforeseen work schedules.

Tina: Okay, I want to go ahead and make a motion then that we go ahead and take care of the person that lent us their mower and how much do you think about that would be?

Cynthia: I don't know, I didn't even price them out but I can't imagine it is all that expensive. It is a 52 inch deck so the blades are 52 inch riding mower. Oil change and filter can't be that expensive.

Pam: Are we having a loan this summer?

Cynthia: No, he has loaned it to me twice and then we had somebody come out and do the big field. We were hand mowing everything we could hand mow to get the field mower out and we were just getting farther and farther behind.

Pam: That's pretty nice of somebody to loan it.

Cynthia: Yeah, I thought so. I thought that was very nice.

Tina: So we want to try to give back to them for letting us use their mower for that.

Cynthia: And I am hoping before I have to mow again that I will have my mower back.

Tina: Oh, we may not.

Cynthia: I would like to take care of the person that took care of Pawnee Hills because that was above and beyond. Just like I would love to pay for the gas for the tractor and he won't let us.

Tina: I know.

Cynthia: But this guy actually will let us.

Tina: Yeah. So do I have a motion that we go ahead and do that for the gentleman that lent us the mower?

Cynthia: And you can give me a ceiling.

Tina: We can get a ceiling to her. Okay, how about not to exceed, what, \$200.00, you guys? I don't know about the blade and oil and it would probably be less than that but we just need to give her a cap so she can't go over \$200.00. Alright, so I make a motion that we approve to spend—or that Cynthia can spend no more than \$150.00 on blade replacement, oil change, and a new filter for our borrowed mower. Do I have a second?

Motion seconded and passed.

Cynthia: The wall alone is—the two bids I have, the mold alone is about \$5,000.00. That doesn't count any of the expense. That is just the mold—

Steve: I didn't think we had asbestos that was considered measurable, just in the sheetrock.

Cynthia: Here's what happens with that. There are certain materials that are not regulated to put them in but OSHA regulated them to tear them out and that is what happened with that. So they have certain guidelines they have to follow for tear out, but when you are putting them in, they are not regulated. Not until you start disturbing them, then OSHA is involved and that is where it tends to go a different direction.

Pam: Yeah, south.

Tina: Are you guys comfortable with approving around \$5,000.00, \$6,000.00 to at least get the remediation part done?

Steve: How does that compare with the other bids that we saw before?

Cynthia: They are all right within 25 dollars of each other of \$5,000.00. What is interesting is that the initial people that came out and did the check, the testing for the remediation at that time, he is the one that said he wouldn't touch it without an asbestos test. As it turns out, he doesn't do asbestos at all. He would contract it out to an outside contractor. I said, "Who do you use?" So they do it all. So he would be giving us a 10% markup to hire the same people that we have a bid for on the table for but he doesn't know that.

Pam: I have a question because I wrote down earlier that you were down to one bid and it was \$10,000.00 for remediation alone.

Cynthia: That's not—the mold is \$5,000.00. When we get into doing the rest of it where they actually bring special stuff out to dispose of the asbestos and handle the asbestos, it actually tacks on, probably double what we are looking at.

Pam: So it probably—I mean, can we do the mold without doing the other? So ten grand is our bottom line.

Cynthia: Probably, but I don't know that having only one bid with one company that does asbestos. I am not comfortable with saying, "Oh yeah, let's just approve \$10,000.00."

Pam: But right now, that is with what little we know, okay.

Cynthia: And it may wind up being that in the end. I'm not comfortable with just saying that. I don't have enough information to ask you to make that kind of decision at this time. I'm just not comfortable.

Tina: Okay, I think, let's look—if we have to, we can call a special meeting. We don't have to keep waiting for our next Board meeting. If we have any additional information that we can throw out there and we find it is about \$10,000.00 no matter who we go with, then I think we pretty much need to just get it started.

Pam: How quickly do you think you can get the bid? I mean how much longer?

Cynthia: The one I have could do it immediately. But that could change with contractors. They say immediately this week, they get a big huge job, they are not immediate anymore. So I do run into that and that is kind of what happened to the concrete guy. He just had so much ahead of us and had the weather not caused us problems. The bottom piece that goes in the pool that the handle goes into, it is supposed to be in the bottom of the pool. It is on the bottom of the deck and I think that is probably why with haven't had one in the 20 years I have been here. It is just a non-standard thing. They had to order a handle but we still even have to cut it off of the foot once they get the top piece put in and we know exactly where we are doing it.

Pam: So you've got companies in mind that you can contact now?

Cynthia: Oh, I didn't actually compile them.

Pam: I mean, I'm just praying we can get something—

Cynthia: I actually have calls into companies that I just need to hear back from but I've got sheets of people that I just started doing the research on.

Steve: Looking at that expense, it is a damned if we do, damned if we don't situation with the community and as I look at that mold report I keep looking at it, we have one area of what would be considered contamination which is in the room that is locked up right now.

Cynthia: Actually, the worst part is the office.

Steve: I guess between the two areas that have the 10,000 plus counts or whatever it is—

Brian: It is worse behind the sink and behind the water faucet?

Cynthia: What you could visually see is not even the worst of what we have which is sad and even the guy who did the testing, he said, "I would never in a million years have believed that the counts would be this high based on visual inspection of this building" and they just need to come in and do a containment area and use a fungicide and they are going to wash the walls and basically just clean up the building. And it is as much cleaning the furniture and wiping down the walls as it is the tear out that we have to do.

Brian: Yeah, that doesn't include the cost of putting it back together.

Tina: No.

Brian: I know where you are going, Steve, and I think—

Steve: How much did we pay for that report?

Brian: I think we've got enough information out there where the homeowners—

Cynthia: \$1,500.00, I think.

Brian: Would understand if we just went ahead with this company that will go with this job and do it and get remediated. I mean, we've gotten a ton of bids out there and—

Steve: What's a \$10,000.00 on our budget? Is that coming out of the reserve fund? Where is that coming from?

Tina: It could come out of our reserve.

Brian: Yeah, I don't know that we budgeted for—

Tina: No, we never budgeted for mold. We have budgeted, you know, we have never really—

Pam: The reserve has \$21,000.00, savings has \$21,000.00.

Steve: Okay, so we have the money.

Tina: And what I'm looking at is, the end result is to have—we know we had that corner problem, we fixed the drainage so it doesn't come back. My concern is, I want to fix the mold so it doesn't come back. I would hate to find out that one of the mold areas that we didn't fix ended up causing us three years, four years from now a huge problem.

Pam: Well, we are talking about doing it all, aren't we?

Tina: That's what I'm talking about. I'm afraid that he is talking about just hitting the hot spots. I want to get a clean building.

Steve: I just think that, you know, to say that mold is not going to come back is kind of naïve.

Tina: No, but we have identified where the mold is. We have got professionals coming in to remediate that mold and to sign off saying that this building is clean. You know what I'm saying?

Steve: Oh, I understand what you're saying. Key point conversation.

Cynthia: We have some roofing issues that we don't know where that leak, you know, that is the low point of a ceiling. I don't know how many areas. But it comes to the low point so we don't actually know where that leak is and sometimes it doesn't leak at all and sometimes it does. We need a lot of the repairs in the basement as far as the plumbing in the bathroom, the downstairs in the crawl space, whatever that is up the stairwell, that has been corrected years ago. You can give me a deadline and if I can't get someone, we will go with the guy that we have. He is professional, he is very responsive. Of all the people that I did get bids from, he was just the most informative, on top of his bids, I would have concerns, he would come back and he would redo his bid for me. Any time I had questions he was very responsive.

Steve: And he will warrant at whatever his price is that we can have it re-inspected for mold and it is going to pass.

Cynthia: That bid, if it doesn't pass, it is included—he comes out to meet with those guys.

Pam: Does he bid on the rebuild too?

Cynthia: He will bid on the rebuild. I think he will be higher than if we got a subcontractors or a handyman for about \$65 per hour.

Steve: I don't know how we can really bid the buildup until we find out exactly what remediation is because they may say we have to tear a foot of sheetrock out and end up taking the whole wall out and some studs.

Brian: That's the problem with it, I mean,-- they are going to keep going, cutting, keep going, taking out until they feel that they are comfortable with not finding any more and then at that point they remediate and then we've got it fixed.

Cynthia: I did have a question about venting the steam room. The electrician was in here looking at different areas that we could vent out and most likely it is where the door is. We talked about maybe going out in the men's restroom near where the steam unit is so those are only two areas. He doesn't really want to get in to do that until we are ready to put back the drywall. When you think about it, in doing that piece of it, it is electrical.

Steve: Do we have an idea what the cost is because we always do have another option which is to shut the steam room down.

Cynthia: True.

Steve: And I think that we need to start exploring those things as this building gets older, to continue to put more money into things. That steam room may give up, the plumbing may give up, and things like that. So, if it is a \$50.00 or \$75.00 job to vent it, that's one thing. If it is \$1,000.00 job to run a vent, then I am in favor of sheet rocking over the door and it becomes a storage area.

Pam: Well, how many people use the steam room?

Steve: Well, I don't know.

Pam: Well, that's important to me before I would make a decision to close it down.

Tina: People do use the steam room.

Steve: A sauna is different than a steam room.

Cynthia: Well no, it creates so much steam in the building.

Steve: No, I understand that but I have no problem leaving the sauna. I question the wisdom in continuing to maintain the steam room just because of the inherent problems they cause with wall, dry rot, mold, and other issues if they are not maintained properly.

Brian: How much is it used?

Tina: It is used a lot. You would be surprised.

Brian: Really?

Tina: Yeah, the people from the pool come in and use it.

Cynthia: People from the pool come in and use it.

Pam: Well that tells me what I need to know.

Tina: It is used. Both of them, the dry and the wet.

Cynthia: Actually, when that was broken and the door was off for a week, actually, somehow the door got taken off, and it took me about four days to get over here and get that fixed and I had so many people, "How long is the steam room going to be broken?" We had one guy with a back problem, he was over here steaming a lot so—

Tina: And I look at maybe she can get us a bid. Maybe she can—I mean, Cynthia, do you think you can get us a bid and give us a kind of a round number about what you think it might be?

Cynthia: Probably not with the correction of the drywall. I can get you the electrical.

Tina: You get us at least the electrical.

Cynthia: He can tell you if it is reasonable.

Tina: What do you think about that, Steve, if we just at least find out what the electrical costs? That will give us a better idea.

Steve: Well, the electrical is not going to tell us how much it is going to cost to run a vent and I have a feeling a vent is going to cost more, if you are talking about running it and having to cut through a wall and where they are going to run it, so I think that the cost of the venting could be more than the electrical. I would have to go down and take a look but it doesn't sound like it is just poking a hole and running it outside a wall because I guess it is on an inside wall.

Tina: But if we could find some handyman-type person that can do that type of thing, then maybe we can—

Steve: Well, I don't have a problem with it but I want—I would like to get a—is my understanding—is what I am hearing is that it is not functional right now because of electrical issues?

Pam: It is functional.

Tina: It is functional. What they are saying is, we need—since she has got the electrician here, we might as well go ahead and have him while he is here run the electrical and get the vent set, and then that part is done. Then all we would have to do is just find somebody to run the ductwork where it has to go —

Cynthia: It is like doing the drainage. We corrected the drainage because it was causing a problem. The vent will fix the problem.

Steve: Well, I understand that we need the vent. I'm just concerned with how much the vent is going to end up costing long term and if we are already into this just for the mold at \$10,000.00, if we start adding more and more money, I can guarantee you there is going to be a lot of very upset residents if we tap our budget maintaining this clubhouse. And if anything else happens, have to look at a special assessment.

Cynthia: Homeowners talk to me a lot. They see me out here and they talk to me a lot and a lot of the feedback is we love seeing our money spent on maintaining our facility. What we get tired of is spending our money and not seeing our facilities maintained. That bothers them. The other thing is, there was a rumor out there that just because of the mold, they were going to each get assessed \$2,000.00. You know, that kind of information is being fed by—I have no idea where that comes from, but that rumor is out there. So, the decision needs to be made more on, as far as I'm concerned, it does exist, they did move in here with this, and most of the people I talk to who aren't disgruntled or whatever, they like seeing that. A lot of people feel like \$45 isn't hardly anything. They told me they moved from Associations where they were paying two to three times that and didn't have as much as they have here and they love seeing it maintained. So, as much as you have the disgruntled side, you have that other faction of people that are happy and do want that maintained.

Pam: Not to mention the fact that we have an obligation to maintain. It is so written that we do.

Steve: I understand that we have to maintain it but—

Pam: We can't just say—

Steve: Well, we can't say that we need to level it but we don't—there is nothing in the covenants that says we have to maintain a steam room.

Pam: Well, it says we have to maintain the facilities.

Brian: Everybody does. Every member.

Pam: But we can't decide just because something is \$1,000 we shut it down. We don't have that right. We can't do that.

Cynthia: That is why we pay our dues is to maintain our facility and we have to realize too the longer you put something off, the more expensive it becomes. Preventative maintenance is always cheaper than trying to correct a problem that has existed for years.

Tina: And I have to tell you, there have been years, Steve, we haven't done a thing. We haven't even maintained what we had, so understand that it is unfortunate that you are now on the Board when we are now deciding to fix all of the problems that we didn't fix 10 years ago or 15 years ago.

Steve: And let me make myself clear. I don't have a problem doing it. I guess I am getting a feeling that we are kind of still doing it in a reactive mode and I would almost be happier, and obviously the mold we have to do something with, but to get a punch list of, the roof needs to be done, if all of these things need to be done, let's look at it through the reserve fund and there are certain contingencies in the reserve study for doing this, but rather than—mold, and then we are still going to have to do the rebuild and oh, we will fix the steam room but we still have a roof and we don't know where that leaks. It becomes a money pit that way and I think at some point we need to sit down and say, if it's going to take \$30,000.00 or \$40,000.00 to get the clubhouse to the level it should be, then let's go ahead and do that but I think that it is kind of—this is kind of like fixing old plumbing. For every leak that you fix, two are springing up down the road starting with the drainage thing that I have been hearing about for three years or four years since, you know, the meeting started and that gets to be the mold and now the steam room and—

Tina: But back—years ago, if we had had a Board that was willing to spend some money, we would not be in the place that we are at today if we would have fixed it years ago, so, I'm just saying to you that my concern is, we do have mold. It needs to be remediated. Waiting another 4, 6, 8, 10 months is, I mean, I don't know what you need—

Steve: I'm—I felt we were past the mold. I am fine with the mold. I think we were talking about the steam room vent and not wanting to just give a carte blanche to putting a vent in. It may be better to say that we need to re-engineer it and move it.

Brian: I think it was a recommendation in the report, but I don't think it was a requirement.

Cynthia: I asked "So, these recommendations are a requirement? Are you recommending that you do it?" He goes, "No, I won't pass your building unless you get it done."

Steve: Brian, not going to hold you to it, but from what you can see in the building, running a vent through there. Throw out a number, just a ballpark, guess high.

Brian: It is probably going to be about \$180 bucks in material and then you got some wiring to do, probably \$100 bucks there, \$25 bucks for the wire—

Cynthia: What is copper wire running?

Brian: It is expensive but it is like six or seven feet of wire. We are going to spend more time on the labor getting the fan in.

Steve: That's my concern—

Brian: Than we are most everything else. And honestly I haven't even looked it. I could probably figure it out. It could be—I would say close to \$500.00, \$600.00.

Steve: \$500.00 is better than \$1000.00.

Cynthia: That is just the electrical to run, right? That is not drywall patch and all that?

Brian: Well, if the joists are running the wrong way, there won't be much drywall patch, it will just be putting up a couple of 2 x 6's and dry walling in the texture if we want to texture and paint.

Cynthia: It will drop the ceiling six inches?

Brian: Well, it could. It will require a 3 inch duct and that would take—might be able to get away with a 2 x 4, 3 ½ inches.

Cynthia: Unless we can send it into the men's room and, like, under the bench.

Brian: Possible, well let me go look at it.

Tina: Okay, while Brian is looking at that, I want to go to the reports from committees.

Architectural Control Committee (ACC) – Pete Smilanic. Not present.

Activities - Karlene Herbrand.

Sandy: We received a letter from Karlene in terms of the Activities Committee; they are going to have a garage sale. She asked if it could be included in the newsletter, so I will expand that and forward it on to Susan.

Buildings & Grounds - No report.

Covenant Committee - Chuck Nichols. No report.

Directory and Welcoming – Walt Day. No report.

Tina: I left a message for Walt and he has not called me back so I don't know what to do.

Equestrian - RC Cuellar. Not present.

Newsletter - Susan Laessig. Not present.

Nominating – Pam Schultz. No report.

Website - Sandy Perry. No report.

Cynthia: We have had one complaint from a homeowner about the minutes not being updated on the website and we had a title company and realtor saying we have a wonderful website. It has been an incredible asset and the amount of information that they have makes it easier to do their closing. The website is very helpful for them.

Tina: Sandy was basically handing out to everybody our profit and loss, budget performance, that type of thing. It basically tells us where we are at the end of the year or where we are at now; whether we are over budget or under budget or that type of thing. Of course the way it reads is a little bit different than Susan with ABC so it took me a little while to figure out what the heck was going on and if you look at—let's just take, say, the Activities Committee under Committee costs or whatever, it shows that our year-to-date budget—our annual budget was \$625.00 and so far—tell me if I'm right, Sandy, in the column where it says dollar over budget, they are \$217.22 under budget, so they still have \$217.22 to spend for this year.

Sandy: Um-hmm.

Tina: Is everybody good with understanding how that works? Now, obviously, if it says positive, then we have gone—if it shows a positive number, then we have gone over, if it is a negative number, then we have gone under what they still have left. So, Cynthia, you were asking about that so I want to give you—I will go ahead and give you my copy so you can see because Cynthia basically wanted to know where she is at in her maintenance, where she is at with everything.

Sandy: Well, look at the Equestrian Committee they have not spent anything. They spent nothing in June of 07 and 12th of their entire budget shows \$68.33, so the dollars over budget is negative \$68.33. So as you look from January to June, it shows the total year's spending and the Equestrian Committee spent nothing and through the end of June, they had half their budget which I don't know where the two cents came from but it is \$410.00. So they show that they still have \$410.00 under budget at June.

Tina: That's not right.

Sandy: It doesn't give you the full year. There isn't like a dollar over budget on the annual budget column.

Tina: So how the heck are we supposed to determine what we still have left in our budget?

Pam: This is not right.

Tina: Because I don't think Equestrian has spent any money at all so what they should have is \$820.00 still left in their budget for this year.

Sandy: Every single column on here that shows annual budget remaining, all it shows is for that increment from January to the end of June.

Tina: Oh, this is so not working for me then.

Steve: Yeah.

Tina: Okay, well. So much for that report. You want to go with your report? Want to ask questions about your report? I didn't like that report either.

Sandy: This goes to the end of June. It doesn't include the pool stuff and all that I read off.

Tina: Right. It is not going to do that. I understand that.

Sandy: Yeah.

Tina: But the way Susan's read, and I hate to keep using her name, but the way Susan would read, is that she would give me what is spent up to a certain point up to her last input which would be June of 2007, okay? And then she would have a column that said this is what has been spent up to June, this is what you budgeted for, and this is how much is leftover in that account. So we would know whether we were over budget or under budget in everything.

Sandy: I can try to write something on here and send out a copy of what—

Pam: Where did the \$410.00 come from in the first place?

Tina: I have no idea. I don't even know where the \$68.33 came from.

Sandy: It is just the annual budget divided by 12.

Tina: Oh. Okay.

Sandy: So then the \$410.00 is coming from six times that number.

Tina: Yes. I see what she is doing.

Sandy: I mean, and that was the way the old reports also we were going to use that monthly, I mean, you take the annual budget and divide it by 12 it was a totally meaningless number.

Tina: Right. But at least I had a column that I knew whether I was over or under.

Sandy: The full year you are going to be under budget constantly and then all of a sudden you are going to start --

Tina: Right.

Sandy: So, that monthly budget—I mean, that's the way we used to have it also.

Tina: I know. Yeah, but she used to have a column that gave me whether I was over or under in every—

Sandy: Right, and that's that monthly increment showed pretty much where we are at.

Tina: Okay. I guess I'm waiting for Brian.

Pam: I will go ahead and ask my questions.

Tina: Go ahead.

Pam: On these past due reports, Sandy, I still don't understand why the people that have a plus are on the past due report.

Sandy: Because they have a non-zero balance.

Pam: Okay. Now, let me ask you this. If the negative sign means positive, right? That they have a credit, then in the case like this, is that because they just now paid?

Sandy: Um-hmm.

Pam: Okay. I was wondering why it would be to the attorney.

Steve: I have a question on that.

Sandy: It was to the attorney. The problem is that in the Rules and Regs, it states that when an account goes to the attorney for collections, it remains with the attorney until the attorney says that they are out of collections. We have no idea how somebody gets out of collections.

Pam: I see.

Tina: And Steve, just to let you know, because I am waiting for Brian, but to let you know, we had a very, very good productive great meeting and we solved a lot of these accounting problems, the big ones, were solved. So we kind of know what direction we want to go. It just takes an approval of the Board to go that direction. I mean, I will give you my opinion, of course, so everybody doesn't doubt that, but I want Brian and Pam also to let you know how they feel about the situation as well as Sandy. But the end result basically is that we are looking at a different bookkeeper. We are looking at a company that handles homeowners associations and—

Steve: That is what we talked about early on and—

Tina: Yeah, and it is Colorado Management Associations? Did I get that right, Sandy? CMA or something like that. I've got it written down, I'm sorry. But anyway, we had talked to Colorado Management Associations, I think is the name of the place. But, Cheryl had showed us the reports that she gets from them. She does other homeowners associations, you know, for collections and stuff, and CMA is their bookkeeper but they are more of an accounting service. They are a bigger company but they are actually like a management company so you can pick and choose what things you want them to do. They can do full management or they can just do our bookkeeping, our accounting side, that type of thing. I'll tell you what ended happening with me is, last week, Cheryl's office called me and said, "I need to get Susan Murphy's detailed ledger from your bookkeeper and sent to us because Susan Murphy has contacted our office and has asked us for—she is confused on some of her bill." Okay, simple as that. Homeowner confused about a bill, she is already in Cheryl's hands asking for a ledger so that we can make sure we get it all cleared up and taken care of. I called Diane at TBO. She is on vacation. This is like on a Thursday or a Friday. She said, "Well, I'm not going to be back until Monday. E-mail me that you want this ledger and I will be happy to get it for you." Okay? I end up calling her on Monday morning and saying, "I need Susan Murphy's detailed ledger to get to her." And I am upset because (1) there is no backup. It is not like I could have called somebody else in Diane's office and requested that. I was hosed. (2) There were four days of our accounting that just sat there. So basically, all she did is just have someone pick up the mail and write the date on it. And that was it. She still hadn't even gotten to it yet. She got back on Monday and she had four piles of PHCA stuff plus everybody else's that was sitting there for her to take care of. I was upset that there isn't anybody there taking care of our accounting Monday through Friday 8:00 to 5:00. Cheryl had said that with CMA she can pick up the phone or she could e-mail CMA and say I need Susan Murphy's documentation, within an hour it is updated. They can handle finance charges. They can handle it. Our math was terrible. I mean, how do you get, what, 39 cents for 10% of \$45.20? And some of the finance charge was \$0.00. Now, I'm not going to go after somebody for a finance charge if they have got a finance charge of \$0.00 posted, that is ridiculous. But, it is the accounting mistakes that were made that I am not happy with Diane with TBO. That is my personal opinion. I saw the ledgers that she had from CMA and they were very detailed and to the point, yes, people do make mistakes in accounting, I understand that, but this company can handle our needs and I don't feel that Diane with TBO can.

Steve: How soon can we change over?

Tina: We have a contract with TBO that says we have, what, 60 days? I think it is two months. Sandy was going to look that up, so I was prepared to write a letter to them notifying them that we will have them do two more months and CMA can ramp up in two weeks.

Steve: Well, I guess I question with so many errors, are we—I mean, are there clauses within our contract that we can get out in less than two months? Because I think that the accounting right now is absolutely embarrassing and atrocious and I don't think it is something that we can just say, because here is somebody that is clearly incompetent, and that can be on the minutes, that is not showing really any signs of improvement, and I take the Susan Murphy case as an example, and what incentive do they have to clean up their act in the next 60 days? I would almost rather pay a penalty to get out of the contract. If we can be out of that within two weeks, I would rather be out of it.

Pam: And I imagine we can get out of it without too much concern. I imagine we would say this is not working because of A, B, C, D. You know, we find you to be incompetent. She is probably not going to argue with us. What do you think, Steve?

Brian: What do you think about that, Sandy?

Sandy: I think she is reasonable and she may be just as eager to be out the contract as you guys are to get out of it.

Tina: I think she is.

Sandy: I mean, it would be worth the phone call to her, talk to her, and she may give us an out earlier. I know that when CMA, Colorado Management & Associates was sending me their accounting agreement here, he

said it would take them two weeks to ramp up. I know it will take longer than that. I mean, we need to close the books, let's say, by the end of July, at least with TBO and then a lead over and you've got the whole payroll thing. So, I think two weeks is very optimistic.

Pam: Probably.

Tina: But we also talked about doing coupon books just so that we are not mailing something out every month. That is something that would save us money, save us time, save us headaches. We would not be sending out statements every month.

Steve: What is the cost difference between CMA and, what, ABC, and TBO?

Tina: We haven't really got a straight one from TBO because everything has been fluctuating all over the place. We can't compare with Susan with ABC because she has been doing our stuff for years for very, very cheap. So, Sandy had gotten a price of, now I can't remember. Cheryl had said normally it is a per door thing. It is like \$6.00 a door for the accounting. And we would just have to find out what that per door thing is. But, at least we have—this is what it is going to cost you every month so if they say whatever it is, I'm going to say \$2,000.00 a month, we can budget \$2,000.00 a month. I will tell you that they are, what, \$75/hour if we ask them to do anything extra. The extra really is only our homeowner's meeting and our annual meeting. There may be some more extra, I'm sorry. I don't want to say it is only that. But we do have extra when we ask them to print out a list of all the people that are delinquent and a sign-in sheet for us.

Steve: Can't we get it off the web, though? We had talked about that at no additional charge and we would do the printing?

Tina: The sign-in sheets, you know, when you come in for the vote and you are signing in? It has got an asterisk that means that you owe money and then she would have a list saying Steve, you owe \$52.27, that type of thing.

Steve: This type of list that we could get off the website, though, I would think. Don't we have access to our accounts via the web?

Tina: No.

Steve: Okay.

Tina: So, we would basically ask them, you know, can you print out who is delinquent and do that type of thing. We could do that. And, you know, how long does it take for them to hit a button to print out everybody's thing as of X date. Because normally all of the meetings, I always try to set up at the end of the month so that people have had from the 15th to the end of the month to pay. If they haven't paid that, then it would show X amount of dollars. So would it take a whole lot of \$75/hr type of work to do our accounting? I don't see it but I'll tell you, to have a clean accounting and to have everybody that we don't have problems with and that can grow with this, I am willing to pay whatever it takes to make us look like we know what we are doing.

Steve: I think we need to do something.

Tina: So, go ahead, Sandy.

Sandy: One thing, when I contacted CMA several months ago, they are a property management company and you can purchase just the accounting, you can do the accounting plus the grounds and the whole bit. You do have a website at coloradomanagement.com. This is a copy of their agreement and this is what they will do for their set price and the price that I was—they told me was approximately \$800.00 to \$900.00 per month and they also have an SB-89/SB-100 compliant website. It costs \$250.00 to set up and then it has a \$50.00 monthly maintenance charge. Now, I don't know whether you can get out of that portion of it or not.

Pam: What would that website do for us?

Sandy: Basically the same thing we have now.

Steve: What do we spend now?

Sandy: We pay \$150.00 a year for the hosting.

Pam: Oh, so that may not be a requirement.

Sandy: Well, it may be part of their—in the fee that they are doing and then they also do online bill-pay and I'm not sure whether that has to go through their website that they are setting up or what. But, that may be quite a bit more on the website expense if you go that route. The nice thing about the management company would be that it is a flat rate and currently, we are paying a per hour basis and so the number of hours, especially during the ramp up has been a little bit higher than I would have thought.

Pam: Um-hmm.

Sandy: It has been running about 30 or 31 hours a month and when Susan Johnson was charging us by the hour earlier this year, she charged us about 25 hours a month for the invoicing. If we went to the coupon system like we were talking about, it would save on some of that but we wouldn't see much savings on postage unless we do away with the newsletter.

Pam: Oh, and I see this includes them writing the checks so we might be able to adjust our price a little bit with that too.

Sandy: Yeah, I don't know if you can, if this is kind of like an ala carte thing where you can just start checking things off. They did send this as an example.

Pam: Oh, and they file the liens for that amount?

Sandy: Apparently. And they do the coupon system. They have relationships set up with certain banks that they do the coupons so—

Tina: We may have to change our bank but—

Sandy: Last month I had showed you guys the example coupons but I guess we pretty much threw that in the shredder unless we decide to stay with a generic accounting firm where we would need to come up with our own coupons. But I don't know whether we would need to change our accounts to a different bank and this is my last book of checks so I need to find out if you guys are leaning this way. If you are, I need to get a hold of these people and find out if I need to switch the accounts and if we don't need to do that, then I need to order more checks.

Pam: Well, can you find out some answers to some of those questions? When they say file liens for associations are they willing to assign a fee to file the lien to the homeowner or is that just included?

Sandy: I don't know what their particulars are.

Pam: We need to find out about that and about the website.

Tina: Do you want to do this or do you want somebody else to do this, let me ask you that. I don't want to push this all on you.

Sandy: I can look into it. When I looked into this initially, this was like two weeks before we signed on with TBO. We were already well down that road and it was like, oh, by the way, check these people out.

Pam: Yup, I remember that.

Sandy: And I've got another management company here but again, it's the same thing, it is a management company. I mean, if you guys are more serious about this, then I can take a little bit more time and try to get more specifics.

Steve: I've got two weeks in town. If you want somebody to—

Tina: I'm serious about this.

Steve: I'm very serious about this. Only because it was brought up at a meeting with the attorneys. Does the attorney have any affiliation with this company whatsoever?

Tina: Absolutely none. She has several bookkeepers/accounting services and has even used Diane at TBO for some of her associations. There is absolutely no affiliation whatsoever.

Pam: Other than the fact that she receives reports from—

Steve: No, that's fine. As long as there is not a financial or other interest that should be disclosed.

Tina: No.

Sandy: This is a property management company. They specialize in homeowner's associations. Their software is more geared towards it whereas other types of accounting/bookkeeping firms such as ABC and TBO, they are more your QuickBooks, Peachtree, generic types of accounting. They can adapt to what we need but there is going to be some bumps as we have seen. So I mean—

Tina: Pam, what do you think?

Pam: I feel pretty comfortable with at least looking into it because Cheryl did recommend them as well. So, she has had some experience with them and—

Tina: And I saw their reports and I liked them. Brian, what about you? Are you willing for Steve to—if you've got the time, Steve, to maybe work with Sandy and see if we can answer some of these questions and see if we can get ramped up?

Sandy: But now also, again with that two week ramp up, I mean, I'm talking to the salesman. Yeah, we can do it in two weeks but now what we've got—

Steve: A salesman would never lie to you. I am a salesman.

Tina: And I understand that, Sandy, it looks like we are looking at plan B which is this. But we need more information and I do not—I'm not going to let go of Diane until we are ready to step into the next thing.

Sandy: And, I mean, we are going to have to have that transition again—

Tina: She is going to be doing our invoices. I understand that. I don't know if you have talked to her yet about "Do not send out the legal bills. Do not send out any statements with all of that history hoo-hah stuff." We at least have to make sure that that doesn't go out on the 16th.

Sandy: But the thing with going to another firm is that you are talking about a second transition within a short period of time, so not only is CMA going to have to enter in things that Diane has done but more than likely for historic reasons, they are going to need to enter in what ABC did for the first three months.

Tina: Yeah, I know.

Sandy: So, they are probably thinking that we have had the same bookkeeping firm so it is just going to be one crossover. Diane did enter everything from ABC but they tend to be lump sums.

Steve: We are not that big, though. We are 160 some houses and I think for a major firm that this is chump change anyway to get it in.

Tina: I agree.

Steve: And I think that it's no huge deal. They can't do any worse than what we are doing right now.

Tina: No. So I say that Steve and Sandy start working on this ASAP.

Steve: We can meet with them next week and—

Tina: And see if we can get this thing going.

Steve: Since we can't probably officially agree to move forward with that until there is another public meeting to discuss on it and vote on it—

Pam: This?

Tina: Why not? I'm ready.

Steve: Okay, that's fine.

Tina: If you are comfortable—if you and Sandy are comfortable with this—

Pam: Let's say if it goes the way you want it to go—

Steve: Which is what?

Pam: That we—well, I would say, if you find major glitches like we have to pay for and maintain a website with them, then that would be something we would need to all talk about.

Steve: I would say if we find fees outside what is covered here. If they start saying, "Well, there is an \$1,800.00 ramp up charge and because there are two bookkeepers there is this," but I think that if everybody is comfortable with this—well, we don't have an accounting fee of per month, so that is still an unknown.

Sandy: He said it would be like \$800.00 to \$900.00 just roughly.

Pam: How much are we paying a month for our website now?

Sandy: \$150.00 divided by 12.

Pam: And this would be \$600.00 a year even after it is set up.

Tina: Well, we may not have to take—I mean—

Pam: Yeah.

Sandy: But if they do supply the online bill-pay—

Steve: That might include—

Sandy: And so that may be—

Brian: ---include some conveniences for the homeowners to pay their bill.

Tina: Right.

Steve: \$800.00 or \$900.00 a month—

Brian: We need to find that out.

Steve: For the basic fees and if the homeowner is willing—if we had online and coupon books and things like that and could put our newsletters and things on the website, because what do we pay a month for postage right now just mailing them out? You've got close to 50 cents, so that is \$80 bucks a month just for postage which we could eliminate all or a good portion of fairly quickly.

Sandy: Well, we have kind of discussed the newsletter. It was to possibly go to a quarterly mailing like a newsletter but then on a monthly basis put them up in the windows, have some copies sitting around, put them up on the website so if somebody does want to see it monthly, but try to get away from mailing it every month.

Tina: Absolutely.

Steve: Well, I agree. Why not—

Tina: I still think—the newsletter, I don't want the newsletter to be a piece of it.

Pam: No, because we can still pay for it if we feel like it is necessary.

Steve: The newsletter can go into a hang mailbox in the mail shed.

Tina: We've already got one sitting there. And behind the glass, we can do a behind the glass, if someone wants to stand there, get their mail and glance at the newsletter and it is on the website for crying out loud.

Pam: I don't think we have to discuss that tonight.

Tina: No. I'm not—

Pam: My question is, the \$900 bucks that they threw out there to you, was that if we were doing coupon books or was that for monthly invoicing?

Sandy: Basically, when I go into TBO—I mean, we went into TBO with a huge document that said, "This is what we want you to do for us." They looked at it and said, "Yeah, okay." We were dictating the terms. With the property management company, it is definitely going to be the other way. They are going to be dictating to us.

Pam: But that was for coupon books.

Sandy: Yes. The coupon books are the direct deposits to banks that they have associations with. And that's—I mean, at the time I talked to him, it was just kind of an informational thing. I didn't delve too much into details.

Pam: Right, because—

Sandy: I didn't want to waste his time. But yes, it is coupon books and I believe it is a direct deposit into specific banks so again, I'm thinking that, well, if they are going to be depositing it into our account, maybe they

deal with Bank of West, maybe they don't. If they don't we need probably to switch banks. But I don't think that we can sit there and go to them and say, "Well, you know, we want our coupon books to have this on it and these flowers in the corner—" I think they are going to say—

Tina: Here is our coupon book.

Sandy: Here is what it looks like.

Tina: And they do them and they get them out to the homeowners and a lot of this work that we are doing is taken away from us and given to a professional. What a concept.

Sandy: And I think a lot of these things that they have and show in the agreement like their reports and stuff, I don't know, you know, like what their report would be. I don't know what they do with the budget. They did mention something about a budgets in there. So, I mean, things are going to be a little bit more rigid but, you know, probably at the end of the day, everything is just going to work. I mean, it is just like—

Steve: I think rigid is fine. I think that will give more consistency between Boards here and things like that. I think that it has some advantages.

Sandy: It can work. We may have to adapt but then going from two different bookkeepers, we had to adapt to different things.

Tina: Okay, so I guess I will go ahead and make this official and make a motion that Steve Hamblin and Sandy Perry work on the contract with Colorado Management Association, contact them, ask questions—

Steve: Do we want to move forward? I mean, do we want to negotiate and, I mean, should the motion be that we are going to go with Colorado Management unless there are some roadblocks that come up and that we are going to give notice to TBO of intent to terminate? Because if not, then we are going to look at this and we are going to come back next month and then we may adopt it, so we have already lost a month.

Tina: No, okay, I like yours. Basically—

Pam: It depends on how comfortable you guys are with the answers you get. Really.

Tina: I don't want to terminate TBO if you found out that there is like this \$2,000.00 a month hidden thing that you didn't know about.

Pam: There are things we have to work out, like in our policies. They are charging each homeowner \$10.00 for a delinquent assessment so that—

Sandy: That is their accounting fee.

Pam: I know but that is just—that's the kind of thing we need to—

Steve: Does that eliminate our—well, why wouldn't it? Because we are not supposed to be making a profit on that so our delinquency letters and our late letters and our first notice—

Tina: They could but—

Steve: I mean, I would like to do that and then at some point revisit where our—the resolution is, depending on how they handle it, because the whole intent on the fees that we are doing which, you know I have real issues with—

Tina: I know.

Steve: Is to minimize delinquency but not to be a profit center, not to antagonize. If we have a management company doing it, the letters don't even come from the HOA anymore, that they take care of collections and we don't have to put liens on the house. We don't have to—

Pam: Who would do letters one and two?

Tina: The management company would. The bookkeeper does it now.

Pam: But would they do it?

Sandy: My notes are kind of cryptic here but it says flat rate management company, coupons directly to bank, no bank fees, website e-pay, 24-delay, so I guess they would, and it says monthly financials. They will e-mail them. And I've got \$800.00 to \$900.00 per month. Will do letters.

Pam: Okay.

Steve: I think if we can get out of us doing the letters one and the letters two because—

Tina: Um-hmm. Absolutely.

Steve: Oh, I'm all in favor of it. So my feeling is, is that, unless we find—and I would say with some direction of accounting fees, net accounting fees not to be over, what, 20% difference than what we have paid for the last two years? And if we feel that—if we can find—you know, if it is going to come to more than that, then I think there needs to be another discussion. But if we are comfortable with the service, let's get it ready and be ready to execute it at the next meeting.

Tina: Absolutely.

Sandy: CMA also has a one year obligation on the contract.

Steve: But you can terminate by 90 days? It is—right, "The agreement may be terminated without cause by either party with 90 days written notice sent by certified mail."

Brian: Yeah, that's if we just want to up and say bye-bye. We can do that if there is a major problem. If they are screwing everything up, there is no way we have to abide by that contract. If they are doing it right, which is what we want them to do, we will stay with them.

Pam: Which is the same contract we had with TBO. They are screwing it up, do we have to stay with the contract, you know?

Brian: I have an issue with that. I would think that—

Pam: Are you going to call them or do you want Tina to call—

Sandy: Call TBO?

Pam: About getting out of the contract.

Tina: No, I mean, I can call TBO. I don't have a problem with that. I just don't want to end it with TBO if you guys aren't ready to step in with CMA.

Steve: Well, I can do something next week if you have time. We can set that up.

Tina: You give me a call to give me the go ahead and I will contact TBO.

Steve: This is going to be an interesting meeting—minutes. Okay, I would like then to make a motion that we proceed with Colorado Management & Associates to take over the homeowner dues, billing, and management of the finances and terminate our contract with TBO provided that there is no major pitfalls found next week and no out of the ordinary or hidden costs.

Tina: I'll second that.

Steve: Somebody read that back.

Tina: I can play it back but I am not reading it back.

Tina: I second that. Any discussion?

Sandy: Is there maybe like a cap on the monthly charges you want to put because like I said, right now it is running us about roughly \$1,200.00 that Pawnee Hills is paying just for the invoicing and the billing services.

Tina: Well, he had already said no more than 20%--

Steve: I think that over that would—right, on average, so I think—

Sandy: She was like 25 hours but then she was a higher hourly rate. Her dollars were higher.

Steve: I think we are going to be okay because the net savings of being able to eliminate our costs, legal, the headache—

Tina: The headaches we have had, the phone calls, the meetings, absolutely.

Steve: I think that will serve the community well and that the homeowners will appreciate having that and looking at it less punitively as a Board attacking them, that it is just an accounting thing. Then it becomes no different than what your bank does and they set the rules because all we care about is that we get our money.

Tina: Absolutely. So, any more discussion?

Pam: No, I'm happy.

Tina: All in favor?

Aye, aye, aye, aye.

Tina: Four ayes. Yeah, hallelujah, praise the Lord.

Steve: Well I will send my comments. Sandy can by the end of next week and if not, then you should be able to give TBO their fond farewell by the 20th and that would allow through the August billing cycle probably I would think and that we should be done with them by then.

Tina: Okay, what I will do is I will draft up a letter. I will need you guys' input because I'm going to be out of town but what I can do is draft it and any Board member can sign it and send it to her, okay?

Sandy: One thing to watch for is, again, if they have to issue the coupon books, there has got to be some printing and that's got to get mailed out so we may—

Steve: I imagine they have ways to get—I think that they can turn that around. We will find out next week.

Tina: Yeah. You guys let us know if there are any glitches.

Steve: So we will let you know when a fair termination date is, at least I think we can advise her that she is being terminated but we can say that it will be after the August cycle or after the September cycle that we can have a realistic ramp up time and give her a definitive cutoff date and instruct her to cooperate with the new accounting firm.

Brian: We are more than likely going to spend more money but it is going to be an easier ramp up. I just feel this in my heart that they know what they are doing and done it and I think it will be a lot easier ramp up for you.

Sandy: Well, I would prefer not to sit and look at 160, 170 statements every month.

Brian: We prefer that you don't have to do that and I think we need to spend the extra money and get it done and do it and transfer liability from this board and get someone—get a professional and large company to do it.

Steve: And I want to talk to them because one of the things in the last community I was in, again, they had the coupon books but they had the first coupon that had X percentage off if you paid the entire bill by the end of January. Cost of money it saves the accounting so what are they willing to pony up because they are going to have less accounting to do.

Pam: That is something to consider.

Tina: 3 is normal to be honest with you. What Cheryl had said was 3—

Steve: IRA is—the best yet and it is 4% in the bank. I'm not going to—if I can make more money because I pay that, I'm not going to lose money to pay that.

Pam: Yeah, that's true.

Tina: Um-hmm.

Brian: 2 to 3%, I would be all for that.

Steve: And you said the postage, if we can get rid of the postage every month, if we don't have to do monthly mailings with our newsletter and if we post it, we do some other things, that they maintain the website, that if a member of the community to be named nameless has an issue with whether it is SB-100 compliant, it is no longer our issue.

Tina: Absolutely.

Steve: Because, yeah, realistically, and I'm not saying that everybody got a bad shot and reputation on this, it is totally undeserved including myself on some decisions here. But, we are really just members of the community that are willing to step up to the plate and I think that the way the Rules and Regs are and by doing it ourselves, that we open ourselves up for attacks that are unfounded because and when the accountants handle that, it is no longer Tina signing those issues. The accountants deal with it.

Tina: Yes.

Steve: That gives us more time to find other ways to piss people off.

Tina: There you go. Steve just said it. I can't believe he said that out loud. Speaking of, let's try and get things done, the resolution regarding commercial activity. We read the whole thing at the last meeting.

Pam: We advertised it.

Tina: We advertised it in the newsletter—

Pam: Publicized it.

Tina: Yeah, publicized it in the newsletter that we were going to be talking about that again tonight. I am ready to sign this thing. So, the only signature I wouldn't have tonight would be RC. We could either wait for another month to pass this thing or we pass it with four members or we have RC sign it later.

Pam: Since we had it on the table, I think we need to pass it and have RC add her signature if she is comfortable doing that.

Steve: I don't know if there is an issue, you know, whether she signs it or not. I think—

Tina: It's not—

Steve: If we were a split vote or if there was a swing vote, then that would be an issue. We have discussed it. I do not anticipate a tie vote or a swing vote. I will vote last just to make sure that everything stays fair but I think I would support a motion that we adopt the resolution to define commercial activity.

Tina: Okay, I second that.

Brian: I will second that.

Tina: Discussion?

Steve: I thought it was going to be—the actual resolution was going to be in the newsletter is what I thought we had discussed. I was surprised that it was not there.

Tina: Oh, I didn't know we were going to post it. I thought we had read it and then we, in the newsletter, stated that we were going to vote on it at this meeting.

Steve: Because there was some misunderstanding, it is something that—

Tina: I mean, is it going to change anything?

Steve: I don't think it would change anything but—

Tina: We talked about it for like four meetings.

Brian: We sent out the—

Steve: We did say in the newsletter saying that it was going to, if adopted, supercede the class action suit and the class action suit would be shut down.

Pam: And it was going to be voted on at this meeting.

Steve: This is true.

Pam: So that's enough.

Steve: Okay.

Pam: I think.

Tina: I mean, we could never get anything passed—

Brian: I think we were going to try to get votes in here to try and give us their opinions—

Steve: Now, in all fairness, I guess I do have a little bit of an issue there because all we have said is that we are going to do something. The resolution is in the minutes but nobody has seen the minutes.

Pam: Instead of saying no, we are going to be voting on it—

Steve: I think that to have a two sentence blurb is a little bit different on something that—I'm perfectly willing to sign it.

Pam: I think that is good enough.

Tina: I think we need to sign it and get it over with because we just keep postponing the inevitable. I think that if we sign this and get this adopted and the class action suit goes away, I think everybody is going to be doing a happy dance. I really don't think that we are going to have—

Steve: I tend to agree with you and if there was huge opposition, it could be revisited.

Tina: Absolutely.

Brian: So say there is an outcry, we can change it.

Tina: Absolutely.

Steve: I agree. But what we have effectively done is given ourselves control rather than the potential of having a judge decide what is commercial activity for Pawnee Hills for the class action suit and the stipulation.

Tina: Right.

Steve: So, from that standpoint—

Brian: We are doing what every other association has done is this state.

Steve: Given that, I'm fine moving forward.

Tina: I mean, if you would like to go on with the declaratory—

Steve: No—

Tina: I would be more than happy to let everybody know—

Steve: I don't even want that there because you know I have been fighting that one.

Tina: Well yeah, so this is a viable solution that I truly believe—it now will go on the website. It will be there. If you want, we can send it out in the newsletter this time as a signed document. We have sent all of the other ones out when we adopted them and signed them—

Pam: Does anybody know where RC is?

Tina: No. I haven't heard from her.

Pam: Steve, do you want to call her? Or is it getting a little too late?

Steve: I think—let's just move forward with it. You know, I know that she was comfortable with it and—

Tina: Sign this so I can get Steve to sign this so we can get this thing blessed.

Brian: Would you sign this stinkin' thing?

Tina: Sandy, post it on the website. We will add it. I will give it to Susan to put with the newsletter.

Pam: Yes, it has to be mailed out.

Tina: So it will be mailed out to everybody. It will be on the website and after this gets signed, I will call Cheryl if I have approval to call Cheryl and tell her that it is a dead, done deal. I will fax this over to her and the declaratory is done.

Steve: Do we need to notify Chuck? Have him notified?

Tina: No, Cheryl will contact David.

Steve: Okay.

Tina: He is just right down the hall from her.

Steve: I understand that.

Tina: So I am going to fax this over to her so she knows that we are doing this.

Steve: Okay.

Tina: And so all I have to do is fax the cover sheet with it saying that we have adopted this resolution. The declaratory has now been dropped. Okay? That takes care of that one. Boy, that is a huge piece off of my mind, although I am going to miss talking about that so you guys are going to have to start something else.

Brian: Oh no.

Pam: We may not be done, don't worry.

Tina: Okay, has anybody heard from RC regarding the Housing Authority and the Colorado Civil Rights division regarding Beireis and where we are at with that decision?

Steve: Nope.

Brian: No but she called me back and said that it is still in investigation. That was Tuesday.

Tina: Do they have an ETA on when?

Brian: No.

Tina: Okay, so—

Pam: Bureaucratic red tape basically is in control of it, right?

Tina: And that's okay. I just want to make sure we are—

Brian: I mean, they farmed it out to an investigating company and they are just still waiting and they are taking their sweet time and—

Tina: I just want to make sure that there is nothing that the Board can do regarding this piece, that we are just waiting for a response back from them.

Brian: You know what is annoying is, I called them a week ago. It took them a week to return my phone call and the extent that my message to her was, "Do I need to get anything else for you? What can I do to help to figure out—do you need anything? Call me. I will bring it to you, and it took them over a week to call me back.

Tina: At least we are doing—

Brian: And he said, "Oh, it is still in investigation. See ya."

Tina: But at least we are doing our due diligence. At least we are—

Brian: Yeah. We are trying. I mean, I have been working on it and no information coming out.

Tina: Alright, the homeowner's meeting July 28, 2007. Guys, it is coming right up around the corner. We do 9:00 to 9:55 as far as the check-in goes. We try to start the meeting at 10:00 so people can get out the door. We have had some discussion about, you know, whether to hold the meeting or not hold the meeting. Steve, I just want to clarify with you, we cannot officially hold the meeting but we, as a Board, are more than welcome to ask homeowners that are here that are present if they have any concerns, any issues that they would like to bring up. We may not be able to solve them that day but at least we can either, if it is a huge issue that they want brought up, we can make sure we have it for the January meeting for a vote if it is a vote type of issue. If it is—what are we doing about the equestrian trails, how come there are so many weeds in there? Sure, we can talk about it. We can get ideas that we can say we will go ahead and table that to our next meeting, that type of thing. But I just wanted to let you know that...refreshments... Who volunteers to bring the refreshments?

Brian: I'll bring some. Do I need to bring all of it?

Pam: Is there coffee here and stuff?

Tina: The coffee pot is here but the coffee, I don't know if we have any—

Pam: Is it me or just bring in a bunch of donuts?

Tina: Yeah, it is mostly just bringing donuts and then we just make the coffee at the coffee pot and pray we've got some coffee under the cabinets.

Brian: I'll bring sodas and whatever else—

Tina: It is usually just coffee and donuts.

Brian: Coffee and donuts? I can bring them. Alright.

Tina: Unless you want to do something different.

Pam: We need to have a conversation about whether or not we have the right to have rules and regs.

Steve: Actually I think they will—kind of like people that sing karaoke, you have to watch the video the next morning. I think at a subsequent meeting I am going to go back to some of the previous minutes and read some Tina quotes on the whole class action suit just—

Tina: What? You are so funny. Don't even go there because I can throw stuff right back at you. Yeah, we don't want to do that. We want to stay friends. We want to work together as a team. Okay, the only other

thing that I wanted to talk to RC about is that I have been giving her a bunch of documents to file but she has been taking them home and I realize that that probably isn't a good idea. We have a box upstairs that says "To Be Filed" and if you can't file the documents where they need to go, at least it goes into that box and it is on the premises so that if any other Board member has to research something, they may have to dig through a couple of pages but it is up there. The only concern that I have is that I should have told her, instead of taking them home, it needs to go up there. We did have a past president that ended up with a lot of documents at her home and then she moved and we never—I shouldn't have said "she," and she moved and we never got some of the older documents back. So, that is the only thing that I really had as far as that piece goes to make sure that all of our documents go up there.

Tina: ACC Rules and Regs, we still have to work on that, guys. The pool rules sign, actually, Cynthia said she is going to get me a draft sheet. She has some ideas for the pool rules, what she would like to see added on there.

Pam: And there was some stuff on Hindman Sanchez about, that about the way they need to be written.

Tina: Oh, really?

Pam: Let me see that before you are done.

Tina: Oh, okay. Alright. So she is going to draft that up just for us to all look at and you can look against Hindman Sanchez and see what they have. Commercial activity stuff, we are completely done with that. Am I missing anything, guys?

Steve: I wanted to still talk about this.

Tina: Oh, okay. Alright. Let's go ahead and talk about—you wanted to talk about, what, Susan Murphy's bill or—

Steve: Susan Murphy's bill and just the way it is being treated. She came to—

Pam: Well, wait on Sandy.

Tina: Yeah because Sandy might know—okay, sorry Sandy.

Steve: Sandy responded and I understand it but I just want to read it in is that Susan Murphy got into a bind and worked very hard at getting out of it and went by her last statement and called and worked on getting the balance as she did things and made a payment, actually a little bit more for a payment based on her June 1st statement.

Tina: Okay.

Steve: So, she showed a balance at June 1 of a credit outstanding of \$4.34. There were some legal fees included in that but evidently not all of them but she then, rather than getting anything else in July, got a notice saying "Your account has been turned over to collections." Now, this is bad accounting practices. Had Susan known and the legal fees had been in her statement on June 1 when it went out, she would have paid them when she paid that bill.

Pam: That's where we need to tell Steve what decisions we made with Cheryl because we haven't gone over that at all.

Tina: No, we are changing the procedure on that to match—

Steve: Let's not worry about the procedure right now. It is Susan in collections now.

Tina: Right now, Susan is with Cheryl. The last thing was that Cheryl was getting a clean ledger on Susan's account to then have discussion with Susan so really Susan and Cheryl are discussing her account to come up with a resolution.

Steve: You understand my issue is that—

Tina: Oh, I totally understand—

Steve: The accounting is atrocious because she paid everything that was due and everything that she was billed and then the next thing she hears from the HOA or from accounting is "You have been turned over to collections." Now, hopefully that there is no additional fees that were or interest or late charges that we are imposing because it has been turned over to collections.

Tina: Okay, what happened was, she did get letter #1, she did get letter #2.

Steve: Um-hmm.

Tina: After that it goes to Cheryl—

Steve: Right, those are here.

Tina: Once it goes to Cheryl, then we send her the letter saying it has been turned over to collections so she must contact Cheryl for information---

Steve: But no, that's not true. That's not true in this case, Tina. That's the issue. She has been getting regular statements from us as—See, she never got—these are the statements coming to us since March. There is one legal fee here but she has been dealing with the attorney since March when it was turned over. She continues to get statements. What I'm saying is that she should have—we should have sent her a letter of explanation. We should have said that these charges were still outstanding but rather than her being told, "Hey, you are paid up and good, everything is great," the next statement she gets is "You have been turned over to collections." Well, she wasn't turned over three months ago when it was turned over to the attorney and she thought she was all paid up and she worked very hard to get there and then to find out that there are additional things, that is accounting issues and I think that consideration needs to be made that way as far as giving her some time to get caught up again without additional legal fees, interest, or charges.

Pam: Well, how much is outstanding? Do you know?

Steve: I don't know at this point. I'm guessing if you look at the legal fees that it is going to be about—it should be less than \$200.00. It should be about \$185.00. See, because there is only one—there is a balance forward as of December 31st. She has one legal fee showing of \$51.51 which doesn't even coincide with any of the legal fees on the attorney's statement so I don't understand that.

Sandy: The attorney statement is only for April. We pay each month so we zero our balance so it is only for that one month increment.

Tina: Okay. I understand what you are saying with Susan but that is what we are trying to rectify now with Cheryl. The bookkeeper's numbers and what Cheryl is carrying over, she is making the discussion between Susan and Cheryl to make this right.

Steve: Okay. Now, my issue with this whole thing, though, is because she is dealing with Cheryl. We are going to get hit up with charges from Cheryl to deal with this that she is going to have to pay for which she has no business having to pay for. Do you understand? There is no reason that she should be accruing any additional legal fees nor should we because if we had just told her that you owe this money, she would have paid it. So why are we paying an attorney \$185 an hour because it is ludicrous.

Tina: If I told her today she owed \$327.00, she would write a check right to me for \$327.00?

Steve: I think that she would want an accounting of what it is for but what I'm saying is, right now, we are paying Cheryl and so she is going to be expected to pay Cheryl for the legal fees because she is dealing with Cheryl.

Tina: This is part of that base number when she goes for—this is what it costs to do X, Y, Z to collect this. That is all part in there.

Steve: So you are saying that from the—that Cheryl is not going to charge any more than what she has right here because see—

Tina: No, because see, that is only—

Steve: That's what I'm saying, though, because she was not given the right to pay that bill. She was told that she was caught up with that and now we are saying you've got to pay an attorney to explain to you why we screwed up on accounting, not—

Pam: Do you have the invoices for each month?

Sandy: No, there won't be additional attorneys fees unless Susan continues not to pay or something and a lawsuit has to get filed and more demand letters have to go out but I mean, right now—

Steve: No additional legal fees since June 1 which is when she got that statement.

Tina: I don't know if we—

Steve: Well—

Sandy: I have everything in the car.

Steve: Don't get it out at this point. We can talk off line.

Tina: Yeah. But know that this is being fixed and that is why we—

Steve: I just want to make sure that it is being fixed without costing a homeowner undue additional costs.

Tina: Think about it this way. We don't have all the numbers in front of us. If we had the numbers all in front of us and we knew what was going—we could waive some of that. Do you know what I'm saying?

Steve: Okay.

Tina: I'm willing to waive certain things—

Steve: Okay. Okay.

Brian: What did she want us to waive?

Steve: At this point, she just (1) wants to know what she owes but she is accruing legal fees. She is afraid she is accruing legal fees.

Brian: Okay, so when you figure that out—

Tina: We don't know that yet, though. So—

Steve: Okay.

Tina: You have to give me the numbers that you have and they are not correct numbers.

Steve: But see, here's the big interest here. You can't give numbers. We don't have numbers. She didn't have numbers. She tried to pay her bill what she was given on June 1st which she paid on—she paid it on June 1st. So she got her bill and she actually paid a little bit ahead of time. She paid her June 1st at least by what Diane says which is not necessarily—no, she made the payment on May 7th, excuse me. So made a payment on May 7th thinking she was fully caught up, had enough balance in there to cover the June dues. So at the end of June, she still showed that she had a \$4.34 credit balance. So nobody can tell her what the numbers are and now she is afraid that she is being charged by the attorney to show her numbers that nobody acknowledged?

Tina: We will be able to—it's not that I'm saying Diane is a complete idiot. Please back that out because her numbers—we are getting the numbers straight. They are pretty good. I'm saying that we will have the numbers from Diane representing it correctly from Cheryl with the legal bills. But understand, the legal bills come out too late.

Pam: The bill is reflected that way because it did not include the attorneys fees, right?

Sandy: Inadvertently and that's the one where—

Tina: We missed March's attorney's fees completely. Everybody's March's.

Steve: We missed everybody's so again, you know, she is an innocent bystander that—

Sandy: No, the issue with this one on the June 1st bill was that her legal posting was posted to another homeowner's account. That homeowner notified the accountant and the corrected June 1st statement was sent out to Susan.

Tina: Thank you for reminding me.

Sandy: On that one - that was an accounting screw up.

Tina: Okay, I'll tell you. I was the homeowner that got the bill. I got Susan Murphy's legal bill on my invoice. I can tell you, I got it that night and the next morning I was screaming at Diane going, "What in the hell are you doing? You gave me Susan Murphy's legal bill." "Oh, we screwed up."

Steve: Okay.

Tina: I said, "I want a new invoice to go out to Susan today." So she got a new invoice that stated all of the legal bill and the new invoice. On the top of her statement I told Diane that "I want that at the top to say, I don't know, 'corrected invoice' or 'this is the corrected invoice.'" So that Susan Murphy received the corrected invoice immediately.

Pam: So she didn't show you the corrected invoice, Steve?

Steve: Okay, but—

Brian: When is the last time she contacted the attorney?

Steve: Huh?

Brian: When is the last time she contacted the attorney?

Steve: When she got the bill. When she got the bill saying that she had been turned over to collections.

Brian: And what did they tell her?

Steve: I have no idea.

Brian: Well, we need to find that out.

Steve: All I'm saying is that, I don't necessarily even need to resolve it. I certainly understand a homeowner's frustration in getting a bill then getting a corrected bill, before it is even 30 days past due, being told—

Tina: It was corrected in three or four days at the most.

Steve: Okay, so, but this bill that she was told on July 1 that she had been turned over to collections. Now, she had less than 30 days to respond.

Sandy: But actually—

Steve: Before she was—before it went to the attorney. And that's the issue.

Sandy: Actually, she was in collections for several months prior but we weren't sending that informational letter. We were actually sending out numbers and the lawyer is just like, "My numbers don't match the bookkeeper's" and so—

Tina: And we are not—but we fixed it because we do not send statements anymore so we don't have crappy accounting going out the door. We do not send copies of their legal bill. They can request their legal amounts and get the breakdown but it is not coming from a bookkeeper giving it to us. It is coming right from the attorney's information. They create a whole thing that gives them the exact stuff so we have solved 99% of our problem with that meeting with Cheryl of all of the mistakes that we were making because we are not a management company. We are a bunch of volunteers doing the best we can and that is where I'm at. We have got to let go of this stuff.

Sandy: Hopefully by going to a property management company, one that specializes in it, they know the procedures and—

Tina: They won't be making the rookie mistakes that we are making.

Sandy: I know that we may not be matching lawyers numbers. The accountant didn't know. The lawyer didn't know that we were sending out numbers. You know, and we found it out by unfortunately making the mistakes.

Pam: So that's one discussion you will have with this potential accounting company is how we work that when somebody is in collections, that they will not be sending a ledger.

Sandy: I'm sure that they have got their procedures in place or however it goes but, I mean, we are learning on the fly. I mean, we didn't know to post the legal cost that the lawyer is charging. We didn't know to post that to the homeowner's account until four or five months after we already had it and then I get a call from the accountant saying, "How come this person paid so much more than what I show they owe?" And we started playing with numbers and all of a sudden it is just like, you know, those are kind of close to the legal costs. Then we contacted the lawyer, she is like, "Yeah, you should have been posting them all along." We didn't know.

Steve: And I think that going to a management company is going to correct a lot of the problems but—

Sandy: Yes.

Steve: I think that homeowners shouldn't be accruing extra fees because of our screw ups.

Tina: If it is our screw up, I will be the first one to say we credit their account. If it is the homeowner, you know not paying their dues, then no.

Brian: I'm going to put in my two cents, Steven, and I am trying not to sound unsympathetic. However, I do have a problem with the whole, I mean like, oh, three months. I'm not going to pay my measly \$47.50. And I am going to let it go that far to where everyone else in this community had to float them their fee and then, heaven forbids, a problem happening with the accounting but if she wasn't late and all, there would never have been a problem. And homeowners know that they have to pay and they have to pay on time. They signed that document when they closed on their houses saying that we will do this. If the attorney is a month late on invoicing, they have to pay it. We put something on their account that shouldn't have been there, I'm in full agreement. Take it out and credit them, we are done. But if the bill comes out 30 days later which is kind of how you have to do it with billing people, you are liable. You have to pay that money. So, that is just my two cents and—

Steve: I don't think anybody is contesting whether the money is due. I don't think the person in question is contesting whether the money is due. The question is, why would she be accruing additional legal fees in collection because of our billing error? That is the whole thing I was bringing up.

Brian: It should not be and we have determined that it we fixed the error in a timely basis.

Steve: Okay, that was the issue. I don't think anybody including the person involved was questioning the charges or challenged the validity of a single charge. Sometimes people can't pay their bills. Sometimes things happen.

Brian: Right, and I—

Steve: And that they owned up to it and they dealt with it and they tried to do what was right and basically they got a letter saying they were in collections due to our screw up. That was the issue, not the validity of the charges.

Tina: I'm also wondering why you didn't get a chance to see the corrected invoice.

Pam: Right. If she received the corrected invoice before she got a letter saying she was in collections, then I think it's possible that we don't have the whole story.

Brian: You were obviously upset about that and you had—

Steve: I'm very upset with the way the accounting has worked for quite a while in this community.

Brian: Because usually it is really—with that 3-1/2 hour meeting the other day, we found out that there is really some things that have to be fixed and they have to be fixed now.

Sandy: But also, a lot of times with this stuff with the attorney, when it goes into collections, she has flat fees like \$51, whatever is a demand letter. Now, if you receive a demand letter and your bill is \$51 for it, you could probably call their office four or five times to discuss payment plans or whatever and not incur additional legal fees included in that \$51.

Brian: It would be great if the homeowner just showed up and said, "Look guys, you know what? I need help. I can't pay my bill this month." But they don't. They sit there and they wait and they wait and they wait and they wait for it to show up with the attorney. And then they want to yell at us for an accounting error. I mean—

Tina: And it may or may not be an accounting error.

Brian: If they would just say, "Hey, help me." Okay, what do you need help with?

Pam: If they fired out that corrected statement the day of or the next day, then I am questioning some of this to start with.

Steve: Well, you know, I think we are beating it to death. I think that there were certain errors made on our part and there have been a number of errors. I think we have a pretty good track record of errors in this transition of not getting statements and problems with it and this was just another one. So do I have all the facts? Possibly not. Did I go off half-cocked? Probably. But the issue is that of all the issues that have come before me by the accounting before. We have been clearly in the wrong so there is a track record there.

Brian: But the accounting—

Steve: The accountant. Okay.

Open Forum: Nothing.

Motion was made to adjourn the meeting. Motion was passed. Meeting adjourned at 9:13 p.m.