

Pawnee Hills Community Association  
Board of Directors Meeting  
June 14, 2007

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

Meeting was called to order at 7:07 p.m.

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

Facilities Report - Cynthia.

All the previously discussed pool repairs, electrical projects, and drainage projects are complete. The pool opened on time and we have had some trouble with high winds and keeping the pilot lit so if anyone has been complaining about the pool getting cold and we had a 32 degree night not too long ago. It has been a little chilly a couple of times the pressure gage on the filter was not functioning properly and that has been replaced and we are going to have to backwash more frequently to increase the water flow so that it triggers the pressure switch in the heater so that has all been remedied. It will increase our chemicals that we use in the filter and the amount of acid required has gone up because we are not having to fill our pool as often to keep the pH balance. Not as much fresh water is having to go in. The electrician, he has been contacted but because he is really busy he has not been out yet. There is one light that is surging and he did not do the light that was on the bid for under the deck and that was on the initial bid so he has been contacted for both of those. As far as I know, he has not been paid yet. There is a switch going out that direction and in this direction from the club house this motion detector and that motion detector will come on as they come down the walkway and to the gate, they have motion detectors to get back to the pavilion and at the pavilion. Two of the remediation companies have backed out of the bids but I still have two interested in bidding the job. The other one was phoning his bid into me today. That should be coming within the next day or two. We have an insect bee or wasp problem at the pavilion. We have had them before and if you go out on the pavilion you can see where last year they actually ate away some of the support beams at the top and they had moved over to another beam and it is a nuisance to homeowners using the facility. We tried to spray it but it only worked temporarily. I think we probably need to get an exterminator in here; the spray can just is not working. So I put a request in here to get an exterminator for that. I need a decision on re-keying the facility. Our mower is still in the shop for repair. John Pokraka, a wonderful man that he is, has been kind enough to mow the larger areas and then we have been push mowing all the edges and trimming all the ends and everything else that he can't get a tractor into. And that is all that I have.

Steve: Why are we re-keying all the locks?

Cynthia: Every few years we do that because we have new homeowners and have people using the facility that aren't really homeowners here anymore and usually we rekey every time a board changes hands and we don't necessarily have to rekey the locks. I just need a decision. We were waiting to hear if I was to make more of the same keys or if you wanted it re-keyed. And I was asked to get the bid two or three months ago.

Tina: Yeah, I forgot to bring it up at the last couple of meetings. This is actually to do master keys for obviously the employees and then the Board members and then to get, what is it, 208 keys made for the homeowners and extras, so it is for the homeowners and we have extras. Right now we are completely out of keys so if a homeowner says, "Can I have a key?," we either need to start remaking the same keys that we have or we need to do a rekey. We, in the past, have done rekeys almost every other year there for quite a while and it has been four years since we have last rekeyed and gotten new keys out to the new homeowners.

Steve: So, I didn't see the bid. What is the number there?

Tina: \$650.

Steve: I mean, I don't have strong feelings one way or the other but if it is not needed, you are concerned about security of the upper office, just rekey and give it to the employees and the board and get some more keys made up. I don't know what portion of that \$600 because I haven't seen it, does it break down what it is for the cost of the keys versus the cost of re-keying?

Cynthia: This includes the barn and the arena locks.

Tina: And we have done it mostly because we have had homeowners, a lot of homeowners move out, a lot of homeowners move in. We have had—

Cynthia: Lost keys.

Steve: Are we having a lot of problems with a lot people that are not supposed to be in and are—if we just stayed with existing locks, how many keys would we need to get through this summer season? Additional keys?

Tina: I'd say 25 of them.

Brian: So we know that we have got different locks, different keys that we would need. There are several—

Pam: But they pay for those. They come back for a second key, they pay for that.

Cynthia: Yeah, they get their first one free. Every key after that is \$3.00.

Steve: I will go the way everybody else goes. My feeling is that if we are not having a lot of problems, spend 100 bucks on getting some extra keys and if it becomes a problem, let's deal with it. But, you know—

RC: We have a lot of expenses coming up.

Pam: Purchase additional keys as needed I think.

Tina: Yeah, so we are going to need some master keys for the Board because who has a key right now? I do.

Brian: I do not have a key.

Steve: I think you gave me one.

Tina: And then however many keys Cynthia needs to get for the homeowners and not do a re-key.

Tina: Okay, and now let's go back to the exterminator thing. Are you guys okay with getting an exterminator—I don't want bees and whatever flying around and eating the pavilion? Cynthia, what if you get us a couple of bids on what it would cost for them to do that and then I can shoot an e-mail out to you guys and we can just approve it that way.

Cynthia: If you have any people, you can write me a contact that you know of. Speak soon or forever hold your peace.

Tina: Okay, do we have any other questions for Cynthia regarding the facilities or anything like that? Okay. I just want to mention that the coping stones and the tile repair is going to be done after closing the pool at the end of the pool season in the fall. That is all I had for Cynthia that I just wanted to make sure got in the minutes on that part.

#### Communications from the Community Members:

Tina: The Board of Directors wrote a letter to Cliff Stephens and Dawn Hill on June 5<sup>th</sup>, 2007. "Dear Mr. Stephens and Mrs. Hill, Per your covenant violation letter submitted to the Board of Directors regarding

motocross tracks located at 35246 Cherokee Trail and 1174 Sioux Trail, it is unanimously voted by the Board of Directors at the regular meeting held on May 10<sup>th</sup>, 2007, that the motocross tracks in question are not currently in violation of our covenants. Therefore, the Board considers this matter closed. Sincerely, Tina O'Brian, President."

We have a letter from Jim Chandler, 1425 Shoshone Trail dated May 31<sup>st</sup>, 2007. "Your letter dated 5/16/2007 claims that I owe for three months dues. I owe for two. You will find documents enclosed to support my position. I have today sent a check to the accountant. I wrote you a letter last year protesting your manifesto in which you illegally asserted an illegitimate right to assess late fees, etc. You have never answered my letter and I still say 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. You may not charge me these fees, \$31.35. Jim Chandler."

Tina: Sandy went and made sure that we checked to see if it was two months or three months and what the situation was. We contacted Diane with Total Bookkeeping Operations and she found out that in fact he did pay the two months.

Sandy: His invoice on June 1<sup>st</sup> which would have been, I don't know, if you saw that or not actually does charge for three months. He was two months in arrears but they included June payment and it did include the miscellaneous late fees and finance charges and stuff. So as far as I can tell by going through the records, we got and through Diane, his invoice or his statement was correct.

Tina: Was correct.

Pam: So should we respond to that?

Tina: I guess we can. He has brought up the past that he doesn't think that we are allowed to do the processing fees and all of that stuff.

Pam: There are two separate issues.

Tina: That issue we have addressed with him in the past at meetings and it is reported in the minutes that yes, you know, he disagrees with us, we know that he disagrees with us and we have read him the rules and regs and have quoted those back to him as our answer. I think we should go ahead and I will contact Diane and get, if she has received any funds and get the actual amount that he owes at the end, you know, saying that we have received XYZ as of XYZ date this is what you owe and will attach the statement of TBO with it but before I do that I will draft the letter and send it to you guys.

Pam: Sandy, does he need something he doesn't have?

Sandy: He sent us a note and it says on there that "I owe April and May" which is correct but his statement also includes June.

Pam: Maybe he didn't realize that.

Sandy: So, yeah, it could be but he is acknowledging that he owes for April and May and that he will owe for June—

Tina: And then he will owe for June.

Sandy: So, it sounds like he has paid his \$90.40 to cover his assessment but not any of the additional fees.

Steve: I haven't scanned that. I looked at it when it was first sent to us but I guess what I would want to double check before we send another bill is, he is really only—if he paid prior to June 1, depending on when he

paid that, he has one month that is greater than 30 days in arrear only, so we need to check our late fees on that and it is not for two months.

Sandy: Right.

Pam: It looks as if he was only charged a late fee—

Tina: For the one month.

Sandy: The way these are calculated sometimes—

Tina: This is the demand letter. So, let me do the research, guys, and I will e-mail out all of the statement, his payments, all of that to you so you will be clear—and then I will get a draft letter.

Pam: There is a question as to the charges and how many months he is in arrears. Are we trying to find out and then respond to the letter, is that what you are finding?

Tina: Yes. And then I will send that out to you guys for you to—and I will also have the statement. I will scan the statements for you to see also.

Steve: Because see, part of the problem here is already the finance charges. Albeit it is only 94 cents, but they charged that the middle of May. He was not two months in arrears at that point, only one, so this is where we get into trouble when people start looking at these because there was only one month that we were entitled to charge interest.

Pam: Um-hmm.

Tina: Right. And we are fixing that. That is the one thing that Sandy and I are working with Diane regarding the finance charges; when they hit, when they apply...

Brian: You need to be absolutely specific.

Tina: And Sandy and I have already addressed that with Diane at TBO.

Brian: Okay.

Tina: Understand that there was the changeover from Susan with ABC to Diane with TBO and Sandy and I have been working diligently on the phone for hours going through, making sure if a problem comes up that we address it. We both understand that we are going to be catching these problems and I am hoping, you know, Sandy is thinking in a couple of more months it will be running very, very smoothly and we would have caught everything. We will be making procedural changes that we need to to make sure that we are doing this right. So, Sandy and I are both on top of it making sure that these go out correctly. An example of what had happened is, I received my invoice and it had legal charges on it; a whole bunch of them that weren't mine and I should have credit on there and I had, over \$200 worth of charge so I about went through the roof. So, I called Diane and said, "What happened?" And it was a simple mistake. The bills are written to PHCA Tina O'Bryan and instead of looking at the matter and finding out who that person was that the legal bills' charges should have gone through, they put it on my account.

Brian: That is something that is easily identifiable. It is just the little things, finance charges and stuff like that—

Tina: Absolutely.

Brian: We have to be very careful and make sure that before it goes out that it is absolutely right.

Tina: Sandy can't look at 167 invoices every month.

Brian: I understand.

Tina: We have to just try to catch them when we can.

Brian: What I am saying is that people that are late that are being charged these charges, we need to be extra, extra careful.

Tina: Know that we have sent out corrected invoices so as soon as we find a wrong number. Either Sandy calls or I call Diane and say this needs to be fixed and please send out another invoice and she writes on the top this is a corrected invoice, so that we—

Brian: So at that point do we call the person who got the wrong information or do we just—

Tina: No, we just make sure we send them the corrected version and then from that point forward it is correct, you know.

Brian: We should be able to call them and tell them we are sorry we sent you the wrong invoice.

Tina: You want me to give you the names and—no, I'm just kidding.

Brian: Tell them we screwed up and—

Tina: I know. Go ahead, Sandy.

Sandy: June invoices I did get copies of all 167 of them and I did check them all, I checked going back to April to make sure that the balances that ABC sent to TBO were typed in correctly and that type of things. We did catch a couple of little things, there is just some miscommunications on the handout so hopefully we will get better.

Brian: That's a lot of work. Thank you, Sandy.

Sandy: I will do that for the next month or two just to make sure that things like finance charges are being calculated correctly and things like that.

Brian: And then showing how they are—pretty much show the math, I mean, we really should.

Sandy: I sat down last Friday for two and a half hours and we went through reports and some procedures.

Steve: I hope that we are very selective, that there is some sort of proof on sending out, like delinquencies for May, if they weren't caught in June because there were a lot of people that didn't get those. Now, they caught mine and they got it and I think it will bring it forward but I think that if somebody can legitimately say, "I didn't get my May bill" that—

Pam: Do we know who didn't get—

Steve: We don't know who they are but I think that we—

Tina: The ones that we did identify, the people that we did find out, that is why I wrote you guys the e-mail to say these are all the people that we know that did not get them. We immediately turned around and sent them out. We are just kind of waiting to see what happens after that—because they are not late yet. So, we are waiting for the ramifications but definitely I will bring that up to the Board if there is something that comes back to us to make that decision to get that fixed.

Steve: Okay.

Tina: Bill.

Bill: Yeah, if the Board could speak to the instrument of this new policy which is, why are they more complicated and certainly, why are they more painful than the old policy which is in the covenants of charging a flat 12% per annum for overdues and you are overdue on the 30<sup>th</sup> day that is past due. That is the way the covenants read and there is nothing else in the covenants or bylaws that addresses this. It was very simple. If I miss a month and I can miss two months, I get busy enough. I get busy enough folks, I can miss the bill and I was charged the interest which amounted to 84 cents or 96 cents and I look at it and go oh, end of problem. What is the wisdom of this new system that, by the way, I believe that Jim Chandler has decided is in violation of the covenants, state law agrees with me on this one.

Tina: Okay, do we want to hold this because I know, Brian, do you want to hold this until open forum?

Bill: I am just suggesting that—I am just suggesting that the Board consider this as certainly to my mind unnecessary punitive and apparently unnecessary.

Steve: I think it should be discussed at some point. I question the need to send out a letter immediately after 30 days and then charge for a letter. Late fees we can debate but I think that it is something that we need to discuss but I don't think tonight is the night, especially with Brian leaving early but I think it should be an agenda item and that it should be—I think it does need to be discussed.

Bill: I would like to know when it does get discussed.

Steve: I think—

Pam: We can't give you that.

Bill: Pardon?

Pam: Just expect it at any monthly meeting. I mean, that is the best I can do because we have a lot of business to cover.

Tina: Sandy, did this come to PHCA or did it come to your home? Okay, there you go, thank you. Okay, the next letter was received—I don't have a date on it, guys, sorry. This next letter was received between last meeting and this meeting, I'll put it that way from Larry Beireis 1145 Pawnee Parkway. "Dear Pawnee Hills Community Member, Let me introduce myself. My name is Larry Beireis and I have been a member for several years now. I am handicapped and confined to a wheelchair but I would like to take advantage of all the benefits being a member of our association that our dues pay for. I have been in contact with the state agency to help with this problem. They have sent numerous letters to our Board of Directors requesting certain changes be made to our Association holdings to allow the handicapped access. This would include parking at the mailbox house, swimming pool, and club house to attend meetings. The Vice President of the Board asked me for specifics so he could discuss it at the meeting but as I read the last newsletter, my request had not been addressed yet. I know I am not the only handicapped member of this Association. Please let me know if you or members of your family are handicapped. I would also like to know what your concerns are and what accommodations you would like to see so you can enjoy the benefits of your community Association dues. I am requesting a parking space at the mailbox so that I can have room to drop my wheelchair lift in my van and wheel myself to the mailbox in safety. I also feel we need to have a ramp installed so that we can attend the meetings and have a voice on what is discussed and decided for each of us in the community. I would also like to have access to a restroom while attending these meetings. I also would like to use the pool. My doctors say it could have a therapeutic effect for me. I know others who would like use of the pool also. There needs to be some kind of walkway that is accessible with the wheelchair or walker. I know not everyone is interested in the goings on of this Association but please let me know so that I can gather a list of members to present to the Board. Best regards, Larry Beireis."

Pam: I have one quick question.

Tina: Go ahead.

Pam: He says in here that state agencies have sent numerous letters to our Board requesting changes be made? I am not aware of any letter to our Board requesting changes be made for handicapped access. Does anyone else know of any letter requesting that change?

Steve: No.

Tina: No. All that we have received is—Mr. Beireis had sent a complaint through Fair Housing and the Board has replied back to that complaint with our answers and are waiting for the reply back from the Fair Housing Authority on where we go from here. As far as the Vice President, that would be Pam and it is a “she” instead of a “he.” I know that she did request for specifics just as finding out what his requirements for what he was asking for from the Board and that is what she had written down specifically and he actually signed what she had wrote down. Both RC and Pam were there attending that meeting with him. Basically, we are just waiting on the housing authority with an answer before we go forward.

Pam: Actually I’m confused because the letter came from Colorado Civil Rights Division. Do they represent the Housing Authority?

RC: He filed with both entities. Colorado Civil Rights is like a subcontractor—

Pam: Right.

RC: So they handle the complaints. All complaints are handled in the same manner and that manner being that every complaint is taken as an intake whether they believe it is a legitimate complaint or not, it is taken in, it is investigated as if it were a full blown complaint. The process goes something like this. They receive the complaint, they send us a letter telling us what the complaint was along with a list of questions. We responded to the questions within the time that they allowed. They will forward that information to the complainant who then has the opportunity for rebuttal. After that, it takes approximately three to four weeks for the agency to determine whether an act of discrimination has occurred, okay? And then they will tell us how to correct that act of discrimination. However, we still have not had the common courtesy to reply to Mr. Beireis and this is my point that I keep bringing up.

Tina: And you want to say what?

RC: Needing to respond to him as we did to the state letting him know that this is the position that we took, that at this time—whatever the position that we took, that letter needs to be drafted.

Pam: Well, we haven’t taken a position.

RC: We need to take a position. As long as we continue to ignore his requests waiting for the state, then we are, in fact, discriminating.

Tina: Why don’t we go ahead and write him a letter and let him know that we are waiting to hear back from the state. We are not denying him anything but that we are just waiting for the state. Would you be happy with something drafted like that?

Dawn: What are you waiting for the state on?

Pam: To advise us—

Dawn: There is a book in the Association, if you recall, when I was a member of the board, you had me do this research and I handed the book off to Walt, what we need to do to comply with ADA and that if it was given a reasonable amount of time for. But, you know, we only have a reasonable amount of time. It was an actual paying homeowner that was making a request. Now, if it was a homeowner's friend who would come in, they would have to come in and out on their own, but because this is a person, a paying member of the Association, we are required to accommodate them when they need the access.

RC: That actually—I've been in very, very deep held contact with them and there is a difference between providing reasonable accommodation, okay? And the difference is that the way the Association is laid out, we do not have to physically share the cost or provide the—

Pam: We need to allow for the access.

RC: We need to allow that access, exactly. In other words, if I am disabled and I come here and I say, "I need that door to be widened so that I can get in." the Association cannot under any circumstances say, "No, you cannot widen that door." However, because of the use of this building, the Association can say, "We are not denying you access. You have the right to the access. You may do so at your expense." It is provided at his expense.

Dawn: Then how does that work when another member joins the community that is handicapped. Are we then going to try and prorate for that to the person who did the initial expense?

RC: The law does not break it down like that, okay?

Dawn: Well, I'm thinking that as a community we share the expense of mowing and we share the expense of everything else. ADA is something that is not a choice by anybody and to say that we all of a sudden to make it where the community has to—one person has to incur the cost for that expense, but that anybody else who is going to benefit from it doesn't have to pay back or give anything back or incur the cost.

Pam: Well, it would be just like the pool, Dawn. Are you talking about another handicapped individual within the community that would have to share the expense or all community members would have to share the expense?

Dawn: I'm saying any community member share the expense.

Pam: What do you think these expenses would run to have access to this area, the pool, and the restrooms?

Dawn: Well, let's see, in 2005, I was estimating you take the ramp and you give it to the pool and the lift out here and you are probably looking at maybe \$20,000 plus—

Pam: We have to get him into the basement and probably widen the hallways.

RC: That's not the issue right now.

Tina: Right, yes.

RC: We are getting a little—

Tina: Absolutely. And you know, RC, I am absolutely fine with drafting a letter. I understand what you are saying. I will draft the letter, have everybody put their input. I think you're right. We do need to have some answer back to him at least saying this is where we are so far and we are waiting for whatever. So I will draft the letter and send it out to you guys and see what you guys think.

Steve: And I think that we can make it proactive that we are waiting for a response from the state so that we can comply as the state mandates and we just leave it at that for right now because the state may say that we

have to do all of that. If we do, that's one thing. If they say something different—but I think right now I am all in favor of being proactive and if we can make a path to the pool or something like that at a reasonable cost, then I am all for that but to deal with restrooms and things like that, we are talking about a total remodel if not a total start from the building. So let's just tell him that we understand his concerns, we share his concerns, and we will—as soon as we get direction on how to proceed from the state, we will be there.

Treasurer's Report: (Sandy)

Listing of checks written and discussed.

The bank balances as May 31st: Checking Account \$5,928.07, Savings Account \$21,228.38, Reserve Account \$18,084.88, CD #1 \$5,166.68, CD #2 \$5,172.43, CD #3 \$5,173.43.

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

Tina: Sandy is now going to be or should soon be a notary. So we've got both RC and Sandy as a backup for notarizing because we will need that for the liens and releases of liens. We have to have those notarized in order to get those filed. So, tax return and audit update, they are still working on it?

Sandy: Yeah, we did—I just did pay a \$2,300 bill, almost \$2,400. He is close to finishing. I spoke to him today. I need to go in and sign some papers for him and get releases from the bank. Legal, I will try to go in either tomorrow or early next week and get that signed off. The only other thing I have is the potential for a coupon system and I don't know if you want to cover that now or do it under your open forum.

Tina: Sandy did research on trying to do coupons instead of invoicing every month. The homeowner would get a coupon book and then they would pay from that coupon book and the only reason a homeowner would get a statement is if they were behind in their dues. So we are hoping to save some postage and some time and energy in that.

Steve: I'm all for that.

Tina: Sandy has drawn up a sample of it and we can look that over.

Steve: I think that's great and another thing I would like to consider that was part of the last association I was with is a three to five percent discount if you pay it all by the end of January. It takes care of the bookkeeping costs and you get it up front. I am happy to do that if I am saving money because then I don't have to worry about it for the rest of the year. So I think that that may be something that also helps collections because if people are getting enough of a discount to pay up front then there is the incentive to do that.

Tina: The letter that Cheryl Mulvihill had sent out to every—we've got it in the mail and that was regarding the Joneses. That has been paid. So that has been taken care of.

Steve: It has been paid. Now, did they get—I would still want to talk about late fees, letters, and legal fees along with that.

Tina: Cheryl wrote us a letter saying we got a huge accounting problem. There were all of our accounting problems. Then another letter going out saying because we are having such big problems, we are not getting the information to the Joneses regarding how much they owe. That is what the request was from the Joneses. Just tell me how much I owe so I can make sure we get this paid and make sure we don't have any problems in the future. I requested Diane to send to Cheryl exactly what they owe so there wasn't any confusion because they were asking and we weren't getting it to them. And then they paid the bill so we are done. So basically, the Joneses were just saying to us, "Can you please let us know what we owe?" We gave them that information and they wrote us a check and they were happy.

Pam: Are we discussing the letter that Cheryl sent us talking about wanting us to change our system?

Tina: Yes.

Pam: Is that coming up?

Tina: Yes, that is the other—yes. And in changing—and when getting that letter from Cheryl, then Diane and Sandy and I talked about making sure that we got our procedure clearer, that there wasn't miscommunication between the numbers that Diane with TBO had with the numbers that Cheryl showed.

Pam: I mean, do we need to drop the policy or was it just correcting—

Tina: I think, well, we were correcting the problem but Sandy and I had also talked about actually doing the procedure so what you are talking about as far as finance charges and how everything works, I think we need to create and spell out what our actual procedure is, how it works—

Pam: On that also.

Tina: On this also. What transpires on this date. On this date, this happens. It goes to this person. If it goes to Cheryl, this is what happens here so that everybody has a clear understanding of what is happening when. Copy of the first letter, copy of the second collection letter, copy of the lien, copy of the release so we actually know what paperwork is going from one point to the other—

Brian: And also Association fees.

Tina: And the fees that are going with it.

Steve: My issue with the Joneses thing, they may be happy. We may have gotten the late fees, we may have gotten the letter fees, we may have gotten all of those things, but if we had—if there was so much confusion that the attorney couldn't give them an answer, I have a problem with them getting the late fees, the attorney fees, and the other fees.

Tina: Well, what it was—well, you're right, we did have some problems with that—

Steve: Now, we should back those charges out. Whether they are happy with it or not, that is wrong.

Tina: Sandy, go ahead.

Steve: No, that was the problem with—that is what Cheryl's letter was about. She couldn't tell them and they had a statement saying they were current.

Sandy: One problem that Cheryl mentioned was that the bookkeeper has X amount that they say is owing. The bookkeeper does not know about legal charges that are in place but haven't been billed to us yet because we tend to be pretty late on the legal and it is that type of thing. So when the accountant sends out a letter saying you owe this much money, she is not including legal fees that we don't know anything about so what Cheryl suggested is that once it gets to a certain point, the bookkeeper sends out a letter that says if you want to know how much you owe, talk with the lawyer.

Steve: And that is great moving forward.

Tina: Right.

Sandy: Yes.

Pam: Or even say, you know, these fees do not include legal which may be pending. I mean—

Tina: Okay. But what we come up with is, once it is handed over to Cheryl for collection, then TBO then sends out "Dear Joe Smith, Your account has been turned over to a collection. Please contact Cheryl Mulvihill. "

Pam: And that's not what she said. She said to your Association's attorney for collection.

RC: That has been added in.

Tina: It has been added in.

Steve: Okay, I understand where we are trying to go. How much did the Joneses pay in legal fees and late charges?

Tina: Okay, tell you what. Let's do this so we are not wasting time—

Pam: Well, it is not a done deal, Steve. I mean—

Steve: I don't think it should be a done deal, Pam. Because they got a bill saying they were current. And then they get a bill saying that there are legal charges, late charges, and other things because of the confusion within our accounting system. Why should they be penalized?

Tina: No, they knew that the bills did not get paid. What had happened was, you have TBO sending out a statement that didn't include legal charges.

Sandy: The Jones case they received their letter #1, letter #2, and then at the point that she got served for a lawsuit, she contacted Cheryl and Cheryl didn't want to give her a number at that point because she wasn't sure—

Tina: That's true because we were going to go to trial the 3<sup>rd</sup> of July.

Steve: Okay, this may be—I may be getting the cases confused. Is the Jones where he is serving in Iraq as a civilian assistance to the military and I guess I have issues with somebody that is doing time in Iraq and, you know—

Pam: But she is here paying the bills, right?

Tina: Yes, she is here. She is in the house.

Steve: You know, I have it in the minutes the way I feel but there is no point in beating it up.

Tina: Okay. Alright.

RC: Sure it is.

Steve: Well—

Tina: You know—

RC: I agree. If I get a bill that says zero and—

Tina: Well no, she didn't. She got—

Steve: She has got the letters and things like that and allegedly he has paid bills from Iraq. I'm not telling people how to do their bookkeeping system but the guy is in Iraq on behalf of the USA; military or civilian. And I think that if there are extenuating circumstances, that is one. And, you know, we can address when we do

the entire policy. Maybe write that in that if you are in a war zone, you are not going to get late charges and legal fees.

Tina: And my husband will be over there and I won't have to pay my dues.

Steve: I didn't say you didn't have to pay your dues.

Bill: Oh right, that's what people think. That the way the community members think.

Tina: Okay. Moving along.

Architectural Control Committee (ACC) – Pete Smilanec. No report.

Pete: At 35550 Cherokee Trail, there was a garage he wants put on his property. It was approved. Linda Lee at 1500 Shoshone Trail, she would like to install arbor in front of her house and an old metal building on the side of her garage. They were both approved and Larry Beireis on 1145 Pawnee Parkway wanted to install a six foot tall gate right next to his house to extend his fence down a little trash up towards the front of his house. Larry took pictures because it is a little bit questionable of what he wants to do. He has a large trash can on his property right now and it sits up towards his house. The trash truck, because of being so heavy, when it comes down his driveway is crushing his driveway every time making it hard for him to get around on his wheelchair. So he wants to move the trash can closer to the street and he was going to put a gate on it. It was kind of hard to tell what he was doing here but it is pretty much, this is his gate, he has a green fence right at his entrance way. I've got to get him some parameters that I wanted him to follow. I asked him not to make it any more than five feet tall. I asked him to keep it less than 50 square feet. He needed 42 but the garbage company told him to put the trash can in there. Right now, the color of the boards is brown. He is waiting for some things at his house to be approved by the VA. When he gets his loan for that he is going to do a couple of additional things and then paint his house and he said he would also paint this brown color to match his house and I just gave him some direction on how we have asked him to keep the doors closed at all times, just asked him to do that so that was the only one that I could see that could get into a controversy. The garage is within property line and back it should not be an issue at all and Linda Lee, I asked her to give me a couple of pictures of the arbor. It is called various things. I have never called it an arbor. She took a picture of one, what it was going to look like it is going to be bigger than the one that she gave me. I also asked her for a picture of her metal building she wanted to put in and she did give me that.

Activities - Karlene Herbrand.

Tina: I think Karlene was going to just go ahead and have the rodeo roundup thing and we are probably going to try to put that in the newsletter again.

Buildings & Grounds -

Tina: I think we have lost Stephen Gile. He hasn't been to any meetings and I think we have lost him so I am just going to take him off as far as that goes and basically Buildings & Grounds is pretty much Brian and Cynthia.

Covenant Committee - Chuck Nichols. No report.

Tina: I haven't heard anything from them. They don't really have anything right now, I guess, so I guess they are going to ramp up for the January homeowner's meeting is what they are looking at doing.

Directory and Welcoming – Walt Day. No report.

Tina: I think we lost Walt for that directory. Sandy is looking.

Equestrian - RC Cuellar. No report.

Tina: Now that it has gotten warm out, what have we got going, RC?

RC: Well, we have the stick rodeo for July. We have kind of been talking about it and we are looking at trying to gather up some ribbons for the kids and all kinds of stuff so I think that is going to go over really well. And

then late July, early August, talked to several people about the possibility of doing like a trail rides throughout the neighborhood, maybe a poker ride or something and we are starting to actually work on some things which is really cool I think. One of the questions I had is, the trails, I mean, they get mowed—they are obviously being mowed by someone. Who is mowing it?

Tina: Homeowners.

Bill: I had a question on that. Do we still own the garden tractor?

Tina: That is what is being repaired.

Bill: Oh, okay, because I've got some time. I would volunteer to mow trails where I could get to them with that tractor if we could do that.

Brian: You could use mine.

RC: Looking at the possibilities now of actual signage, something that could actually be seen a little bit better. It is just a matter of finding the material at an inexpensive price but I am researching it.

Steve: What kind of material are you thinking?

RC: You know, I would like to see something with a rustic look to it but it is going to take some work but it will last. You know, if we did a post, you know, with some type of an actual metal sign or something pointing directions.

Steve: But you really don't know and you get back in property and all of a sudden you are walking across somebody's backyard. It definitely needs a little better signage.

RC: Yeah, so we are going to try to figure that out.

Tina: That would be great.

RC: I am actually going to need someone with a good sense of direction to go with me.

Steve: I've got a GPS.

RC: Do you know all the trails?

Sandy: Yeah, my dog and I know.

Tina: Sandy knows them. She has been through them quite often.

RC: I ended up in Western Country Ranches.

Brian: Did you really?

RC: In the dark on my horse.

Tina: You can't tell your horse to just go home and they will go home for you?

RC: No.

Bill: RC, we also had just tons of timbers in the barn.

RC: I saw those.

Bill: And there are some places on those trails that could use a little remedial work. It ain't that big a deal to do but if you would authorize the use of those timbers. I could break out the chain saw and fix a few spots.

Pam: We could do that.

Tina: We have had homeowners say please let us know or this area is bad. I don't have a problem with you coming in—we just haven't had the volunteers or haven't gotten it done.

Bill: The places where I find the problems are places where homeowners never go anyway. I mean, where we are talking about washes and draws and places where you can't even see.

Steve: How about just spending a Saturday. Sandy, I would go and, you know, just get on the horses and go through it and take pictures of where things need to be fixed. I've got a, you know, and that way we could make appropriate—

Brian: Is there anything else that is pressing? I've got to get going.

Tina: Real quick-like, this resolution that we came up with last month that I sent to everybody regarding the commercial activity. Do we need to go over it one more time? Do you want to discuss it at this meeting and sign it at the next meeting? Do you want to sign it at this meeting? Did everybody have a chance to read it? What would you like to do? I would be more than happy to read it out loud at this meeting and approve it at the next meeting if you want because then we have notified the community that this is what we are changing.

Steve: If the minutes are out by next meeting.

Tina: I am hoping that we are going to get all caught up.

Steve: Okay.

Brian: It is still a lot better than it was. So—

RC: It needs to be read and ratified.

Tina: Okay. Then I will—do you want me to read it right now and see if there is anybody that—

Brian: What, it is 8:15? No.

Tina: Okay. Alright.

Brian: Please.

Tina: We will read it and then we have read it to the community and then next month we can have another emotional discussion. Okay, that was the only thing that I had that was—

Steve: Well, we can read it. We aren't going to vote on it tonight.

Tina: We are not going to vote on it tonight. We are just going to read it tonight so that we can say that we presented it to the community. And then we will discuss it again next month but make sure everybody is here so we all can pass it and sign it.

Newsletter - Susan Laessig.

Tina: Susan Laessig, of course, is not going to be able to do the newsletter this month but I did send Steve a couple of ideas to put into the newsletter. One of the pieces that I am going to put in is the trash can in the mailbox shelter. I am just going to put a little blurb in there about, if it is full, stop putting more stuff in. This will

go out to everybody to have them approve it before it gets sent out. The other thing that I sent Steve was the Boy Scouts information as well as the Mountains for Melanoma with Ken White. I didn't know if you had anything else and then I will just throw out the draft to you guys and if you think of anything else that needs to go in the newsletter.

Nominating – Pam Schultz. Inactive.

Website - Sandy Perry. No report.

Open Forum:

Tina: Does anybody have anything that they would like to bring to the attention of the Board, any questions, anything like that?

Bill: Of course.

Tina: Do I need to time you, Bill or are we alright?

Steve: Bill, knock me over with a feather.

Bill: I have spent a fair amount of time wading through the verbiage on these two Senate bills that we have based so much time and effort on and legal fees on and spent a lot of time as well wading through both policies and procedures and our covenants and I've got to tell you, I think it says when somebody gets "C's" in law school and the policies and procedures document that you have—

Tina: Excuse me, Bill. Hey, you guys. I'm sorry. We've got Bill talking and we can't hear with you guys talking. I'm sorry.

Bill: Policies and procedures document that you have is basically a legal boiler plate that is built by a firm that generally does condo projects and the verbiage in there is just loaded with references to condo projects that had not been modified to adapt for our circumstance. Second, in SB100 and as modified SB89, it states specifically that the amendments that the covenants declaration cannot be amended except by vote of the membership. That is the only way they can be amended. They cannot be amended by you. They can't be amended by 2/3 vote of the Board. They can only be amended by a vote of the community. A majority of the community for 2/3. Now, our covenants specify 2/3. That is the only way we can amend the covenants and this document—Policies and Procedures document, says that if the policies and procedures are in every specific a change on an amendment to the covenants and I have had that verified when I asked indirectly are we amending the covenants. And it says legally in this document that is what we are doing. You can't. You can't do it. You can't both say you must obey what dictates us of state law and then violate those very dictates in the way you do it. Now, the policies and procedures that are required by state law were already in place with us. See, requirement is that a new condominium needs to have policies and procedures in place. We already had it. They are called the covenants and the bylaws is what they call them. And we can't change them just because, well, we want to. Now, I have gone through point by point answering policies and procedures, answering the Senate bill and referencing all this stuff to our covenants. I have done this pretty carefully and I will put together a précis of that work so that you can understand it point by point because I'm sure nobody else has bothered to wade through all this stuff. It is pretty tough work. But be advised that I intend to bring this one forward to the entire community at the next homeowner's meeting. I want to do a presentation about this so—

Tina: For July or for January?

Bill: For July and January if it takes it. But for July because it is the next one coming.

Tina: Okay.

Bill: To make sure that everybody understands exactly what we are doing here. It needs to be understood. The Board needs to understand it because I really don't believe you do. I think we have simply taken the word of some legal higher gun that we can do this but keep in mind that legal higher gun doesn't know, hasn't bothered, it is not on their agenda to explore all of this stuff for us. "They just do what we tell them, write the policies and procedures." So we need to get this understood. Now, Tina said a moment ago, "I'm going to read this resolution to this meeting and we will have taken care of the business of informing the community." Oh, please. Why don't we inform the community Why don't we send it out so they can read it, peruse it, think about it, have some input. That is the way this place is supposed to function. The Senate bill specified that policies and procedures in these specifics need to be adopted by the Association. Now we already had it. But it said the Association. The Board is not the Association. That is something that the Board has often had trouble grasping. The membership is the Association. If we are going to change the rules, we need to do it through legal channels. Thank you.

Tina: Okay, thanks Bill. Any other homeowners have anything that they would like to bring up for open forum?  
Corey?

Corey: I was just kind of sitting back and relaxing here. Just seeing if anybody had any comments in regard to my motor cross track. I'm just here to present the other side of the story. You have got one side and we are the other side.

Tina: Would you like to go ahead and present that or does the Board have any questions?

Corey: Well, we just wanted to present our side of the story. Not being here before. Not being here when the lady here was presenting her side, I can't, you know, I don't know what was said and what she was saying. I just had some hearsay. So, if she had something to say, we were here to present our side of the story.

RC: That hearsay thing is a tricky thing, you know?

Corey: Absolutely.

RC: I will get up and watching the whole community, that hearsay thing, man.

Corey: By the time it gets back to somebody, it has changed a few times so I wanted to make sure it was what she had said—

Steve: I think from the Board's standpoint—at least from my standpoint, you heard the letter that was read into the minutes on how we responded and regardless of what was said, that is the findings of the Board at this point, that as it sits now, there are no covenant violations.

Corey: Right.

Steve: That is not to say that that couldn't change if you decided to put in a, you know, 80 foot jump across highways and things like that but currently that there are no covenant violations so that it really is not a Board matter. As it sits right now, the physical layout of the property and things like that, there are no covenant violations. Does that pretty much state the position?

Tina: And we have replied back to her with that answer and that the Board considers this matter closed.

Bill: But a different Board, the way this Board is operating could put together a policy and procedure change that would redefine all of that and could in fact come back to you.

Corey: I just want to be on record that, you know, we did check with my surrounding neighbors, that nobody has a problem. Absolutely nobody. We keep it within good hours, you know, not before 10, not after 6:30 and we try to be friendly neighbors. We don't want to piss people off. So we just have one that is anti-everything, I guess, and doesn't like anything about what we are doing over there so we are going to have one against and

I've got 20 for in my neighborhood, so, you know, you guys obviously did what you had to do by the book. So, if there is a problem, my neighbors will call me, you know, if there is a problem, and we will discuss it with the neighbors. Otherwise, you know, I can do legal battles, I guess.

RC: Gee, don't say that.

Tina: As long as it is not with us, that's fine.

Pete: Do we have something for the next meeting on the motor cross from the lady that was going to put something together?

Tina: Dawn had requested at the last meeting that we put something together for the July meeting regarding the—saying the motocross is a nuisance and that would then become against our covenants and she called me the next day and asked—said, "I will write it up. When do you need it by?" And I said, "If you go that direction, I would need it by tomorrow," actually, because I said around June 15<sup>th</sup>. And she said she would let me know which way she was going to go so she had not yet decided whether she was going to try to take it to the community and make a covenant change or go a different avenue.

Pam: You understand that if that were the case, if she did present it and we put it on the ballot for July, it would take 2/3 of 167 people to vote for that change.

Steve: To all agree.

Pam: We have not seen that happen—

Steve: That hasn't happened since this community was founded so—

Corey: The important things haven't been able to get passed so, you know—

Pam: That's right. That's exactly right.

Corey: And I have 20 over here that are in favor and I am not sure, there are many little communities that have kids and they do similar things and so, I mean, she could have a hard time changing, but you know, she has a right to do whatever she feels she needs to do. And I am all for the process if that is—she has a right to do it.

Tina: So, as of today, I have not yet heard from her regarding putting it in for a vote so she may have changed her mind. And we have a deadline on that so if it doesn't reach the deadline, then she will have to wait for the January meeting to get in.

Corey: Okay.

Tina: Okay, anything else for open forum before we go on to just a few other little items for Board business?

Tina: Alright, real quick-like, I drafted up this letter and I am sorry I didn't get it out to you guys, but all it is is our reply to the State of Colorado Water Department regarding the pool leak fix. So we are sending it certified mail and basically it is, "Per your letter dated October 2, 2006, regarding illegal discharge to state waters, Elbert County, the Board of Directors for Pawnee Hills has completed all repairs to the leak in the pool. Enclosed is a copy of the letter from Arapahoe Pool and Equipment Company, LLC, certifying the completion of these repairs. Please feel free to contact us if you need additional information regarding this matter." So, I am going to send this to him certified mail, carbon copy to the Elbert County Department, and then that will take care of our situation and this is the file copy with all of the information so far. I will give you the rest of it when we get the certified stuff back which you can attach to if that is okay with you guys for me to go ahead and send that out and then that is a done deal.

The July 28<sup>th</sup> homeowner's meeting information, unless something changes, I will send this out to you but it is the same thing. It is the cover letter, agenda, and the proxy. I will go ahead and send this out to you guys again. It needs to be mailed by, like, the 30<sup>th</sup> of June but we have to make sure RC has enough time to copy it and then we have to figure out who is mailing it if we are mailing it or whatever so I will send out the July meeting info to all of you guys with your changes.

Bill: I hate to keep throwing a grenade but as a matter of procedure, the state law stipulates that one person can only vote one proxy at a meeting. One person can only vote one proxy at a meeting. In other words, you can vote your own property or you can not vote your property and be a representative for somebody else. You can't vote six people. State law specifies, SB100 that we keep referring to.

Pam: Where in SB100 does it say that because I really have missed that.

Tina: Okay, so what you are saying is—

Bill: I can specify all this stuff to you if you would like.

Pam: Would you because that would help me a lot.

Bill: We are in deep trouble about a lot of things. For instance, we have to hold all Board meetings in public, have all Board meetings in public. It specifies in State Bill 89, all Board meetings in public, minutes for all Board meetings. Agenda has to be available to the community for all Board meetings. In other words, we can't do this by e-mail and make decisions at home. It specifies in this. I hate to be this way, folks, but you are the ones who are pushing SB100. We got to do this, we got to do that.

Pam: Just write us something up that would help us understand—

Bill: You've got to read the damn thing. You really do.

Pam: Well, I have read it many times. That is why I am feeling confused.

Tina: We have always allowed—you could always appoint somebody to vote on your behalf.

Bill: That was before SB100.

Tina: For a proxy and we—I haven't seen anything and when we went to that seminar thing regarding SB89 and 100, they didn't say you could only have one proxy per person and hold just only one other one.

Bill: Well I will try to keep this simple but there are some things to the community, I just want you to be aware that we better be careful.

Tina: Tell you what. I think I will have Pam research the proxy situation.

Pam: Which one, SB89 or SB100?

Bill: I forget now which one it was. It was the latest one.

Tina: So basically, we will research and find out whether a homeowner can hold more than one proxy other than themselves voting.

Bill: The one I saw seemed pretty clear.

Tina: And then we will know and then we will have that answer before the proxies go out.

Pam: Well, he's got to let me know where it is at.

Bill: Um-hm, I will.

Tina: The Beireis/Jackson complaint update regarding Housing Authority—we went through that or did you—

Pam: You may not even know about this. Since I have been gone, I didn't get to my e-mails in a timely manner, you know, because I didn't have access, and so when I read the one from Simone, I was really concerned about that. Do you know anything about that?

Steve: It has been resolved.

Tina: It has been resolved.

Pam: It is resolved, for sure?

Steve: Yes.

Tina: Oh, absolutely.

Pam: Do I even want to know how that happened or is that just old—

Tina: That's old news, I mean—

Steve: It's, you know, looking forward that something was not released as proper but it was taken care of and it is resolved.

Pam: No, my point is, I never knew it was placed on there.

Steve: I don't think anybody did. That was part of the problem.

Pam: That's a problem.

Steve: But that is over a year ago.

Pam: Do we need a procedural change?

Tina: That is a, what is it, les pendes.

Steve: Les Pendes is not something that we would as a community file. It would be a legal action.

Tina: It is an automatic legal action when—

Steve: When a court suit is filed.

Tina: That is regarding the vote thing.

Pam: Okay. So am I assuming then that Cheryl is going to be more diligent about removing those things?

Tina: She did.

Pam: It sounds like it happens every time something is filed.

Steve: No, it sounds like it was filed—that the paperwork was done and Elbert County did not get it resolved.

Pam; Okay.

Tina: There is—unfortunately, we had such a huge problem with Elbert County and the mold issue and the documents and papers being lost, communication because they are working out of Douglas. It has been a nightmare.

Steve: It should have been resolved when the motion to dismiss was filed and it was not. But I think that once, you know, the Board got a hold of it, I do have to say that Tina and everybody worked well at getting with Cheryl and getting it resolved.

Pam: Good deal.

Tina: I mean, I am sorry it actually happened but we had no idea it didn't get taken care of.

Steve: But I think it got done in a timely enough manner that it did not affect their property.

Tina: Yeah. Okay, is there anything else I am missing that you guys can see that I am missing?

Steve: Are we going to read the resolution?

Tina: That's a really good idea.

Steve: And responding to comments from the community, would it be possible to put the resolution as part of the mailing out this month because I do think that if people—I would certainly hate to have this one become effective and have people saying I was not aware of it and I think it should be open for open comment and be included in rather than worrying about if they read the minutes, I think it should go out with the bills and the monthly statement and be included in that.

Tina: How about if we put a draft resolution to be discussed at the next Board meeting held on such-and-such day?

Steve: To be discussed and voted on at the July meeting, yes, I think that would be a very good thing to put in there.

Tina: Want to just do that?

Steve: Yes.

Tina: Well, do we need to read it out loud now or do you think if we just send it out to everybody—

Steve: I think if we are going to do it that way, I think having—

RC: I think we should just go ahead and read it, yeah.

Steve: Want to read it too? Okay, let's read it. It is not that long.

Tina: Okay. "A resolution of the Pawnee Hills Community Association, Incorporated, regarding the definition of commercial activity as referenced in the Pawnee Hills Community Association covenants in establishing the Board's policy towards enforcement of this definition. SUBJECT: Adoption of a Board of Director's policy concerning the interpretation of 'commercial activity' as defined in article 6, section 13 of the Pawnee Hills Community Association covenants and the formation of policy regarding enforcement of this provision. PURPOSE: To establish a policy directing actions towards enforcement of set provision of the covenants, conditions, and restrictions regarding commercial activity. AUTHORITY: The declaration of covenants, articles of incorporation, and bylaws of the Association in Colorado via statutes. RESOLUTION: The Association notes that article 6, section 13 of the Pawnee Hills Community Association covenants states 'no store, office, or other place of business of any kind shall be erected or permitted upon any of the residential lots or any part

thereof and no commercial activity may be permitted.’ While not a change or addition to the current bylaws or covenants of Pawnee Hills Community Association, the following shall be used by the Board of Directors as a guide for determining a commercial activity as prohibited in article 6, section 13 of the covenants. Commercial activity will be defined as any activity undertaken as part of a commercial enterprise which creates/includes the following: A) A store front. B) Requires parking for customers which obstructs the street, creates additional traffic volume including but not limited to customer traffic, delivery traffic, etc., which significantly affects the residential character of this area. C) Signage excludes company cars, trucks, or vans. D) Creates excessive waste or byproduct. E) Creates excessive or offensive noise, vibration, smoke, dust, odors, heat, glare, or light noticeable or extending beyond the property. F) Requires outside storage of materials or equipment that is not fenced or enclosed. G) The business is the primary use of the principal residence.” And then the certification is the undersigned certified that the foregoing resolution was adopted by the Board of Directors, etc. I will do that. I will put this—basically just type up something at the top that says draft resolution and we will get it to—

RC: What do you think?

Steve: Sounds great to me.

Tina: Okay. So then it will go out to everybody before the next meeting. I will say that there will be an agenda item on and we will go ahead and—again, you are going to see this draft because it is going to be attached to the newsletter and then you are going to see this with a little saying on the top and you are going to see our resolution so that you guys can have input of changing a word or something if I have forgotten anything.

Steve: Can we put it in the newsletter or on that, I think that people need to understand that too, at some point, just maybe a blurb to say that we are going to be voting on this and if we adopt this, that the class action suit is gone, that it goes away.

RC: That’s not what we agreed to be done.

Tina: He wants to say it in the newsletter—

Steve: I want to say that in the newsletter so that people are aware of that. I want all, everybody that has every opportunity to comment.

Bill: Is the Board voting on this?

Tina: Yes. Anybody else have anything that—because I think we have actually gone through everything.

Pam: Regarding the fines policy it has been my experience and, you guys can do what you want, it is okay. I am all for addressing the policy. I have no problem with that but I’m telling you it might take an additional meeting just to hammer it out so maybe we should leave with that in mind because it is hard to give it the attention it really needs.

Steve: Well, I don’t think we have to resolve it. I think we need to start talking about it, though, and from that point I—

Pam: So you are in no hurry to get it done then?

Steve: I don’t think it has to be something that we accomplish in a single meeting. I think it needs to be something that we start talking about—

Pam: I’m thinking you need to plan for a working meeting is what I am trying to tell you.

Tina: Well, and I’m thinking about putting the procedure together so that you have a clear understanding of what we have and then determine if we want to change something on the procedure. Go ahead, Sandy.

Sandy: One other thing too is, I have never heard a response back from Cheryl regarding when we stop sending that generic letter that TBO sent out saying if you want to know about your account talk to the lawyer because the rules and regs state that once an account goes into collection, then it stays there until the lawyer says it is collected. For instance, I got a check today from a homeowner and I have no idea, I mean, I got it, I know the number written on the check, but I have no idea how it ties back in to their account. I mean, I can figure out from TBO's end what that is but I don't know what the legal fees are and so I don't know if that account is now out of collection. And July 1<sup>st</sup>, these people received and to tell Diane, okay, these people are done, they get their monthly statement or whatever.

Tina: And that is something that Sandy and I was going to work with because there is actually, I mean, the procedure is there. Cheryl has got the procedure. She has done this for I don't know how many associations. So there is one there, Sandy and I just don't know it and we don't have it in writing to make sure everybody understands what the procedure is so there isn't any confusion on how it all works and how this all ties together.

Sandy: This is kind of new to us and that is—

Tina: It is very new to us.

Sandy: It happened with one or two and that prompted the one letter from the lawyer saying you guys have got accounting problems. It is not like things are totally blown up. We have got a couple of little glitches because we don't know, like, when to stop, when to start. You know, just things like that so I am—

Tina: And it is more procedural. It is not that bad, it is a procedural thing that Sandy and I are trying to work out so that everybody has a clear understanding of how this is working, what she does when she takes it over, how does it get back to us, you know. Normally, I think when we get the release of lien, I am assuming that everything is taken care of but that is not quite the case because there may be some lingering—well, you have the release of lien. I get the release of lien but then the homeowner is being billed for that release of lien. So they are going to be charged for that later so—and as much as I want to give to the community, I don't want to pay for releases of liens and hard costs, let me put it that way. I don't mind giving up some soft costs but I don't want to give up hard costs. And you guys know how I feel about that one. Has there been anything else that I have forgotten? Otherwise I think we are done.

Motion was made to adjourn the meeting. Motion was seconded and passed. Meeting adjourned at 8:50 p.m.

Respectfully submitted,

RC Cuellar