

**Pawnee Hills Community Association  
Board of Directors Meeting  
September 14, 2006**

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

Board members present were Tina O'Bryan, Walt Day, Patty Sward, Susan Laessig & Pam Schultz

MINUTES:

The meeting minutes - we still need to review the July 13<sup>th</sup> and the August 10<sup>th</sup>, 2006 minutes. As soon as those are done they will go out.

Board: I'd like to go ahead and have the report from the facility coordinator, Cynthia.

Cynthia: The report from American Leak Detection came in the mail already and they found 2 leaks, one at the southwest skimmer and one at the line of the main drain.

Board: The leak is in the skimmer or around the skimmer?

Cynthia: It is between where the skimmer was installed and the concrete so it is right at the seam. It is a fairly minor repair, it won't be very much but I have no numbers at this time because they were just out two days ago and the pool was just closed yesterday so I don't have any numbers for that yet. They are putting those together for me but it will be time and materials so we will only get a rough estimate. Again it will cost us time and material. The other leak is at the line to main drain and the main drain has to be investigated further. They can tell about the location of the leak but they can't tell the elevation of the leak until they get into it so we may be able to fix it fairly easily by cutting out a section of the concrete, down by the ladder to the deep end, and repairing that pipeline if it goes too deep. They are going to recommend that we actually just seal the main drain off.

Board: We don't need it?

Cynthia: No, not really. It is part of the flow but we didn't have it for probably 8 years. The first 8 years I worked here it was nonfunctional and we never had problems with pH balance or poor chlorination or anything like that and with the new filter, it has been incredibly efficient this year.

Cynthia: So we have the extent of those repairs pending. Sunshine Plus Pools is getting together a rough estimate and they will be doing the repairs this fall at time and material. I have not been pursuing an investigation of this for irrigation. I ceased and desisted because contractors have better things to do than give us random bids and we have 3 contractors who already gave us bids between \$1 and \$1.50 a square foot and when the Board decides, if they truly want to go forward with something like that and where you want it, I will re-engage the contractors but I hate to jerk contractors around. They work well with us because we take care of them. If we start being rude or unprofessional, we will lose them anyway so I prefer not to do that.

Cynthia: We are also going to have to take care of the corner of the building problem with water getting into the building which has to do with the drainage issues. We also have the irrigation project to deal with. The intent is to do the corner before the irrigation. But we might save money by having it all done at once. It is going to be more effective for us to do them at the same time, but if we can't, we are just going to have to do this drainage..., which I hate to see that, throwing money at something twice... Electric bids, I am still actively pursuing those. I did take an actual vacation so that did set it back and the electricians are really busy right now but two of them say they are going to get me bids.

Cynthia: I have the original estimate based on just a projected lighting and then we walked it after the last meeting, so I am waiting for the estimates with those changes so we got more specific based on walking around with the Board and saying we want this here, this here, and this here. We are going to be doing motion detectors where we are having problems with break-ins and then we are going to have the lighting at the

pavilion and we are still going to have some constant dusk to dawn in areas where we have had them, at this back, that back door and these two front lights at the front porch. There is one motion detector that is going to go out into the parking lot that way and down the walkway that way to the corner. They are going to access that, when I met with them, probably through the panel in the game room. They said that was probably the best place to go to get wiring out to that corner if that is what he wants.

Board: Darren, do you have anything?

Darren: I don't have a whole lot to add. I'm working on the fence and so far, basically, we have secured that with 2 x 4s and I still have to do all the slats.

Board: Are you talking about the fence around--

Darren: Around the pool.

Board: I have a question regarding that. Did you get a hold of Wood Protectors?

Darren: Yah. I'm going to be working on the lawn as well, trying to get that so it will be nice next year so we don't have the same problems we had this year. That's what I am going to be working on. I kind of wanted to wait for all of this stuff until we closed the pool down. I am going to start work on the doors, now that I've got petty cash in here; I'm going to go get another door for the bottom of the stairs going up to the office.

Board: Communications from community members: We received a letter from Bob Rowland on or around August 28<sup>th</sup>, 29<sup>th</sup>, regarding his past dues. That letter has been forwarded on to our attorney.

Mr. Rowland had written a letter that we spoke about at the last month's meeting on August 8<sup>th</sup>, regarding what he felt were covenant violations on some easements at the bridle trails that were closed off, the easement in the back of 1040 Sioux Trail, 1100 Sioux Trail, 1142 Sioux Trail, and 35733 Cheyenne Trail. We are going to be sending out a letter to him probably tomorrow. (Board read letter stating that due to 1 year law, Board will not be pursuing violations.) That letter will go out to him for our response.

The information on foreclosure on property at 35616 Cheyenne Trail. This information has all been forwarded on to Susan Johnson with ABC Solutions. She basically keeps track of all of our foreclosure on the homes and we attempt to get our dues that are behind paid back if possible. We may get it back, we may not but she just keeps track of all of that stuff for us. So that has been forwarded on to her.

We received a letter dated September 6, 2006, from the Haans, Greg and Holly Haan, regarding a covenant violation against John and Susan MacArthur for their website on breeding cats. It is this Board's and our attorney's understanding that the MacArthur's are not breeding or selling either dogs or cats on their premises, and therefore, are in compliance with our covenants.

Is that accurate, John? Nobody comes to your home and picks up an animal, right? Okay, good.

So, I drafted a letter to the Haans but I want the Board members to have a chance to read it all over and make sure that our answer to them is fair enough. So, it is up to you guys, do you want me to send it-- all I said was, "In response to your letter dated September 6<sup>th</sup> of 2006 regarding a covenant violation against John and Susan MacArthur, it was determined by the Board at the regular Board meeting held on September 14, 2006, that the MacArthurs are in compliance. Because they are not breeding or selling either dogs or cats on their premises, they are in compliance with our covenants. Having a website advertising to sell or breeding of animals are well within their right, as long as the breeding or the sale of the animal does not take place within Pawnee Hills. The Board considers this matter closed." So basically, we can just make a motion and a second that this response letter goes out to them.

Board: I make a motion we send the letter as read. Motion seconded. All in favor? (5 ayes, 0 opposed).

Treasurer's Report: (Sandy)

Listing of checks written. Motion was made to approve the bills as read, motion seconded and passed.

Our balances: Checking Account \$3,310.78, Savings Account \$8,607.94, Reserve Account \$10,449.92, our Unpaid Dues total \$2,479.29, CD #1 is \$5,052.79, CD #2 is \$5,055.78, CD #3 is \$5000. Total deposits to checking is \$6,788.56. Our third CD is going to mature before the next Board meeting. Do you still want to roll it?

Board: Yes.

Sandy: Okay, when the next CD comes due I will roll that.

Board: I make a motion to go ahead and roll over that third CD. (Motion was seconded and passed.)

(Discussion about breakdown of payment to Hindman Sanchez Re: SB100 and SB89)

Pam: Does anybody know why Cynthia is having to pay the pool inspection people and then us reimburse her, why they are not billing us directly? I'm confused.

Sandy: They want payment when they are here. So what we have to do is that I've got to come over here, write out a check, drive the key to the house, get her signature, come back,--

Board: That's an unusual practice, isn't it for a company to not bill?

Sandy: A lot of people do that.

Board: Well, that's too bad. That puts Cynthia in a -- well, I'm glad she is willing to do that or can do that even.

Sandy: It is the same thing with the State Farm, the unemployment insurance. We needed to get that paid that day. I guess she was driving through Castle Rock so she just wrote a personal check.

Sandy: We just reimbursed her for it. I typically write one check for each item, that is why I rattled off Cynthia's name, I don't know how many times, just to keep the paperwork straight.

Board: That makes sense.

Pam: I have a question here about the 4.25 hours ABC Solutions billed us, saying, and that is \$161.50, "Discussed needs for special meeting mailing, pick up printing at Elizabeth Center, purchase stamps at the post office, print three sets of labels, affix labels and stamps, seal envelopes, and take to the post office on Monday afternoon." Those were not taken to the post office until Tuesday afternoon.

Tina: No they weren't.

Pam: \$161.50. Then she is charging us \$50 here for a rush fee to move our emergency mailing to the post office, which didn't happen on Monday, so I'm not in favor of paying it.

Tina: Okay, first of all, let's clarify that she did get it to the post office before 5 p.m. on Monday.

Pam: No she didn't. They are postmarked--

Tina: I will tell you that she got it there before 5 p.m. on Monday. If you want to yell at the U.S. Postal service, then you are going to have to contact them directly. But Susan Johnson with ABC Solutions did get all of that to the post office before 5 p.m. on Monday.

Pam: Well, it is difficult for me to understand then why they were postmarked --

Patty: Because they leave Elizabeth and then go to a --

Pam: No they don't. The multi-mail does not. I have worked up there as a temp and that is not true.

Patty: Then why does it say "Denver?"

Pam: I don't know.

Patty: This went to Denver--

Tina: They usually -- if you put in the slot in the afternoon--

Patty: You have to remember this probably went in a box, but this says "Denver," it does not say "Elizabeth." So I think it is a legitimate question to ask Elizabeth Post Office.

Pam: But I want to know why we are paying her an extra \$50. I am confused.

Tina: Because she was, what-- we called her on Friday, she was out of town. She comes back Monday. She changes her schedule for our convenience.

Pam: We are paying her \$38 an hour to do that work. I also could do it Monday. Tina told me "no," Susan was going to handle it. I don't feel comfortable paying an extra \$50 when she is billing us \$38 an hour to pick up envelopes and put labels on. I think it is an inappropriate expense.

Tina: Which part, the \$50?

Pam: Absolutely.

Tina: So you are okay with everything but the \$50.

Pam: I can't question the rest of it because I don't know how much time it takes.

Tina: Okay, so we still--

Pam: But I do want to know, does the Elizabeth Business Center in our town who does the printing, do they do the folding also?

Tina: Yes.

Pam: So all she is-- she is just stuffing these envelopes and putting labels and stamps on them, right?

Patty: How does this add up to \$167? I don't think there is any question about that, personally, because I've done it, it is a pain in the --

Pam: Yah, I'm pretty much uncomfortable with the \$50.

Patty: Having run my own business when somebody asks me to step out and push other customers out of the way, I don't think \$50 is unreasonable.

Susan: I think where Pam is coming from and Tina, just when we met Tuesday, you had indicated that they were in the mail Monday and when you said, "In the mail," we were under the assumption that they were postmarked.

Pam: And could we pay her an extra \$20 for jumping for the fiery hoops.

Tina: I thought it was going to be about \$20, I wasn't positive, and she did jump through fiery hoops and she did put other customers aside to send this out, and my understanding, and maybe I was wrong, but my understanding was that you two just wanted it to get out by at least Tuesday. Monday or Tuesday is what I was told by you guys.

Pam: You were told by me Monday morning that I wanted it out Monday and I 'd go pick them up and do it. That's what --

Tina: And I told you that you would still have to get the labels from Susan and Susan would still have to jump through fiery hoops to get the labels.

Patty: Can I just make a couple of observations? I think one of them is, let's not guess on dollars. Let's make sure we know exactly what it is. We have to pick up the phone and get a confirmation of it. Let's do that going forward.

Tina: And I should have had a solid number and next time, which I'm sure there will be a next time, I will make sure that if a Board member wants to do a project, that I will allow that project to just go by the wayside and not try to save the day. So I will step aside and --

Pam: I don't think we need an attitude on it.--

Tina: But yah, we do. We do.

Pam: Didn't she agree to do the job at her hourly rate? I'm confused about when and where the \$50 came up. Did she tell you, "I won't do the job without \$50?"

Tina: She said, "You are making me push other clients aside" and she said, "I have to charge you extra."

Pam: Who suggested the \$50, you or her?

Tina: She did.

Pam: See, I think there is some unhealthy loyalty from Board members to vendors that are detrimental to the Association. I have seen it more than once and it makes me feel very uncomfortable.

Tina: You know what, Pam? Tell you what, this is something that goes back to -- I would like to know where you guys are at, trying to get this out the door on Monday?

Pam: Well, you better put your question where you want it placed then.

Tina: I think it needs to go out there.

Pam: Well, put the question out where you want it to go.

Patty: I'm confused with that--

Pam: Because she complained to me that you didn't do what you said you would do in a timely manner and --

Tina: No, I'm saying --

Pam: That's what you told me, that Patty dropped the ball and wouldn't do it.

Tina: Well, I didn't say she wouldn't do it. I'm saying on Friday I called her and she said that she didn't even have the chance to open up the thing. And I said, "Are you okay with me sending it over the Elizabeth Business Center and the urgency of getting it out" and she said, "I'm fine with that."

Patty: And part of that, and I'll take the responsibility for this because I should have made it clear that I needed --different labels. Bottom line is that the way I phrased it was that I would be printing it over the weekend and stuffing it over the weekend. That is what I said. Now there is no reason that I would have opened it Thursday night. I had another meeting Thursday night. So, you know--

Tina: You are saying that you would have had it done by Monday morning.

Patty: I would have had it done by Monday morning. Now, the second piece to that is that Tina brought it to my attention on Friday afternoon and I honestly hadn't thought it through we needed a special label. Now, the special meeting stamp I would have just put on the envelope and all I needed was the label. So, I think we all learned lessons from the bottom line. I think the important lesson in terms of when you work with a vendor, regardless of whether there is loyalty to Susan or not, how do you treat your vendors? If we didn't get a clarification from her up front on Monday or Friday or whenever, what that was going to cost us; that is not Susan's fault. That is our fault as a customer.

Pam: Well, I disagree. If I am going to charge you more than my hourly rate, it is my job to tell you that. Absolutely.

Patty: If the conversation--

Pam: Am I wrong, Susan?

Patty: Hold on, no, you are making an assumption there what I heard Tina say was that she had a conversation with Susan where she understood we were going to have a fee. Hold on-- that we were going to have a fee. Where the problem was, wasn't agreeing to have a fee, but what the fee was before she took it back to you guys.

Susan: I believe I was under, and John, I will get to you in a second, I believe I was under the impression that it was at normal fee. I didn't realize. I didn't understand--

Tina: I did have the conversation, it was going to be extra but she didn't tell me what- I mean I thought it was about 20, what, is it going to be about \$20 bucks or so and she goes, "I don't know, I will have to let you know." And that is where I left it. So there was going to be an extra fee and at the time, I thought that it was so important to get out, I was ready to pay whatever it took to get this stupid thing out and--

Pam: And it still didn't get out, did it.

Tina: It got to the post office before 5 p.m. on Monday. I would call Elizabeth Post Office and yell at them.

Patty: Let's not make an assumption that Susan didn't do her job in what she agreed to until we talk to the post office. I don't want that--

Pam: I don't think that even matters. I think that \$50 is unreasonable. I didn't agree to that. We are paying her an hourly rate. If she didn't want the job, don't do the job. It is that simple to me. I think we are being gouged and I don't appreciate it.

Susan: Okay, John has something to say.

John: Might it be as simple as, if you requested her to do something expeditiously, and she had to put aside other customers, that she had to work hours past normal, and did she still owe to her other customers work that was supposed to get out.

Patty: Thank you for clarifying that.

Tina: And I will tell you that she told me she was up to 1:00 in the morning doing a tax return for the client that had to get done and she put that person-- she got ours done first and put the tax return at 1:00 a.m.

John: Might that be the cost that she is trying to recover rather than simply a fee for having done something quickly.

Patty: And not having put herself out and I think that is what we are forgetting--

Pam: I mean, if you are running a business, you make choices about how to handle that business and what you want to do. Perhaps she should have said, "I can't get this done, you guys. I don't have time." Not I had to stay until 1:00 working on this so I'm going to charge you \$50 more.

Patty: I don't disagree with that. Okay, I'm not ready to use that. I am doing simple business is all I'm saying. If I have loyalty to my client and I am willing to push things out with extra stress in my life to accommodate that client, if that is part of doing business, the client should be paying and, this is again, from being in small business for so many years, I strongly believe that we have got to take at least 50% of the responsibility for not saying, "What is it going to cost?" Give me a bottom line. We are responsible adults.

Pam: We have a contract with her that says she bills us at the hourly wage, which I thought was \$35, does the contract not say \$35?

Tina: I don't know, I will have to pull the contract.

Pam: Do you have it with you?

Tina: No I don't. It is upstairs in the file.

Pam: To your knowledge, did it change?

Tina: I don't know.

Susan: I think the bottom line here is that #1, the letter got out. It did not get out when we wanted it to get out, #2, because we wanted it in the mail, not just at the post office, we wanted in the mail circulating on Monday. I believe that the post office told me at one point, because I asked the question, in order for something to run on that day, that it had to be in the post office by 3:00. There is some funny hour that it has to be in the post office. And so I think we are going to have to-- when we want to do things quickly, we have to decide, you know, do we want to pay Susan to do it or are we willing. Patty, it sounds like, was going to get to it over the weekend. That was my understanding, that it would get done--there was still panic to get it out on. I think, bottom line, had we just had the labels from Susan, we would have probably gotten it out. But I think we have learned from it, some lessons, and I think what we have to do now is go forward and be very careful with these dollars that we are spending because these are our Association dollars and it is not good to learn on the back end of things.

Patty: Sandy, is there anything in the contract about expeditious or doing things outside of the contract.

Stephen: There is also something about, if I want it to go out in the mail that day, there is a time.

Susan: So we need to clarify that but I think we have learned lessons from it but we are going to have to go forward but I think we have to be more careful because we are spending an awful lot of money with ABC Solutions.

Patty: She is making a lot of money on us. I just think we need to make sure that we are asking the right questions and we are asking for the right clarity.

Tina: But realize that the reason why she is making the money that she is off of us is because we are requesting information and if she can provide it to us--

Patty: It wasn't intended to be critical in any way, it was just an observation and I think that where--

Tina: And I am fine with going back to homeowners volunteering to mail the newsletter and to do all of this other-- to do all of the mailing, but know that, it has got to get done.

Patty: Tina, is there a way, and it may be related to the software that Susan is using, so it may not be doable, but if we do a similar type mailing in the future, I would like to do all the printing because it costs us so much less and I've got that old printer just sitting there and I don't mind using it.

Tina: What she can do is probably e-mail you what is to be printed on a label, in other words, e-mail you the sheet that gets printed on the label, but again, she is still going to charge us for that work, she is just not going to charge us for the material--

Patty: And what I want to know is, does she have to go to extra work or can she just, you know, two seconds to export and then do it and whatever is a reasonable fee for that is fine. Otherwise, if it is going to be the same fee to have her print the label, whatever that is going to cost us, find out what that is going to cost and just know going forward it is going to be "x" amount of dollars.

Tina: And that's what I'm saying, is that a lot of that stuff homeowners were doing themselves. We were stuffing our own, we were folding and copying and doing all this on our own and it got to be where we are hiring out, Elizabeth Business Center, Susan with ABC, any other vendor that would come walking in and do the job for us because we as homeowners and Board members don't have the time and can't meet the deadlines that have to be met on a monthly basis, so that's why we keep hiring vendors to do this.

Pam: When is her contract up?

Board: At the end of this year.

Homeowner: I've got the software.

I do too because I do a lot of my own stuff, as I was saying, so I just really, the question is, what is her software?

Pam: Now I have another question here. We are being billed \$25.39 for a letter on, I guess it is a delinquent letter. Do we have anywhere in the contract- have we renegotiated that per unit priced and should we not do that?

Tina: The \$25.39, the \$25 is for her to do the letters saying that "oops, you forgot to pay us your bill" and the .39 is for the stamp that she pays. The \$25.39 gets paid by the homeowner.

Pam: Okay.

Board: But Pawnee Hills has to originally fork out the money, same with Cheryl Mulvihill. We will pay Cheryl the money it takes first and then she gets it back.

Pam. Okay, that was my question.

Tina: All of that \$25.39 is coming back. A lot of what we are paying for is our lien, our lien filing, all of that stuff that she bills out is directly to the homeowner and that homeowner is responsible for that. We do get the

interest ourselves. That comes back to our pocket, the interest comes back to us but the fees do not. We just get reimbursed back for all of that that goes out.

Board: And the collections in that types of stuff, that is brand new this year, so that wasn't in her contract originally, so I told her to add in the liens and the costs but realize that --

Pam: I think we need to do that officially. I think a Board member saying to add those in, I mean, I think we need to be a little more structured with that and have an agreement on how we want to handle that.

Patty: Are you talking about any changes to her contract?

Pam: Yes.

Patty: Okay, and just maybe a letter from the Board to reflect that?

Pam: Well, if we understand what we are dealing with --

Patty: Okay, --

Pam: I'm a little unsure how the charges are breaking out.

Tina: There can be changes to those charges. That \$25 dollar letter can go up, the stamps can go up. All of that is just perk fees can change just like Cheryl's fees.

Pam: And she's not charging us anything to do that letter?

Tina: No.

Pam: She's not charging us an hourly rate to do that? That's a free work on her part? She just gets her time?

Tina: She gets the \$25.00 from the homeowner. That's how she charges it.

Pam: That's pretty good.

Tina: Actually that's cheap, \$25 is cheap to do a letter. There are other companies, we found out, that- in fact, Cheryl even said that's cheap, because she said it is usually about \$35 to \$40 to do a oops letter from other companies.

Pam: Are there any other local-- I am unaware-- Any other accounting firms--

Tina: Absolutely. If anybody has any bookkeeping people that they would like to get a bid for, let us know.

Pam: Now, this is my personal opinion, to ask--

Board: Wait, wait, wait, Steve.

Steve: I gave you that information.

Board: No you didn't. Please, if you could get that to me.

Pam: Here is something I like to have the Board agree on and maybe have a vote on it. I think it is always healthy to, you know, I think we should try to have at least 2 bids on anything we do, that's just good business practices. Well at least 2. We haven't had any in the last two years.

Tina: Sometimes it is tough to get three. We are having difficulty finding a bookkeeper.

Pam: I would like to make a motion that, as we entertain this idea, if someone comes up with someone or Steven or whoever comes up with a suggestion, I personally feel that they need to be local because there are hours involved, there is mileage involved. I don't know if there are any local businesses, but even just from the economic standpoint for the Association, it is just going to get really costly if we have much mileage and Sandy spending maybe an hour instead of 20 minutes picking up and dropping off. We can't do that.

Tina: Okay, just to let everybody know that anybody that wants to go ahead and get all that information together, wonderful, but know that there is a deadline because we have to make a decision by our December meeting because they start doing accounting for January in December. So--

Patty: So November meeting is the deadline?

Tina: So basically November. I would say November because I just realized that bookkeepers start, we would be starting in December, they would be doing January's work.

Pam: So need to prepare an RFP for that. The reason I say that is because, if we just submit a copy of her contract without the fees, which really doesn't tell them enough. They need to know they are going to get \$25.39 to send a letter. There is a lot --

Tina: No, they do their own fees.

Pam: And they would be charging a fee for it and, of course, I understand what you are saying. We wouldn't give them a number, but they need to know that that kind of thing goes on, that they would have added benefits of what they would be doing. Was I making sense?

Patty: We would have to write it up as an RFP.

Pam: Because we have to deal with this kind of information. Because this is gravy and they need to know that.

Tina: I think they probably would if they did any type of-- if they did the bookkeeping and doing liens and everything like that for an Association, they know that.

Pam: But I don't know that her contract talks about these delinquency letters and I don't know that--

Tina: No, we would have to add that. She is going to add that in her contract. I requested a contract from Susan w/ ABC to do next year's accounting and I told her I needed to add it into the collections since we just started that.

Patty: You will ask her to ask about what we talked about tonight too?

Board: Yes.

Patty: Thank you, ma'am.

Tina: We actually made the decision to have Susan with ABC file the lien because otherwise if Cheryl did it would be about 3 times more to file the lien than if Susan with ABC filed it.

Pam: Or one of us, which makes it difficult because you can't always be consistent with who has got the time and ability to go do it. I mean, we really need a professional person to do it.

Homeowner: Is she filing the liens too? Is she selling them?

Tina: No, you can't sell a lien. Well, we can't. Pawnee Hills can't sell a lien. We are non-profit and we won't sell a lien.

Patty: We have the ability to but --

Tina: Absolutely not to sell one, no.

Pam: Sandy, I would like it, if you have time and if you don't, and I'm here early and I can do it, it doesn't matter, but I just feel like I need a better handle on how we are being billed for Susan to understand more about what is involved. I mean personally, because I--

Patty: That's not a bad idea if we get the contract and read it.

Pam: And I think I would like a copy of the billing each month so we can say yay or nay.

Patty: And maybe I can work on it.

Pam: We need to set a meeting and do that because we are not going to have much time-

Board: Okay--

Pam: Yeah, just the bill, when you are submitting-- yes please, and one for everybody I think, we should be looking at these things.

Patty: And I want copies of contracts handed--I can go upstairs with you after the meeting.

Pam: Me too, I don't know where mine is.

Tina: Okay, so, just so that everybody understands and I want to make sure we all understand, who is going to do the RFP and work on that for --

Patty: Pam and I are going to work on that.

Tina: Okay, Patty and Pam are going to work on the RFP for a bookkeeper for next year.

Susan: And will that be the same contract that we give to Susan?

Tina: Yes--

Patty: And it is not a contractor we need to give her a RFP?

Tina: Right. We will give Susan the same RFP that we give 3 other companies.

Patty: So everyone has fair shots at --

Pam: She said she was working on submitting a contract to us. Maybe you better put that on hold and tell her.

Tina: I will call her tomorrow and tell her that.

Pam: Because I don't want her wasting her time.

Tina: I don't even know if she is even willing to bid for next year's bookkeeping. So, the understanding is that the RFP will be done, the bids will be in, and we have to have them no later than that date guys because, like I said, in December, they will be doing accounting for January.

Patty: Tell her 11/20, no later than that would--

Board: No later than when?

Patty: 11/20 I am thinking.

Board: November 20<sup>th</sup>?

Pam: I don't even know if there are any local bookkeepers.

Patty: I'm sure there are.

Board: So, the deadline is November 20<sup>th</sup> for the bids coming in.

Patty: So we will have to have the RFP by October 20<sup>th</sup>.

Board: Okay? Sandy?

Sandy: I have been trying to contact CPAs regarding our end of year audits and tax preparation.

Board: And Sandy, you've got, I know you've got a little bit more time than our bookkeeper does for finding another CPA to do our taxes and stuff but if you need the extra time, you've got it. We don't have time on this end for the bookkeeper. We've got to get the bids in and the decision made.

Pam: Sandy, would you be interested in working on the RFP with us? You probably have a pretty good understanding of what we are paying and how it gets paid out.

Sandy: Who is working on it?

Pam: Susan and myself and Patty. So before we leave tonight, let's see if we can set up a meeting time. You guys know how hard that is.

Board: Okay, so we need a motion to pay the bills as read.

Motion to pay the bills as read, seconded and passed.

Board: Alrighty, anything else from the treasurer?

Board: John.

John: I would like to make a request that you reissue this check please. I lost it for a while.

Board: Oh, okay. The treasurer is not done. This is a check dated 12/01/2005, from Pawnee Hills to John MacArthur for website expense of \$35.93. He is just asking that we void that check out and write him a new one. Is that okay everybody?

Board: That's fine.

Board: Okay, we will go ahead and do that. Don't lose this one, John, because you only get 1 more chance and that's it.

John: It was only lost for a while.

Board: Just 60 days too long.

Committee Reports:

Architectural Control Committee (ACC) - Judy Trawinski had sent over, this is for 1198 Belgian Trail, proposal for a detached garage and driveway and that was approved, looks like on or around September 6.

Pam: I have a comment on ACC while we are on them. Judy called me today and said that she is leaving on vacation so if something comes up, we need to let one of the other people know and Pete, I don't know if she has called you or not but she said she is going to call you when she gets back. Judy on ACC, you are interested, right? Still doing that?

Board: Yah, I told her.

Pam: She is going to be contacting you when she gets back vacation, in the meantime, we as a Board, need to know or let Darren know, I guess, if something comes in, that Judy is not the point of contact until she gets back. So will you let Darren know that?

Board: Okay.

Activities - no report.

Buildings & Grounds - Stephen Gile. No report.

Covenant Committee -  
Has been basically just put on hold for a while.

Directory and Welcoming - Sandy Perry.

Board: I guess the only thing we will be thinking of is probably sending out directory sheets, Sandy, for next year's directory, so I will make a note.

Homeowner: Can you put on the directory sheet it we don't want to be put in there?

Board: Yes, absolutely.

Equestrian - Stephen Gile - No report.

Newsletter - Tina  
Does anybody have anything that they- any suggestions to put into the newsletter, anything that they would like to see in the newsletter? Alrighty.

Nominating - Pam, chairperson. No report.

Website - pawneehillshoa.org - Sandy

The website now has a legal pad on it where copies of orders are up there and it does include the document pertaining to the class action lawsuit and getting a direct path if you want to include it in the newsletter.

Pam: Sandy, did I mention putting a disclaimer on the website to you? Information may not be correct.

Patty: Or that it may not be the most current?

Pam: No that is recommended by Hindman Sanchez that we put a disclaimer on there just to cover ourselves.

Sandy: Can you give me the text that she wants and I will put on there.

Patty: Not a bad idea.

Board: I'm sure myself ... Error and omissions.

Pam: Yes, that is what it is, errors and omissions.--

Board: You can put a disclaimer on this.

Pam: Pawnee Hills Community Association is not responsible for errors and omissions on this website. Isn't that good enough? It's better than having nothing.

Board: I think on the home page. I will probably steal that sheet from you anyway after you are done. I will e-mail that to you, Sandy, and then you can put it on the website. Anything else on websites?

Sandy: Wait a minute, is this the time to talk about the scanner because we can, I don't know if you want to do it now or in a minute.

Board: No, let's do it right now.

Board: Sandy needs a scanner for the website to scan things in and she has been borrowing one but I feel uncomfortable with that in case something would happen to that which almost did, she had a lightning surge on her home, and if she had to pick it up and take it back, and I just think it is an unfair use of her time and if she is going to do it, I think we should buy one for that purpose and then , if Sandy no longer does it, then the scanner comes back here or the next person gets it.

Board: Why don't we just authorize up to \$350 and then Sandy, if you find out it is going to be more, make some call from the store, or call us when you get home.

But come back and let us know if it's more and then we will work from there. But if it is up to \$350, come home with it.

Board: Motion is made to authorize Sandy to spend up to \$350 for a scanner. Motion was seconded and passed.

Board: The other question I had, Patty, you are going to answer this one because I think you told us last month regarding the Qwest bill, you gave the answer that everything is okay on that, so that can be taken off of our list.

Patty: Just to remind you that the reason behind that is that what the phone is set up to do which is probably what Linda did, which is a smart thing to do, it is set up for--every time you pick up the phone, you make a call which is much less expensive on a business phone, measured rate than the full rate, which is going to start before taxes at \$45.

Board: Okay, I just wanted to make sure because I saw it on my list and I thought you had answered that last month but that is completely off the list now.

We will talk about the mailbox vandalism that had happened. Apparently, what happened is they ripped off the back part of a mailbox bank - the bank of mailboxes over there at the mailbox shelter and they figured, and I get different times, but the post office had said between 10 a.m. and 2 p.m. is when they had done this and had ripped the back off, was on their way to rip off another bank of mailboxes, they worked on that one but they must have seen somebody coming and they took off. Stephen, you said that you had found the back of that one mailbox piece, like, down the road, and had given that to Elizabeth Post Office, the postal inspector, so we haven't heard anything from them other than--I was so happy because the next day or the day after, I had talked to the Postmaster over there at Elizabeth Business Center, and she had found a set of banks that would work perfectly for us and she had their maintenance person install it and take care of it for the next day.

That is how quick it was. They had to drive quite a ways to find that, but, she never did tell me how much it was going to cost. We have not been billed yet for that. I don't know if they are even going to charge us for it because it was a used bank of mailboxes that had not been used in another area that she had picked up from another post office. So we may or may not be billed for this.

Board: Did they put a new back on it? So, I don't know what is going to happen, so this is what we've got and so we are just kind of waiting to see that--

Board: Are those ours?

Board: The mailboxes belong to us and we have to pay to get them fixed.

Board: We were delighted to see such a quick response that was great for the homeowners who had their mail taken.

Board: So, I know that in our reserve study that we do have to be thinking about replacing all of those mailboxes in I don't know how many more years it has got, the life on it is, but they are like, in \$28,000, \$30,000 to get all of those mailboxes replaced. So, hopefully, this won't happen again. A suggestion was from the maintenance person to definitely do not put doors on that mailbox shelter even though we were thinking if we just had a key to get in there, but they say definitely not, they are just going to break down the door; to not put a keyed entry into the mailbox shelter. The other thing was to try to open up the other ends with windows, and even if you had--she says, "I understand the problem with wind out there and everything," but she said if you just open up some sides so there is more visual, that that would be a deterrent also. So, that may be something that we think about possibly suggesting and doing but we would have to probably put windows in there because it is so horribly windy through there. If we open it up, it is just going to be awful. So that is another project I guess we need to put on our list to talk about opening that up, unless you guys don't want to do that. I don't know if it is worth cutting holes--

Homeowner: It might have been a one-time thing, I don't know.

Board: First time since I've been here.

Board: Put a camera in? Then that would probably would get stolen or broken or painted on or, I don't know. So I guess we need to think about that, whether or not we want to go through that trouble or whether we just want to see how long it takes before that happens again and just hope it doesn't -- I mean, broad daylight. I don't know why they didn't try like at 3 o'clock in the morning.

Yah, that's really gutsy, isn't it? Between 10 and 2 to do a federal crime?

What is it they thought they were going to find?

Board: Well, people's statement, envelopes with checks, they are going to get their bank statements, absolutely. That is big business. And realize, it is just not us. I mean, it is happening everywhere. It is happening in Highlands Ranch, it is happening--I've had more people tell me --.

Legal:

We need to let everybody know about the mail-in vote--mail-in ballot--results that we had. When was that when we did that? August 31<sup>st</sup>?

Board: Okay, so Sandy is going to read what the results were of the August 31<sup>st</sup> mail-in ballot for the declaratory judgment. Susan, do you have it?

Sandy: 83 ballots received; unpaid assessments were 6; missed postmark date - 3; unidentifiable - 2; no stuff in envelopes - 2. So the total ineligible votes were 13. The number of eligible votes was 70 and the result of the voting were YES at 64; NO at 5; ABSTAINED 1.

Board: And I told Sandy that if she can put that on the website for us, that would be great and then it will also be reflected in our minutes and the newsletter.

Board: Cynthia will be contacting Kathryn Rafferty at the Elbert County office regarding our erosion problems. Kathryn is the county engineer. She was going to come by here and look at all the erosion also in the valley here as well as the retaining wall situation between the two courts. So I need to check with Cynthia on that to see where she is at with that but she said she would take over that project.

Board: Legal items. The 1998 -- the declaratory judgment has been put on hold until after we have the October 2, 2006 special meeting vote.

Board: So, we are encouraging and hoping that we can get homeowners to try to go door-to-door to try to get people's proxies, to try to get them to show up at the meeting, what ever it takes to get 112 yeses to get this thing passed so that we don't have to continue the declaratory. If we do not have 112 yeses after the October 2 meeting, we will then obviously start-- well not start the process but continue the declaratory judgment.

Simone: What happens when you get 112 no votes, I mean, it's not going to happen, but ...

Board: 112 no votes? We have to still go. The only way we can stop the declaratory is if we get 112 yeses. So we are encouraging everybody to get out there and --

My opinion - it would be nice to see 112 yeses because I believe that is the only way we can stop the declaratory lawsuit, the judgment, and spending that money, if we can somehow pull together as a community-

Board: Okay, the next legal case that we had was Larry Beireis and Alta Mae Jackson. This is a court case that was held on August 30, 2006, regarding chain link fence, which was put up without ACC approval. The court did order that day that the chain link fence needs to be taken down in an orderly fashion and that they would have 60 days after the order was placed to remove the chain link on the property line and the chain link along their driveway, so the pieces of chain link that they put up that was not approved by ACC was going to have to go. And that the bond of the \$250 would be released back to Pawnee Hills Community Association. So, the other thing with that, Cheryl Mulvihill still has to submit a brief and affidavit for attorney's fee so we will not know for quite a while, I guess, whether or not we recoup our attorney's fee for that case.

Did you mention-- you probably did, did he actually rule that very day?

Board: Yes.

Board: So, the other one that we had, and this was on September 12 of 2006 was John MacArthur for small claims court case; was held regarding the misuse of PHCA funds for a legal opinion regarding Chenoa German Shepherds and Peliquita Persian cats. The judge ruled in favor of PHCA, stating that Mr. MacArthur can not use the Association money for a personal problem; that it was misuse of the Association fees and a breach of Mr. MacArthur's fiduciary duty. Mr. MacArthur's use of PHCA funds for a legal opinion for a personal problem was improper and inappropriate. The judge awarded PHCA \$185 for the legal opinion, \$7.59 in interest charges, a \$15 filing fee, and a \$39 service fee for the total amount of \$246.59. The MacArthurs did give us a check that day and the Board considers this matter closed.

Board: We are still waiting to hear on Linda Lee's court case.

Board: The Linda Lee case-- the legal fees for the Beireis/Jackson case and the Linda Lee case are still pending.

Board: Were all the dates given to the Lees? The day for the chickens to be gone?

Board: October 31<sup>st</sup>.

Board: And that is Larry's date too, isn't it?

Board: No, Larry's date is October 30th.

Board: So, we know that Cheryl has submitted the affidavit regarding Linda Lee's stuff and ours was granted, hers was denied. Her answer was denied and now all we are waiting is for a judge's decision. So we are only waiting for the judge to make the decision of-- we do get attorney's fees, we just don't know the amount. That is what we are waiting for on the Linda Lee case.

Board: Alright, we got 'em but we just don't know how much we got.

Board: Right. On the Beireis/Jackson, we have to submit and then they have so many days to respond-- we submit our reasons why we feel the Beireis's should have to pay this money. They have so many days to respond why they shouldn't have to. And then he tells us whether we are granted or they are denied and then after that, it could be quite a while before we even get a number. So we are hoping, hopeful, hopeful. But I guess we need to pay attention and the chickens need to be gone from Linda Lee at the end of October, so October 31, so I guess--

Board: I just thought it was the end of this month.

Board: End of October.

Board: My lack of memory.

Board: So, we will have to follow up on the Lee chickens. Okay, anything else on legal items that I have not brought up that you guys think we need to bring up? Any questions, anything like that? Anything that I have not said that I needed to say to get into the minutes and to get this done? (silence) If not, we are open forum.

#### Open Forum

Board: I am willing to go over a few of the changes to our rules and regulations as well as the ADR - I think we can do it tonight.

Board: I also want to ask you guys, are you okay with the ones that aren't changing at all, for me to give the originals, only the ones that are not changing, to Sandy so she can start putting them on the website?

Board: Yeah, because those ones aren't changing--

Board: But the ones that totally are not changing, I was going to give to Sandy.

Board: Yes.

Changes/additions to the rules and regulations was gone over by the board of directors.

Motion was made to adjourn the meeting. Motion was seconded and passed. Meeting adjourned at 9:05 p.m.

Respectfully submitted,

Walt Day  
Secretary