

Minutes from Southfork POA board meeting held:
October 19th, 2017
at Meridian Point Church

Board members present:

John Sabell*
Lyle Scott*
Jake Gerow
Eileen Williams*
Paul Zimmerman
Duane Beyer – resigned during the meeting

*Currently appointed until a vote of the home owners in April.

Rudy Thompson and Andrea from Dorman were also present, along with representation of approximately ten to twelve households within the association.

John Sabell called the meeting order at 6:30pm; it was seconded by a home owner.

Introductions of board members and people who are present.

Voting on changing policies – Paul Zimmerman

There are a few items that the board would like to change:

In the Policies, under Exhibit A. 2. (a) amend it to read "annual Assessments shall be due on the 1st day of each fiscal year" rather than "the 1st day of each year". Paul motioned that we change the Exhibit A section 2 (a) paragraph to read "fiscal year". It passed 4-1. Duane thought we need to have the attorney review it first. The revision will be reviewed by the attorney prior to official posting.

Bylaws changes – Quorum changes – right now our documents read that we need a majority of the membership to be present or represented by proxy for us to have a valid vote. We would need 88 homes. The State Statutes suggest that a quorum would be 20% of homes for associations of less than 1000 homes (C.R.S. 38-33.3-309). The board would like to change our Bylaws to be in line with the state statute. This would also have a "reduction clause". This would take a vote of the homeowners to change. It was agreed that it would be on the ballot.

A question came up on the Quorum numbers. Home owner wants to make sure that everyone is inclusive in the voting system. Rudy Thompson mentioned that it is difficult to achieve quorums in many different home owner's associations and most have requirements of 20% or less due to a lack of participation. Note that the quorum change will only effect normal routine votes of the membership and Bylaw changes; covenant amendment requirements will not be altered. The board is a representation of the home owners.

A discussion was heard about the need to change the POA covenants. Eileen spoke that the original committee said it was going to cost between \$5000-\$8000 to change the covenants the way that needs to be done. It was agreed that there are other ways – policy rules on enforcement – that could help us more immediately and we can work on changes to the covenants in the future.

Rudy Thompson stated that if we change any of our governing documents (recorded with the county) then we need a vote. So, if we change the Bylaws or the Covenants then we need to have a vote of the members (majority vote of a majority of members for Bylaw changes, and a 67% approval for covenant changes by the membership, also possibly including a majority of first mortgage holders, depending on specifics for covenant changes).

Voting:

As for voting, it was suggested that we use downloadable ballots and paper ballots for those who do not have internet access.

The ballot will be two part; a voting sheet and a signature sheet.

Budget:

Eileen presented the budget. Currently, we have extra money due to the judgment reimbursement check coming in and other past due accounts being paid. John suggested that we go up to \$72 next year. John also suggested that we do a projected three-year budget and then look at what the home owners would owe. A vote of the membership would be required for a change over 5%.

There was a question as to why we transferred \$10,000 to a new account. It was not a payment to Dorman, but was transferred from the old POA Ent account to the new bank that the management company uses for our budgetary expenses; this new account is still owned by the association. Bills are now paid by Dorman, and require prior board approval. Paul and Duane are signers on the account with Rudy Thompson (requires two signers).

Duane has quit the board and handed in his letter of resignation.

POA Signs were bought up. A decision to put it aside until a later time was made.

Daun Flemming volunteered to be on the ACC.

Dog complaints. There is a dog complaint. It is unknown if the home owner owns the dog or not. The homeowner who has the dog at his house says that it is not his dog. He feeds it but does not claim it. Another home owner said that the dog has killed chickens and threatening people and chases cars. A discussion was held that we need to send a letter to the home owner about restraining the dog. A home owner asked if the dog can be picked up and

taken to the shelter; if the dog is wandering loose on your property and has no means (tags/chip) to identify the owner, the property owner can take the dog to a shelter.

John Sabell suggested that if you want to work with a board member please do not post board questions as we will not answer them there. It is great for social media but is becoming more drama filled than productive.

ACC

A home owner wanted to know if we can put a completion date on the ACC request form. There is concern that projects are taking too long. It was mentioned by Eileen that if there is a permit required, the County sets the rules for timing to completion.

The ACC board can draft a rule about completion dates on the form and give a length of time. We must allow people to follow their permit rules. Rudy Thompson said that we can set a policy that work (outside of permits) must be completed in a certain amount of time.

Eileen requested people to join her on the ACC. Currently Lance and Brian have resigned and Daun Flemming volunteered.

John Sabell brought up a point that all questions pertaining to the validity of the POA will be forwarded to Dorman (the Property Management company) and we will no longer take up meeting time for that issue.

Angie Bowers brought up the question to Rudy Thompson about being the registered agent with the State of Colorado. She gave an explanation that she is frustrated that it has not been done. The Registered Agent is to be changed to Dorman. Andrea explained that she is working on changing it. She said she has called the Secretary of State attempting to change it. **Follow up...The registered agent was changed to Dorman as of 10/20/17.

The ENT account will now be closed and all money transferred to the Southfork POA account associated with Dorman management.

Home owner frustration with worrying about financial accountability due to the former treasurer situation (from Sept 2013). John explained the situation and explained that all non-standard checks (outside of standard POA bills pre-approved by the board) will have a second signature. We now have much more oversight then we had in the past because we have an outside company that is maintaining our books and issuing checks with a second signature. It was explained that all books will be viewable on the Dorman website soon and that you will be able to make payments of assessments or download forms as needed.

Motion to close by John Sabell; meeting adjourned at 8:00 pm

Post meeting executive session:

Motion to accept Duane's resignation made by John and Paul seconded; motion passed without dissent.

Motion to move Eileen from secretary position to treasure position made, seconded and passed without dissent.

Motion to move Lyle to secretary position made, seconded and passed without dissent.

Andrea mentioned that we cannot pick and choose on how we do things. We have to be precise about language in letters and other communication. We need to be careful about verbiage about things we want to do. With respect to CCIOA do we want to be exempt or do we want to follow CCIOA? It was determined that we do want to continue to follow CCIOA law.

When discussing the covenants, Andrea suggested we take it in small chunks or long periods of time. However, due to financial limits, covenants are probably not going to change any time soon. Passing Bylaws and Policies are much easier and we will probably work on policies to help us focus how we will enforce our covenants. Policies must be in line with covenants.

Andrea suggested that we write a set of documents from scratch and then move from there in small sections.

Website with Dorman – issue with the payment module. Rudy Thompson said that the website should be up by next week. ACC form with tracking can be on the Dorman site.

Executive session concluded.