

# CEDAR MESA RANCHES HOMEOWNERS BOARD OF DIRECTORS MEETING MINUTES

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**January 28, 2010**  
**Southwest Colorado Community College**

**Present:** Greg Kemp, Lisa Liljedahl, Paul Ruatti, Bob Sanders, Mike Handron, and Darla Sanders. No HOA members attended.

**Absent:** Gary Brodhagen

**Call to Order:** The meeting was called to order at 7:15 pm

**Approval of Minutes:** A motion was made, 2<sup>nd</sup> and passed to approve the minutes of January 9, 2010 with one change. It is the bylaws and not the covenants that contain the requirement for HOA dues to be paid no later than the date of the Annual Meeting.

## **Secretary Report: Darla Sanders**

- Meeting minutes went out by email on January 18, 2010 and by postal mail on January 24, 2010.

## **Treasurer's Report: Lisa Liljedahl**

- The signature card for our accounts must be updated. Jim Bignell must be taken off the accounts and Greg Kemp must be added. Greg Kemp and Lisa Liljedahl will be on the signature card. A motion was made, 2<sup>nd</sup> and approved to update the signature card.

## **Committee Reports:**

### **Fire & Weed-Paul Ruatti**

- Paul Ruatti attended the Firewise Council for Durango on January 26, 2010 and the Cortez-Montezuma County Council on January 27, 2010.
- He found out that the deadline for submitting an application for a mini grant to assist us with completing our Colorado Wildfire Protection Plan (CWPP) is approximately February 28, 2010.
- Home Ignition Zone Workshop, a free, two-day seminar sponsored by Firewise of Southwest Colorado and the San Juan Public Lands Center will be held Apr 30 – May 1. The workshop covers the myths of the wildland-urban interface (WUI) fire, history and context of WUI fire disasters, risk factors in the home ignition zone, and more. The workshop is open to Firewise Ambassadors and residents of their subdivisions until Mar 30<sup>th</sup> and to the public after that. Please contact Paul if you have any questions or are interested in attending.
- Doug Parker, from the Montezuma County Emergency Management Office, wanted to remind those who live in rural subdivisions that emergency services respond slowly, sometimes taking 45 min to an hour.
- During the first few hours or possibly days following a disaster, essential services may not be available. People must be ready to act on their own. Paul has access to a 72 hour Family Emergency Kit checklist. It provides lists of basic survival items needed for a family for three days to a week. Anyone interested in obtaining a brochure, contact Paul and he will ensure you get a copy.
- The Department of Homeland Security is sponsoring Citizen Corps, a grass-roots movement that actively involves all citizens in making communities across America safer, stronger, and better prepared. The organization provides opportunities for individuals to prepare, train, and volunteer. For more information contact Paul or go to [www.citizencorps.org](http://www.citizencorps.org).

## **Building Advisory – Greg Kemp**

- On Monday, January 25, 2010, the Board of County Commissioners enacted an ordinance to provide for the safety of persons and property from dogs on any public or county road right-of-way that are not under their owner's immediate control. "Control" means physical restraint or voice command. The Sheriff of Montezuma County is responsible for enforcing this ordinance by impounding any dog that is not accompanied by its owner on any road in the county.

In addition, if the Sheriff has probable cause to believe that a violation of this ordinance has occurred, he is authorized to issue a citation to the dog's owner or custodian. The penalty assessment associated with this citation will be \$50.00 for the first violation and \$100.00 for the second violation. A third violation will require a court appearance that can result in a fine of up to \$1,000.00 or up to 90 days in jail. Multiple citations may be issued for multiple dogs in any incident. Any incident involving bodily injury is a more serious offense that is covered under state law and will result in greater penalties.

It was clear in all three public hearings involved in developing this ordinance that the County Commissioners have directed the Sheriff to vigorously enforce this ordinance. Neither the fact that Montezuma County is a rural area, nor that a dog "accidentally" left its owners premises, will be considered justification for violating this ordinance. Any questions about this issue should be directed to the Montezuma County Administrator, Ashton Harris, at 565-8317.

- This ordinance is no more restrictive than Covenant #18, which each of us agreed to abide by when we purchased our property in the Cedar Mesa Ranches subdivision. The only elements that are different are that the Sheriff is the enforcement agent and that monetary penalties are attached to any violation of the ordinance.

## **Roads – Bob Sanders**

- We had over 30 inches of snow this month which required numerous snow removals.
  - January 15<sup>th</sup> - winged back Road 35
  - January 19<sup>th</sup>, 20<sup>th</sup>, 21<sup>st</sup>, 22<sup>nd</sup>, and 23<sup>rd</sup> - snow removal
  - January 25<sup>th</sup> - winged back Roads 35, K.3, J.8 , J.7, and J.9
  - January 27<sup>th</sup> - winged back Roads K.1, 36.4, and the curves on Road J.7
- When you push snow across the road as you clean out your driveway, please do not leave piles of snow in the middle of the road.
- The Road Committee is developing a plan and budget for road maintenance.

## **Activity & Grounds – Darla Sanders**

- No items to report at this time.

## **Old Business:**

- The Board met with an attorney on January 28, 2010. The attorney is currently reviewing our covenants and bylaws.
- Responses from property owners concerning alleged covenant violations were reviewed. It was decided that no action be taken at this time. A motion was made, 2nd, and approved to send letters to the property owners explaining the decision.

**New Business:**

- The proposed 2010 budget was reviewed and minor changes were made. A motion was made, 2nd, and approved to adopt it. Although it is a negative budget it will balance due to the carryover from 2009.
- Board of Directors discussed goals for 2010. A motion was made, 2nd, and approved to adopt the following goals for 2010:
  - Obtain a grant to hire assistance to develop and acquire certification for our CWPP.
  - Select House Counsel.
  - Acquire Directors and Officers Insurance for the Board of Directors.
  - Accomplish an in-depth review of covenants and bylaws.
  - Develop road maintenance plan with budget.
  - Complete maintenance at main entrance.
- Mike Handron is looking into Directors and Officers Liability Insurance for the Board. He is contacting major insurers and seeing what type/amount of coverage we can obtain.
- Two letters from members were received concerning road maintenance. A motion was made, 2nd, and approved to respond to each and thank them for their input.

**Open Discussion:**

- Pam Linscott has expressed interest in volunteering to be a board member. The Board has the authority to appoint members to the board. A motion was made, 2nd, and approved to appoint Pam Linscott to the Board as a Member-at-Large.

**Next Meeting:**

- The next Board of Directors meeting will be held Wednesday, Mar 17, 2010 at 7:00 pm at the Southwest Colorado Community College, Room 208.

**Adjournment:** A motion was made, 2<sup>nd</sup> and passed to adjourn. The meeting adjourned at 8:52 pm.

Respectfully submitted:

Darla D. Sanders  
Secretary to the Board

**Cedar Mesa Ranches  
Budget  
2010**

<b>Income:</b>	2009 Actual	2009 Budget	2010 Budget	
Dues	\$61,468.00	\$62,475.00	\$62,550.00	
2009 dues & late fees collected in 2010			275.00	
Interest	<u>647.41</u>	<u>400.00</u>	<u>700.00</u>	
	<u>\$62,115.41</u>	<u>\$62,875.00</u>	<u>\$63,525.00</u>	
 <b>Expenses:</b>				
CPA - Tax Preparation	150.00	150.00	150.00	150.00
Contingency Fund	0.00	500.00	500.00	0.00
Fire Mitigation	0.00	100.00	100.00	0.00
Insurance	1,162.00	1,300.00	2,000.00	1,500.00
Office Supplies/ Postage	616.80	1,000.00	620.00	620.00
Legal Fees/ Not Designated	0.00	1,000.00	8,000.00	8,000.00
Legal Funds Designated	185.00	25,000.00	17,000.00	17,000.00
License - Corporate	10.00	10.00	10.00	10.00
Road Maint/Improvements	21,337.12	25,208.36	25,210.00	25,210.00
Signs	173.90	100.00	100.00	100.00
Snow Removal	10,160.00	8,000.00	10,000.00	10,000.00
Taxes- Federal (previous yr tax return)	146.64	146.64	180.00	180.00
Web Page	0.00	110.00	95.00	110.00
Weed Control	<u>512.38</u>	<u>650.00</u>	<u>520.00</u>	<u>520.00</u>
	<u>\$34,453.84</u>	<u>\$63,275.00</u>	<u>\$64,485.00</u>	
 Excess Income over Expenses:	 \$27,661.57	 (\$400.00)	 <u><u>(\$960.00)</u></u>	

The HOA is passing a deficit budget of \$ 960 and the HOA had a carryover from 2009 of \$2,661.57.

# **CEDAR MESA RANCHES HOMEOWNERS BOARD OF DIRECTORS MEETING MINUTES**

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**March 17, 2010  
Southwest Colorado Community College**

**Present:** Greg Kemp, Lisa Liljedahl, Paul Ruatti, Bob Sanders, Pam Linscott, and Darla Sanders. No HOA members attended.

**Absent:** Mike Handron

**Call to Order:** The meeting was called to order at 7:00 pm

**Approval of Minutes:** A motion was made, 2<sup>nd</sup> and passed to approve the minutes of January 28, 2010 with one change. A CWPP was mistakenly defined as a Colorado Wildfire Protection Plan instead of a Community Wildfire Protection Plan.

### **Secretary Report: Darla Sanders**

- Meeting minutes went out by email on February 6, 2010 and by postal mail on February 8, 2010.

### **Treasurer's Report: Lisa Liljedahl**

- All but two annual assessments have been received. Liens have been placed on those properties. For those lot owners who pay in two installments, the second payment is due no later than April 9, 2010. Please put that date on your calendar and allow enough time so we receive the checks by the due date.
- Budget report is attached.
- We have an outstanding bill for the last blading of CR 35 that is not reflected in the report.
- Motion was made to accept this report, 2<sup>nd</sup> and passed.

### **Committee Reports:**

#### **Fire & Weed-Paul Ruatti**

- Paul Ruatti submitted an application for a mini grant to assist us with completing our Community Wildfire Protection Plan (CWPP) and was approved for \$7,000.00. He has researched the approved contractors in the area and determined Short Forestry to be the contractor of choice. Short Forestry has given us a draft contract to review. With a few minor changes we should be ready to enter into an agreement and begin work on our CWPP.
- Here is some background information on wildfire protection plans.
  - Local wildfire protection plans can take a variety of forms, based on the needs of the people involved in their development. Most plans address issues such as wildfire response, hazard mitigation, community preparedness, and structure protection.
  - The process of developing a CWPP can help a community clarify and refine its priorities for the protection of life, property, and critical infrastructure in the

wildland–urban interface. It also can lead community members through valuable discussions regarding management options and implications for the surrounding watershed. The language in the Healthy Forests Restoration Act provides maximum flexibility for communities to determine the substance and detail of their plans and the procedures they use to develop them.

- With this in mind, Paul and the contractor need a committee to assist in developing our plan. Anyone interested in taking part in this endeavor, please contact Paul at 970-560-1413 no later than April 5.

**Building Advisory – Greg Kemp**

- A homeowner who owns two lots has requested to move the property line. This can be done as long as the plat is officially updated and it doesn't interfere with any other lot owners' views, etc.

**Roads – Bob Sanders**

- We have had a total of approximately 115 inches of snow this winter. Below is a breakdown by month of snow as well as the road maintenance that was accomplished.

Month	Inches of Snow	Maintenance on Roads
October	2.0	
November	4.5	
December	33.5	Bladed – 2
January	33.0	Bladed – 6; Winged-back - 1
February	30.5	Bladed – 3; Bladed for pot holes on CR 35 - 1
March (to date)	11.5	Bladed for pot holes on CR 35 - 1

- When you push snow across the road as you clean out your driveway, please do not leave piles of snow in the middle of the road.

**Activity & Grounds – Darla Sanders**

- No items to report at this time.

**Old Business:**

- Mike Handron continues to look into Directors and Officers Liability Insurance for the Board. He has contacted major insurers and has found at least one company who will insure us. He is now working to determine what exclusions will exist, our costs, and what the requirements of our legal funds will be.

**New Business:**

- The Board of Directors made a decision by unanimous consent on February 4, 2010 to engage Erin J. Johnson Attorney at Law LLC to review our declarations, articles of incorporation, covenants and bylaws and compare them to the requirements in the Colorado Common Interest Ownership Act (CCIOA) and the Colorado Revised Nonprofit Corporation Act. Upon completion of her review, she stated that our governing documents did not comply with CCIOA requirements and recommended all documents be updated.

- The Board of Directors made a decision by unanimous consent on February 23, 2010 to engage Erin J. Johnson Attorney at Law LLC for legal services for a Colorado Common Interest Owners Act update of the CMR HOA governing documents including revision of declarations, bylaws, policies and rules and regulations
- Erin Johnson addressed our board meeting to discuss updating the Bylaws first to bring them in line with CCIOA and the Colorado Revised Nonprofit Corporation Act. She has drafted new Bylaws that meet CCIOA requirements and would like us to call a Special Meeting to discuss and vote on the revised Bylaws.
- Gary Brodhagen verbally resigned from the Board of Directors on January 20, 2010. Gary has been instrumental in the many improvements that CMR has accomplished over the last five years. Thanks so much for your dedication and support to our subdivision, we will miss your expertise.
- Pam Linscott has obtained trash removal service bids from three companies; two of these companies will also provide recycling pickup. More information will be available at the next meeting.
- Pam Linscott researched the possibility of erecting a Community Bulletin Board by the mail boxes. The postmaster agreed to a bulletin board on the South side of the pedestals. We do not need postmaster approval on design, but it was recommended we construct a cover over all pedestals.
- Pam Linscott and Darla Sanders are researching the possibility of a separate HOA Post Office Box, instead of using one of the board member's personal mail boxes.
- The Board is looking into publishing a Newsletter. Several designs were discussed, but due to time constraints, the issue was tabled until the next meeting.

**Open Discussion:**

- No new items discussed.

**Special Meeting:**

- A Special Meeting of the Board of Directors will take place on Thursday, April 15, 2010 at 7:00 pm at the Southwest Colorado Community College, Room 208.
- This meeting is being called for all HOA members to meet our House Counsel, Erin Johnson, to listen to the proposed updates to our current Bylaws, and for the Board of Directors to vote on the updated Bylaws.

**Adjournment:** A motion was made, 2<sup>nd</sup> and passed to adjourn. The meeting adjourned at 9:33 pm.

Respectfully submitted:

Darla D. Sanders  
Secretary to the Board

**Cedar Mesa Ranches-HOA  
Balance Sheet as of  
February 28, 2010**

<b><u>Assets</u></b>	<b>2010</b>
Checking/ Money Market	\$91,095.85
Accounts Receivable	\$12,175.00
 Total Assets	 \$103,270.85
 <b><u>Liabilities</u></b>	
Accounts Payable	\$0.00
 <b><u>Members' Equity</u></b>	
Prior Yrs Equity	\$20,874.79
Current Yr Equity	\$82,396.06
Total Member Equity	\$103,270.85
 <b>Total Liabilities &amp; Members' Equity</b>	 103,270.85



**Cedar Mesa Ranches  
Statement of Income and  
Expense  
February 28, 2010**

<b>Income:</b>	2009 Actual	2010 Budget	2010 Year-to- Date Actual	2010 Difference
Dues & Late fees	\$61,468.00	\$62,825.00	50,262.00	
Interest	647.41	\$700.00	133.73	
	<hr/>	<hr/>	<hr/>	
<b>Total Income:</b>	\$62,115.41	\$63,525.00	\$50,395.73	
 <b>Expenses:</b>				
CPA - Tax Preparation	150.00	150.00	150.00	0.00
Contingency Fund	0.00	500.00	0.00	500.00
Fire Mitigation	0.00	100.00	0.00	100.00
Insurance	1,162.00	2,000.00	0.00	2,000.00
Office Supplies/ Postage	616.80	620.00	144.95	475.05
Legal Fees/ Not Designated	0.00	8,000.00	6,500.00	1,500.00
Legal Funds Designated	185.00	17,000.00	0.00	17,000.00
License - Corporate	10.00	10.00	20.00	-10.00
Road Maint/Improvements	21,337.12	25,210.00	0.00	25,210.00
Signs	173.90	100.00	0.00	100.00
Snow Removal	10,160.00	10,000.00	10,690.00	-690.00
Taxes- Federal (previous yr tax return)	146.64	180.00	0.00	180.00
Web Page	0.00	95.00	0.00	95.00
Weed Control	512.38	520.00	0.00	520.00
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Expenses:</b>	34,453.84	64,485.00	17,504.95	46,980.05
 <b>Excess of Income over Expenses:</b>	 <u>\$27,661.57</u>		 <u>\$32,890.78</u>	
 Total legal fees-designated set aside 2007, 2008 & 2009		\$75,000.00		
Total legal fees-expenses for 2007, 2008 & 2009 plus travel		<u>\$20,073.80</u>		
Remaining legal fees-designated		\$54,926.20		

**CEDAR MESA RANCHES HOMEOWNERS  
BOARD OF DIRECTORS MEETING  
MINUTES**

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**April 15, 2010  
Southwest Colorado Community College**

**Present:** Greg Kemp, Lisa Liljedahl, Paul Ruatti, Bob Sanders, and Pam Linscott. There were four HOA members in attendance.

**Absent:** Mike Handron

**Call to Order:** The meeting was called to order at 7:04 pm

**Approval of Minutes:** A motion was made, 2<sup>nd</sup> and passed to approve the minutes of March 17, 2010.

**Secretary Report: Darla Sanders**

- Meeting minutes went out by both email and postal mail on March 24, 2010.

**Treasurer's Report: Lisa Liljedahl**

- Four homeowners have not paid their annual dues. For those lot owners, the second payment has been extended and is due no later than April 24, 2010. Please put that date on your calendar and allow enough time so we receive the checks by the due date.
- Directors and Officers Insurance is in place effective April 2, 2010.
- Budget report is attached.
- Motion was made to accept this report, 2<sup>nd</sup> and passed.

**Committee Reports:**

**Fire & Weed-Paul Ruatti**

- Colorado State Forest has Emergency Supplemental Funds available for fire mitigation. Homeowners are eligible to receive \$470 per acre. Notification providing specifics will be sent shortly. Motion was made to notify the state of Colorado of our intent to request the emergency supplemental funds, 2<sup>nd</sup> and passed.

**Building Advisory – Greg Kemp**

- The homeowner who owns two adjoining lots, and has requested to move his lot line; has met with the County. The County will have a formal hearing on his case after a survey of the properties is complete.

**Old Business:**

- No items discussed.

**New Business:**

- Review of Draft Bylaws and CCIOA-Required Association Policies was presented by Erin J. Johnson, Attorney at Law. Motion was made to accept the bylaws, with changes: 126 lots/tracks to 139 lots/tracks, typo 1.01, (iv): Easements to Easements, 2<sup>nd</sup> and passed.

*This concludes Phase One of the project to update bylaws to a certain extent to provide a better foundation for completing the update of governing documents. These are **interim** bylaws that will be*

*considered with other elements of our governing laws that will be presented to the entire membership for approval later this year.*

**Open Discussion:**

- Jim Bignell shared his dissatisfaction of the Draft Bylaws.
- Don Murrell discussed his suggestions for Road Conditions and Maintenance. Greg Kemp announced that a policy will be developed by the Board for the Road Committee.

**Next Meeting:**

- The next Board of Directors meeting will be held Thursday, May 13, 2010 at 7:00 pm at the Southwest Colorado Community College, Room 208.

**Adjournment:** A motion was made, 2<sup>nd</sup> and passed to adjourn. The meeting adjourned at 9:02pm.

Respectfully submitted:

Darla D. Sanders  
Secretary to the Board

**Cedar Mesa Ranches-HOA  
Balance Sheet as of  
March 31, 2010**

<b><u>Assets</u></b>	<b>2010</b>
Checking/ Money Market	\$93,698.45
Accounts Receivable	\$9,100.00
 Total Assets	 \$102,798.45
 <b><u>Liabilities</u></b>	
Accounts Payable	\$0.00
 <b><u>Members' Equity</u></b>	
Prior Yrs Equity	\$20,874.79
Current Yr Equity	\$81,923.66
Total Member Equity	\$102,798.45
 <b>Total Liabilities &amp; Members' Equity</b>	 102,798.45
<b><u>Assets</u></b>	<b>2010</b>

**Cedar Mesa Ranches  
Statement of Income and  
Expense  
March 31, 2010**

<b>Income:</b>	2009 Actual	2010 Budget	2010 Year-to- Date Actual	2010 Difference
Dues & Late fees	\$61,468.00	\$62,825.00	50,262.00	
Interest	647.41	\$700.00	133.73	
<b>Total Income:</b>	<b>\$62,115.41</b>	<b>\$63,525.00</b>	<b>\$50,395.73</b>	
<b>Expenses:</b>				
CPA - Tax Preparation	150.00	150.00	150.00	0.00
Contingency Fund	0.00	500.00	0.00	500.00
Fire Mitigation	0.00	100.00	0.00	100.00
Insurance	1,162.00	2,000.00	0.00	2,000.00
Office Supplies/ Postage	616.80	620.00	162.55	457.45
Legal Fees/ Not Designated	0.00	8,000.00	6,500.00	1,500.00
Legal Funds Designated	185.00	17,000.00	0.00	17,000.00
License - Corporate	10.00	10.00	20.00	-10.00
Road Maint/Improvements	21,337.12	25,210.00	0.00	25,210.00
Signs	173.90	100.00	0.00	100.00
Snow Removal	10,160.00	10,000.00	11,052.50	-1,052.50
Taxes- Federal (previous yr tax return)	146.64	180.00	164.00	16.00
Web Page	0.00	95.00	0.00	95.00
Weed Control	512.38	520.00	0.00	520.00
<b>Total Expenses:</b>	<b>34,453.84</b>	<b>64,485.00</b>	<b>18,049.05</b>	<b>46,435.95</b>
<b>Excess of Income over Expenses:</b>	<b>\$27,661.57</b>		<b>\$32,346.68</b>	
Total legal fees-designated set aside 2007, 2008 & 2009		\$75,000.00		
Total legal fees-expenses for 2007, 2008 & 2009 plus travel		<u>\$20,073.80</u>		
Remaining legal fees-designated		\$54,926.20		

# **CEDAR MESA RANCHES HOMEOWNERS BOARD OF DIRECTORS MEETING MINUTES**

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**May 13, 2010  
Southwest Colorado Community College**

**Present:** Greg Kemp, Lisa Liljedahl, Paul Ruatti, Bob Sanders, Pam Linscott, and Darla Sanders. There were 24 HOA members in attendance.

**Absent:** Mike Handron

**Call to Order:** The meeting was called to order at 7:02 pm

**Approval of Minutes:** A motion was made, 2<sup>nd</sup> and passed to approve the minutes of April 15, 2010 with an amendment to state that proposed CMR policies were discussed.

### **Secretary Report: Darla Sanders**

- Meeting minutes went out by both email and postal mail on April 22, 2010.

### **Treasurer's Report: Lisa Liljedahl**

- Funds were expended to pay for office supplies/postage for last month's mailing.
- Budget report is attached.
- Motion was made to accept this report, 2<sup>nd</sup> and passed.

### **Committee Reports:**

#### **Fire & Weed-Paul Ruatti**

- Colorado State Forestry has Emergency Supplemental Funds available for fire mitigation. Homeowners are eligible to receive \$470 per acre. Notification providing specifics was sent out with the April minutes. Approximately 15 people have signed up for the grant. Please be aware that any mitigation done prior to the award of the grant will not be reimbursed.
- The Association is looking for volunteers to assist in noxious weed control and fire fighters to assist with lightening strikes. Anyone interested please contact Paul at 560-1413.
- Paul attended a two day workshop called "Assessing Wildfire Hazards in the Home Ignition Zone." Class was held at Fort Lewis Mesa Fire Dept. If you'd like more info about protecting your property against wildfires, please contact Paul.
- Short Forestry is the contractor who will be developing our Community Wildfire Protection Plan. Bruce Short will be holding workshops this summer to work with residents and get input into how we implement fire mitigation.

#### **Roads-Bob Sanders**

- Speeding continues to be a problem. Please slow down, speeding exacerbates our road maintenance problems.
- The 15MPH road sign for the hill on Road 35 has been replaced.

- The asphalt at the main entrance is normally patched in the spring. We are looking into the possibility of ripping up the pavement and gravelling it instead.

#### **Building Advisory – Greg Kemp**

- We have one lot owner with a lien due to non compliance with the covenants. This lien has been in place for over a year.

#### **Activities and Grounds – Darla Sanders**

- Spring Clean Up – Since we are behind in getting our clean up scheduled, it will be a Summer Clean up this year and we will hold it in July (after the gnat season is over).
- The entrance to CMR needs to be assessed for structural integrity. CMR resident, John Lyren, has equipment in the area to accomplish the assessment through next Wednesday and has offered us the use of his equipment. We will complete the inspection prior to that time. Thanks, John for your assistance!!

#### **Old Business:**

- Pam researched the possibility of erecting a Community Bulletin Board by the mail boxes. The postmaster agreed to a bulletin board on the South side of the pedestals. We do not need postmaster approval on design, but it was recommended we construct a cover over all pedestals.
- The Board is looking into publishing a Newsletter that will be hosted on our website. This along with the Community Bulletin Board will be beneficial in keeping members informed.
- Trash Removal Service Bids (Deferred) Pam has obtained trash removal service bids from three companies; two of these companies will also provide recycling pickup. Pam and Darla will get a dumpster available for our Summer Clean Up.
- HOA Post Office Box (Deferred) Pam and Darla are researching the possibility of a separate HOA Post Office Box, instead of using one of the board member's personal mail boxes.

#### **New Business:**

- The Board's main objective for this meeting was to review and vote on association policies required by the Colorado Common Interest Owners Act (CCIOA). Due to concerns raised by those members in attendance, the review and vote was postponed until May 26, 2010.

#### **Open Discussion:**

- Members shared their concern with the CMR By-Laws that were approved last meeting, as well as the policies currently under review. The meeting addressed questions and concerns members had about the enacting of the bylaws and the pending policies.
- The Board addressed these concerns in the following manner:
  - Members were not aware that our governing documents do not meet Colorado State requirements. This, in itself, could cause a lawsuit. We are updating the documents to be in accordance with CCIOA.
  - We have obtained insurance for the HOA after many years of having to self-insure. One of the major issues in assuring our insurance will be renewable is our updated bylaws.
  - Once we have our updated documents, we will be able to reduce our legal fund and use the monies toward the maintenance and upkeep of our roads.

- Our goal is that in subsequent years we will not have to set aside money for legal issues and we will use the money to maintain and upgrade the roads.

**Next Meeting:**

- The next Board of Directors meeting will be held Wednesday, May 26, 2010 at 7:00 pm at the Southwest Colorado Community College, Room 208.

**Adjournment:** A motion was made, 2<sup>nd</sup> and passed to adjourn. The meeting adjourned at 9:32pm.

Respectfully submitted:

Darla D. Sanders  
Secretary to the Board



**Cedar Mesa Ranches-HOA  
Balance Sheet as of  
April 30, 2010**

<b><u>Assets</u></b>	<b>2010</b>
Checking/ Money Market	\$93,698.45
Accounts Receivable	\$900.00
Total Assets	\$94,598.45
<b><u>Liabilities</u></b>	
Accounts Payable	\$797.50
<b><u>Members' Equity</u></b>	
Prior Yrs Equity	\$20,874.79
Current Yr Equity	\$72,926.16
Total Member Equity	\$93,800.95
<b>Total Liabilities &amp; Members' Equity</b>	<b>94,598.45</b>

**Cedar Mesa Ranches, HOA**  
**Cash Flow**  
**April 30, 2010**

Accounts Receivable		Dues billed	Dues Paid	Dues Owed
	2010			
	DUES	62,275.00	53,175.00	9,100.00

Accounts Payable

Total \$0.00

Ending balance in accounts 2009	\$58,263.55
Dues 2010 & Late fees	\$62,075.00
Interest for 2010	\$302.48
Expenditures for 2010	<u>(\$21,315.99)</u>
Total Cash on Hand	\$99,325.04

**WORKING BUDGET**

Items	2009	2009	2010	2010	2010
	Budgeted			Actual	Year
	Amount	Actual	Budget	Actual	Balance
CPA/Tax Preparation	150.00	150.00	150.00	150.00	\$0.00
Contingency Fund	500.00	0.00	500.00	0.00	\$500.00
Fire Mitigation	100.00	0.00	100.00	1,750.00	(\$1,650.00)
Insurance	1,300.00	1,162.00	2,000.00	1,486.94	\$513.06
Office Supplies	1,000.00	390.00	620.00	192.55	\$427.45
Legal/Professional & Other Fees	1,000.00	0.00	8,000.00	6,500.00	\$1,500.00
Legal Funds Designated	25,000.00	185.00	17,000.00	0.00	\$17,000.00
License - Corporate	10.00	10.00	10.00	20.00	(\$10.00)
Road Maint/Improvements	24,808.36	21,337.12	25,210.00	0.00	\$25,210.00
Signs	100.00	173.90	100.00	0.00	\$100.00
Snow Removal	8,000.00	8,250.00	10,000.00	11,052.50	(\$1,052.50)
Taxes- Federal (2009 tax return)	146.64	146.64	180.00	164.00	\$16.00
Web Page	110.00	0.00	95.00	0.00	\$95.00
Weed Control (includes \$250 rebate)	650.00	512.38	520.00	0.00	\$520.00
Sub-Total	\$62,875.00	\$32,317.04	\$64,485.00	\$21,315.99	\$43,169.01

# CEDAR MESA RANCHES HOMEOWNERS BOARD OF DIRECTORS MEETING MINUTES

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**May 26, 2010**  
**Southwest Colorado Community College**

**Present:** Greg Kemp, Lisa Liljedahl, Paul Ruatti, Mike Handron, Pam Linscott, and Darla Sanders.  
There were 23 HOA members in attendance.

**Absent:** Bob Sanders

**Call to Order:** The meeting was called to order at 7:01 pm

**Approval of Minutes:** Approval of the minutes for the May 13, 2010 meeting will be acted upon at the June 17, 2010 meeting.

## **Secretary Report: Darla Sanders**

- Meeting minutes went out by both email and postal mail on May 18, 2010.

## **Treasurer's Report: Lisa Liljedahl**

- The April 31, 2010 Treasurer's report was previously given at the May 13, 2010 meeting. The May report will be given at the June 17, 2010 meeting.

## **Committee Reports:**

### **Fire & Weed-Paul Ruatti**

- Deferred

### **Roads-Bob Sanders**

- Deferred

### **Building Advisory – Greg Kemp**


- Deferred


### **Activities and Grounds – Darla Sanders**


- Deferred


## **Old Business:**

- The Board's main objective for this meeting was to review and vote on association policies required by the Colorado Common Interest Owners Act (CCOIA). Due to concerns raised by those members in attendance at the May 13<sup>th</sup> meeting, the review and vote was postponed until May 26, 2010. All business except acceptance of the proposed policies was deferred until the next regularly scheduled meeting (Jun 17, 2010).


 **Policy 1** – passed.


 **Policy 2** – passed. Strike "*showing the number of votes each Parcel Owner is entitled to vote*" from the second sentence of Paragraph 1.

 **Policy 3** – passed. Change hopes to desires in the purpose and strike "by or" in the first sentence of paragraph 4.


 **Policy 4** – passed. Add paragraph 10 as follows:


*10. **Executive Sessions.** The Board may enter into an executive session at any time, in accordance with the provisions of Section 3.12 of the Bylaws of the Association and the Act.*

 **Policy 5** – tabled. Spell out acronyms in paragraph 2 and add Property Management Committee to the second sentence. *“Members and the Building Advisory Committee and the Property Management Committee...”* Delete Category 2 fines in paragraph 9.

 **Policy 6** – passed. Change paragraph 2 to read : *“The Association shall be entitled to impose a late charge equal to FIFTY DOLLARS (\$50.00) on each past due and delinquent installment, plus TWELVE DOLLARS (\$12.00) for recording fees. If any Assessment is not paid within fifteen (15) days after its due date, the amount due shall bear interest at a rate of nine percent (9%) per annum from the due date until paid. All late charges and interest charges shall be due and payable immediately, without notice, in the manner provided for payment of Assessments.* Change the first sentence in paragraph 3 to read: *“Any charges of a bank of other financial institution related to a returned check...”*

 **Policy 7** – passed.

 **Policy 8** – passed. Spell out acronyms.

 **Policy 9** – passed. Reword paragraph 1. *“The Association is obligated to maintain, repair, improve, or replace certain improvements within the community.”*

- Community Bulletin Board (Deferred)
- Newsletter /Website (Deferred)
- Trash Removal Service Bids (Deferred)
- HOA Post Office Box (Deferred)

#### **New Business:**

- Deferred

#### **Open Discussion:**

- Upon completion of the policies review the meeting was adjourned. Time was left, so the board entertained questions until 9:30 pm.

#### **Next Meeting:**

- The next Board of Directors meeting will be held Thursday, June 17, 2010 at 7:00 pm at the Southwest Colorado Community College, Room 208.

**Adjournment:** A motion was made, 2<sup>nd</sup> and passed to adjourn. The meeting adjourned at 9:10 pm.

Respectfully submitted:

Darla D. Sanders  
Secretary to the Board

# Rights and Responsibilities for Better Communities

## *Principles for Homeowners and Community Leaders*

More than a destination at the end of the day, a community is a place people want to call home and where they feel at home. This goal is best achieved when homeowners, non-owner residents and association leaders recognize and accept their rights and responsibilities. This entails striking a reasonable balance between the preferences of individual homeowners and the best interests of the community as a whole. It is with this challenge in mind that Community Associations Institute (CAI) developed Rights and Responsibilities for Better Communities.

Rights and Responsibilities can serve as an important guidepost for all those involved in the community—board and committee members, community managers, homeowners and non-owner residents.

### **Homeowners Have the Right To:**

- A responsive and competent community association.
- Honest, fair and respectful treatment by community leaders and managers.
- Participate in governing the community association by attending meetings, serving on committees and standing for election.
- Access appropriate association books and records.
- Prudent expenditure of fees and other assessments.
- Live in a community where the property is maintained according to established standards.
- Fair treatment regarding financial and other association obligations, including the opportunity to discuss payment plans and options with the association before foreclosure is initiated.
- Receive all documents that address rules and regulations governing the community association—if not prior to purchase and settlement by a real estate agent or attorney, then upon joining the community.
- Appeal to appropriate community leaders those decisions affecting non-routine financial responsibilities or property rights.

### **Homeowners Have the Responsibility To:**

- Read and comply with the governing documents of the community.
- Maintain their property according to established standards.
- Treat association leaders honestly and with respect.
- Vote in community elections and on other issues.
- Pay association assessments and charges on time.
- Contact association leaders or managers, if necessary, to discuss financial obligations and alternative payment arrangements.
- Request reconsideration of material decisions that personally affect them.
- Provide current contact information to association leaders or managers to help ensure they receive information from the community.
- Ensure that those who reside on their property (e.g., tenants, relatives, friends) adhere to all rules and regulations.

continued on next page

### **Community Leaders Have the Right To:**

- Expect owners and non-owner residents to meet their financial obligations to the community.
- Expect residents to know and comply with the rules and regulations of the community and to stay informed by reading materials provided by the association.
- Respectful and honest treatment from residents.
- Conduct meetings in a positive and constructive atmosphere.
- Receive support and constructive input from owners and non-owner residents.
- Personal privacy at home and during leisure time in the community.
- Take advantage of educational opportunities (e.g., publications, training workshops) that are directly related to their responsibilities, and as approved by the association.

### **Community Leaders Have the Responsibility To:**

- Fulfill their fiduciary duties to the community and exercise discretion in a manner they reasonably believe to be in the best interests of the community.
- Exercise sound business judgment and follow established management practices.
- Balance the needs and obligations of the community as a whole with those of individual homeowners and residents.
- Understand the association's governing documents and become educated with respect to applicable state and local laws, and to manage the community association accordingly.
- Establish committees or use other methods to obtain input from owners and non-owner residents.
- Conduct open, fair and well-publicized elections.
- Welcome and educate new members of the community—owners and non-owner residents alike.
- Encourage input from residents on issues affecting them personally and the community as a whole.
- Encourage events that foster neighborliness and a sense of community.
- Conduct business in a transparent manner when feasible and appropriate.
- Allow homeowners access to appropriate community records, when requested.
- Collect all monies due from owners and non-owner residents.
- Devise appropriate and reasonable arrangements, when needed and as feasible, to facilitate the ability of individual homeowners to meet their financial obligations to the community.
- Provide a process residents can use to appeal decisions affecting their non-routine financial responsibilities or property rights—where permitted by law and the association's governing documents.
- Initiate foreclosure proceedings only as a measure of last resort.
- Make covenants, conditions and restrictions as understandable as possible, adding clarifying "lay" language or supplementary materials when drafting or revising the documents.
- Provide complete and timely disclosure of personal and financial conflicts of interest related to the actions of community leaders, e.g., officers, the board and committees. (Community associations may want to develop a code of ethics.)

**Sponsored by CAI's President's Club**

Visit [www.caionline.org](http://www.caionline.org); write [cai-info@caionline.org](mailto:cai-info@caionline.org);  
call (888) 224-4321 (M–F, 9–6:30 ET)

**CEDAR MESA RANCHES HOMEOWNERS ASSOCIATION  
BOARD OF DIRECTORS MEETING  
MAY 26, 2010**

**GROUND RULES FOR MEETING**

1. THE AGENDA WILL BE FOLLOWED. THIS MEETING IS ONLY FOR THE PURPOSE OF CONSIDERING ADOPTION OF THE 9 CCIOA-REQUIRED POLICIES. NO OTHER BUSINESS WILL BE CONDUCTED.
2. THE MEETING WILL BE CONDUCTED BY THE PRESIDENT OF THE BOARD.
3. NO PERSON WILL SPEAK UNTIL CALLED ON BY THE PRESIDENT.
4. ONLY ONE PERSON WILL SPEAK AT A TIME.
5. DISRUPTIVE MEMBERS WILL BE ASKED TO LEAVE THE MEETING.
6. DISCUSSION REGARDING POLICIES:
  - A. THE PRESIDENT WILL INTRODUCE EACH POLICY
  - B. THE BOARD WILL DISCUSS THE POLICY AS DIRECTED BY THE PRESIDENT.
  - C. THE ATTORNEY WILL ANSWER QUESTIONS IF NEEDED.
  - D. PRIOR TO THE BOARD'S VOTE, THE PRESIDENT WILL CALL ON MEMBERS WHO WANT TO SPEAK ABOUT THE POLICY BEING DISCUSSED AND WHO HAVE SIGNED UP TO SPEAK REGARDING THAT POLICY.
  - E. THE PRESIDENT WILL PLACE TIME LIMITS ON SPEAKING IF NEEDED.
  - F. THE PRESIDENT WILL LIMIT THE NUMBER OF SPEAKERS ON EACH SIDE OF ISSUE IF NEEDED.
  - F. DISRUPTIVE MEMBERS WILL BE ASKED TO LEAVE THE MEETING.
  - G. THE BOARD WILL VOTE ON THE POLICY.
7. THE MEETING WILL BE ADJOURNED WHEN THE POLICIES HAVE BEEN ADDRESSED.

# **CEDAR MESA RANCHES HOMEOWNERS BOARD OF DIRECTORS MEETING MINUTES**

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**June 17, 2010  
Southwest Colorado Community College**

**Present:** Greg Kemp, Lisa Liljedahl, Paul Ruatti, Bob Sanders, Pam Linscott, Erin Johnson (House Counsel) and Darla Sanders. There were 8 HOA members in attendance.

**Absent:** Mike Handron

**Call to Order:** The meeting was called to order at 6:59 pm

**Approval of Minutes:** A motion was made, 2<sup>nd</sup> and passed to approve the minutes for the May 13 and May 26, 2010 meetings.

### **Secretary Report: Darla Sanders**

- May 13th meeting minutes went out by both email and postal mail on May 18, 2010
- May 26th meeting minutes went out by both email and postal mail on June 12, 2010.

### **Treasurer's Report: Lisa Liljedahl**

- Budget report is attached. Majority of expenditures was for office supplies and weed killer.
- Motion was made to accept this report, 2<sup>nd</sup> and passed.

### **Committee Reports:**

#### **Fire & Weed-Paul Ruatti**

- First weed spraying of the season will take place June 12 – June 24. We will post when the second spraying of the season will happen.
- The ESF (EMERGENCY SUPPLEMENTAL) grant application was submitted. Twenty members applied for 237.9 acres at an approximate total of \$112,000. Kent Grant, the Colorado State Forester, e-mailed me back a quick note that he would like a little more information added because of the size of the grant. We are working on that now and will inform HOA members as soon as we have any further information.
- Fire danger is very high right now - 2 fires are burning in the San Juan Forest right now (Durango & Pleasant View).
- Please do not burn during red flag days. You may be fined \$1,000.00 for burning when the winds are high. We will be placing a flag at the entrance in the near future which will alert everyone when it is illegal to burn.

#### **Roads-Bob Sanders**

- Road maintenance accomplished over the last month:
  - Installed a 15 inch culvert on Lot 117
  - Completely rebuilt cul-de-sac at the end of Road 35 – raised road 5 ft and put down 3-5 inch base (special thanks to HOA resident Gayle Mingesz for donating fill dirt for this project, saving the HOA quite a bit of money!!!)
  - Cleaned out borrow ditches, as needed



- Cleaned out culverts, as needed
- Graded Road 35 to bottom of hill
- The chip/seal at the entrance of our subdivision is very thin. At the thickest areas, it is about 2 inches. It keeps falling apart and each year we spend money to try to repair it. There is no base under it and, especially along the edges, it keeps crumbling. We have spoken to the County Commissioners and have been given approval to tear it up.
- The county is applying magnesium-chloride to all gravel roads. They can go a year without maintenance on heavily used roads and up to two years on roads with light traffic. Road 34 went 13 months between applications.
- Our neighbors to the east, particularly the owners of the RV park, would like us to keep the chip/seal. We will be working with them over the next few months as we determine the best course of action.
- Our course of action will be deferred until we have complete cost estimates for each option (tear up chip/seal, apply magnesium chloride, patch current road).

#### **Building Advisory – Greg Kemp**

- No items to report at this time

#### **Activities and Grounds – Darla Sanders**

- No items to report at this time

#### **Old Business:**

- The Board reviewed and voted on association policy 5
  - 📖 **Policy 5** –passed. Spell out acronyms in paragraph 2 and add Property Management Committee to the second sentence. *“Members and the Building Advisory Committee and the Property Management Committee...”* Delete Category 2 fines in paragraph 9. Define “nuisances in general.”
- Community Bulletin Board –one of our members has expressed interest in building this for the HOA. HOA may pay for materials unless the member decides to donate time and materials. A bid for this project along with cost of materials will be presented at the next meeting. The bulletin board will be constructed on the south side of the mail box pedestals, posting important and relevant information regarding the association.
- Newsletter /Website –Darla Sanders, Secretary to the Board will be contacting the previous board member who served as the webmaster for the community to obtain the URL webhost, user name and password. Upon receipt of this information, a redesigned and updated website will be launched.
- Trash Removal Service Bids-The HOA has obtained two bids for trash removal service for the community. This in an effort to reduce heavy equipment trucks on our roads, providing the HOA members, one service, one day a week. By using just one trash removal service, costs for trash service are significantly reduced for each home owner with less wear and tear on the roads. Details and costs about this service will be sent to homeowners for their input.
- HOA Post Office Box –A Post office box number will be assigned for general postal mail for the association. Previously, the HOA used a personal home address for CMR business. The new post office box number will be the permanent address for the association and will not need to be changed with each election cycle.

### **New Business:**

- Review of Boundary Line Change Request – the owner of lots 75 & 76 requested a minor change in the boundary line between his lots. He has been working with the county commissioners and required signatures from the Board to complete the transaction. The Board motioned, 2<sup>nd</sup>, and approved the request.
- Front Entrance – We have purchased a new log to replace the log at the top of our entrance. It will be delivered to the fire station area. It must be debarked and stained/sealed prior to putting it in place. Anyone interested in assisting with this may contact Greg Kemp at 560-0562.
- Cedar Gnats - a member requested we discuss what can be done to keep from being bitten. Some recommendations included:
  - Use of 100% citronella
  - Taking vitamin B12
  - Wearing Bounce fabric softener sheets
  - Applying badger oil

### **Open Discussion:**

- Lot 15 has bright lights that are affecting drivers when they pass by the property after dark. It was determined a letter would be sent to the homeowner requesting the lights be moved/removed so drivers are not blinded when they drive by.
- A member recommended the use of RoundUp to keep drainage ditches cleared out.
- Another member asked
  - What is being done about the property at the corner of J8? The Board is reengaging with this property owner.
  - Why are we posting for spraying of toxic weeds? It is to inform members when we are using chemicals.
- A question was raised about when the membership will have input into the updates to the governing documents. Input will start at our next meeting with an overview of the new governing documents presented to the board. We will also be having other workshops, etc. beginning next month

### **Next Meeting:**

- The next Board of Directors meeting will be held Thursday, July 22, 2010 at 7:00 pm at the Southwest Colorado Community College, Room 208. **Review of the new governing documents will be taking place at this meeting.**
- The facilities manager of Southwest Colorado Community College has directed that we **must** leave the building no later than 9:00 pm. Please adhere to this directive so we don't jeopardize our ability to use this facility for future meetings.

**Adjournment:** A motion was made, 2<sup>nd</sup> and passed to adjourn. The meeting adjourned at 8:55 pm.

Respectfully submitted:

Darla D. Sanders  
Secretary to the Board

**Cedar Mesa Ranches-HOA  
Balance Sheet as of  
May 31, 2010**

**Assets**

**2010**

Checking/ Money Market	\$97,981.10
Accounts Receivable	\$450.00
Total Assets	\$98,431.10

**Liabilities**

Accounts Payable	\$0.00
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**Members' Equity**

Prior Yrs Equity	\$20,874.79
Current Yr Equity	\$77,556.31
Total Member Equity	\$98,431.10
<b>Total Liabilities &amp; Members' Equity</b>	<b>98,431.10</b>

**Cedar Mesa Ranches, HOA  
Cash Flow  
March 31, 2010**

Accounts Receivable		Dues billed	Dues Paid	Dues Owed
	2010 DUES	62,275.00	53,175.00	9,100.00

Accounts Payable

Total \$0.00

Ending balance in accounts 2009	\$58,263.55
Dues 2010 & Late fees	\$62,075.00
Interest for 2010	\$362.63
Expenditures for 2010	<u>(\$22,720.08)</u>
Total Cash on Hand	\$97,981.10

**WORKING BUDGET**

Items	2009 Budgeted Amount	2009 Actual	2010 Budget	2010 Year Actual	2010 Remaining Balance
CPA/Tax Preparation	150.00	150.00	150.00	150.00	\$0.00
Contingency Fund	500.00	0.00	500.00	0.00	\$500.00
Fire Mitigation	100.00	0.00	100.00	1,750.00	(\$1,650.00)
Insurance	1,300.00	1,162.00	2,000.00	1,486.94	\$513.06
Office Supplies	1,000.00	390.00	620.00	362.57	\$257.43
Legal/Professional & Other Fees	1,000.00	0.00	8,000.00	6,500.00	\$1,500.00
Legal Funds Designated	25,000.00	185.00	17,000.00	0.00	\$17,000.00
License - Corporate	10.00	10.00	10.00	20.00	(\$10.00)
Road Maint/Improvements	24,808.36	21,337.12	25,210.00	797.50	\$24,412.50
Signs	100.00	173.90	100.00	157.01	(\$57.01)
Snow Removal	8,000.00	8,250.00	10,000.00	11,052.50	(\$1,052.50)
Taxes- Federal (2009 tax return)	146.64	146.64	180.00	164.00	\$16.00
Web Page	110.00	0.00	95.00	0.00	\$95.00
Weed Control (includes \$250 rebate)	650.00	512.38	520.00	279.56	\$240.44
Sub-Total	\$62,875.00	\$32,317.04	\$64,485.00	\$22,720.08	\$41,764.92

# **CEDAR MESA RANCHES HOMEOWNERS BOARD OF DIRECTORS MEETING MINUTES**

---

**July 22, 2010  
Southwest Colorado Community College**

**Present:** Greg Kemp, Lisa Liljedahl, Paul Ruatti, Bob Sanders, Pam Linscott, Erin Johnson (House Counsel) and Darla Sanders. There were 22 HOA members in attendance.

**Absent:** Mike Handron

**Call to Order:** The meeting was called to order at 6:59 pm

**Approval of Minutes:** A motion was made, 2<sup>nd</sup> and passed to approve the minutes for the June 17, 2010 meeting.

### **Secretary Report: Darla Sanders**

- June 17th meeting minutes went out by both email and postal mail on June 28, 2010.

### **Treasurer's Report: Lisa Liljedahl**

- Budget report is attached. Two properties had liens placed on their properties for nonpayment of their April 15<sup>th</sup> assessment fee. Motion was made to accept this report, 2<sup>nd</sup> and passed.

### **Building Advisory Committee Report**

- The annual inspection has been completed for this year. The inspection report is attached.

### **Property Management Committee Reports:**

#### **Fire & Weed-Paul Ruatti**

- First weed spraying of the season took place June 12 – June 24 and the second spraying is July 12 – 24. Thanks to the individuals who volunteered to assist: Gary Linscott, Jim Bignell, John Lyren, Bob Sanders, Bryan Johnson, and Don Macklin.
- Weed control team members please empty and flush your tanks when your spraying is done and fill the tanks with water for fire fighting.
- The ESF (EMERGENCY SUPPLEMENTAL) grant application was approved. Twenty members applied for 237.9 acres at an approximate total of \$112,000. Thanks to Paul for all of his hard work.
- Paul will send an e-mail or letter out to ESF grant recipients to sign within a week that contains stipulations from the Colorado State Forestry Service (CSFS). The deadline to complete the work is OCT 2011 and it MUST meet CSFS standards. Each grantee will get a copy of CSFS standards. Additionally, they can call and have a state or federal forester walk their land or call to ask questions.
- On July 7<sup>th</sup> a fire started on the state land located to the north of us. Local fire response teams did an excellent job and the fire was kept to within ½ acre of its origin.
- Our fire danger sign has been stolen. It will be handwritten until we can procure another sign.

## **Roads-Bob Sanders**

- Road maintenance accomplished over the last month:
  - The chip/seal at the entrance of our subdivision (approximately 70 ft) from where the potholes were to the end of the chip/seal area headed north was torn up. Two inches of gravel was laid and then magnesium chloride was applied for approximately 200 yds.
  - Additionally, two inches of gravel was laid and then magnesium chloride was applied to the hill on Road 35.
  - The above areas are test strips. If they hold well, the board will consider applying it to additional areas within the subdivision.
  - The areas on Road 35 that were not treated with magnesium chloride and a portion of K.3 were bladed.

## **Activities and Grounds – Darla Sanders**

- No items to report at this time

## **Old Business:**

- Status of Front Entrance – We have purchased a new log to replace the log at the top of our entrance. It has been debarked (thanks to Gwen Gold). Now it requires staining/sealing prior to putting it in place. Anyone interested in assisting may contact Greg Kemp at 560-0562.
- Community Bulletin Board –We are currently waiting on an estimate for materials. The bulletin board will be constructed on the south side of the mail box pedestals, posting important and relevant information regarding the association.
- Newsletter /Website –Website updates will begin within the next two weeks. Initial changes will be updating and adding documents to the current site. Eventually the site will be redesigned.
- Trash Removal Service Bids-Deferred
- HOA Post Office Box –A Post office box number will be assigned for general postal mail for the association. Previously, the HOA used a personal home address for CMR business. The new post office box number will be the permanent address for the association and will not need to be changed with each election cycle. A motion was made, 2<sup>nd</sup>, and passed to rent a small box for a year. The cost to the Association is \$28.00 for the box with a deposit of \$2.00 for the keys. The address for CMR HOA is now :

CMR HOA  
PO Box 62  
Mancos, CO 81328

## **New Business:**

- Pat Gallagher, Tract R, requested to address the board/membership. A summary of his comments are attached.
- An overview of the proposed governing documents was given by Erin Johnson, our house counsel.
- Informational workshop dates were set so the member ships may ask questions and get clarification on the newly proposed documents.
- A date was tentatively set for the special meeting to adopt the proposed documents.

### Open Discussion:

- A member asked if a homeowner could pay to have the road in front of his/her house treated with magnesium-chloride. That may be an option later if the test strips turn out to be something we'd like to continue.
- A question was asked about whether or not we would be staining the upright logs at our front entrance. If we can find a way to power wash or possibly sandblast them first, we will stain them also. Anyone who would like to help or has suggestions for stripping the logs, please contact Greg Kemp at 560-0562.
- Another member discussed speeding in the subdivision. Once again, we're asking people to please slow down. Many of our homeowners walk or run on our roads and speeding endangers them as well as the individuals in the vehicle. Something to keep in mind: at 25 mph it takes a car approximately 25 ft to stop, at 35 mph it takes over 50 ft for the same vehicle to stop.

### Upcoming Meetings:

- Informational workshops for the membership to ask questions and get clarification on the proposed governing documents will be held at the Southwest Colorado Community College, Room 208, on the dates/times listed below:
  - August 5: 7:00-9:00 pm
  - August 15: 1:00-3:00 pm
  - Additional meetings will be scheduled as needed.
  - For those unable to attend, you may submit questions/comments by :
    - email to Darla Sanders at [darla.sanders1@yahoo.com](mailto:darla.sanders1@yahoo.com) or by
    - postal mail to :  
CMR HOA  
PO Box 62  
Mancos, CO 81328
- The next Board of Directors meeting will be held Thursday, September 9, 2010 at 7:00 pm at the Southwest Colorado Community College, Room 208.
- A Special meeting to vote on the new governing documents will take place at 3:00 pm on November 3, 2010 at the Southwest Colorado Community College, Room 208.

**Adjournment:** A motion was made, 2<sup>nd</sup> and passed to adjourn. The meeting adjourned at 8:56 pm.

Respectfully submitted:

Darla D. Sanders  
Secretary to the Board

# CMR HOA Building Advisory Committee

## Annual Inspection Report

July 22, 2010

The sixth annual inspection of the properties in the Cedar Mesa Ranches subdivision was recently completed. The procedure adopted by the Board of Directors on April 26, 2005 for this inspection was followed as usual. To date, there has not been even one complaint regarding the conduct of this annual inspection.

There are currently 80 dwelling units completed or under construction in our subdivision. There are 21 properties listed for sale at the present time. Eight of these have dwelling units on them, and 13 are vacant land.

Sixty properties appear to have little or no fire mitigation accomplished. This is a matter of great concern. Many of these properties have improvements on them, i.e., a house or storage building. Fire mitigation is the responsibility of each property owner. Performing it enhances the value of the property and failure to perform it can have catastrophic consequences.

Seventeen properties were found to lack visible identification markers. Five of these properties have either a house or a storage shed on them and therefore, require a street address marker. Two properties were found to have issues with garbage or trash. One property has a lighting issue, and one property has a possible setback issue.

Following approval by the board, letters will be sent to the owners of the 21 properties notifying them of the potential covenant violations and requesting corrective action.

Only one property owner has failed to take corrective action, and therefore has a covenant lien as a result of the past five annual inspections. This is an admirable reflection of the pride of ownership and the responsibility shown by the members of our community. Thank you.



# Pat Gallagher

## Prepared Remarks

### Introduction

My name is Pat Gallagher. My wife Marcia and I are the owners of Lot R, across Mud Creek on Road K.3. We have been members of this HOA since late 1999.

Before I tell you where I stand, let me tell you where I sit. From my first reading of the governing documents back in 1999, it was clear that these documents were not prepared with any real regard for the provisions of the Colorado Common Interest Ownership Act (CCIOA).

I have been lobbying since that date for exactly the type of action our current board is pursuing. I support their initiative regarding amending and restating our governing documents 100 percent.

Now on to my prepared remarks.

### Receivership

I am going to begin with a brief discussion of a legal term with which many unfortunate HOAs find themselves becoming very familiar. That term is *receivership*.

When an association is improperly operated and the members are not responsive, any member can petition a court to appoint a “receiver” to operate the association.

It could be that the fiduciary accountabilities of the board of directors are not being met, or that the board of directors is inactive, or non-existent, and that the members have just let the association go into some level of default. A court appointed receiver is not a permanent fix, but the situation can last for several years.

The costs are extremely high as the members must pay not only the court costs, but they must also pay for a professional receiver. These costs are added to the normal operational expenses causing a very high fee for the members.

The “receiver” has broader powers than the board of directors and will strictly enforce the covenants and finances. Members lose their right to vote and have no input into the HOAs operation. The receiver’s fees and the court costs could add thousands of dollars each month to the HOAs normal operational costs.

This is not a pretty picture. In addition to the costs described above, property values take a severe hit as potential buyers are understandably not all that interested in buying property in an association being operated under a court-appointed receiver.

How does this review relate to the Cedar Mesa Ranches HOA? Are we in danger with regard to a receivership scenario? No, we are not, best as I can tell. But if we reject this initiative by the board to bring all of our governing documents into compliance with state and federal law, we could be taking a rather bold step in that direction. This situation reminds me of the old saying, “We can do this the easy way or the hard way.” Receivership is definitely the “hard way”.

Receivership is the ultimate solution for an association that is fire with disunity and that does not preserve and protect its common elements and its members’ property values.

### Original Governing Documents

Our original governing documents were prepared by the developer of Cedar Mesa Ranches (as is the case with all developer-initiated communities). These developer-written governing documents have one overriding goal...protect the interests of the developers while the community is becoming viable.

There is little or no concern for the future members. The documents frequently do not reflect the laws of the state where the development is located. That was certainly the case for Cedar the Mesa Ranches developer-prepared documents.

What serves our interests better? The short- term interests of the Christmas organization or the long-term interests of our members?

Several years ago our board of directors proposed a number of changes to our original documents. They passed muster with the membership and were helpful in moving the association toward a better set of documents. The amended and restated bylaws recently enacted by the current board moves us further in the right direction.

The board did not act in a vacuum. They sought out the opinion of a well-credentialed Colorado HOA attorney, with a high degree of expertise in the laws that govern common interest communities in this state. She reviewed every aspect of our governing documents and delivered a less than flattering opinion. Her expert assessment...our documents are out of date with existing state law, have inconsistencies and internal conflicts, and are vague and largely unenforceable.

Her recommendation...our HOA needs to gain member approval of a complete set of amended and restated governing documents that eliminate every issue and concern that affect the administration and operation of Cedar Mesa Ranches HOA.

Is it possible that our lawyer is in error? Not likely, but we would need another expert in Colorado Common Interest Law to confirm whether that is the case. HOA law is beyond the knowledge base of most ordinary humans...and those who believe otherwise are fooling themselves.

Congratulations to our board for understanding that the critical element in decision-making is determining that a decision needs to be made – and then not abdicating the responsibility to make that decision.

### **Common Issues, Concerns, Opportunities**

Solving Cedar Mesa Ranches' common issues, concerns, and opportunities to the satisfaction of all our members requires that our goals not be set against one another, but with one another. We do have common goals and mutual interests.

Continuous fault finding is very easy, but a singularly unrewarding activity. Unity is always more effective than disunity in the pursuit of common aims. Here are a few of the common aims we all likely have as members of CMR HOA.

1. We want our property values to be protected.
2. We want our governing documents to reflect our community standards and not those of the original developer.
3. We want our common elements maintained in an acceptable manner (almost exclusively our roads and related drainage.)
4. We want annual budgets adopted and approved that finance the obligations of the HOA to its members.
5. We want governing documents that are in sync with state and federal laws.

Our recently adopted bylaws provide the authority for our members to agree on the content of whatever covenants and rules regulations are felt necessary to deliver against the five common interests I just covered. The bylaws are not covenants and rules and regulations. These restrictions, whatever they may be, will have to flow from those bylaws or else they will not be enforceable.

I hope that those of our membership who are concerned over the adoption of these bylaws will step forward and serve on a committee to develop covenants and rules and regulations that reflect our standards and not those of the Christmas organization.

A philosophy I came to embrace years ago is that one of the main reasons for living is to help make the lives of those with whom we interact a little less difficult.

If we are to ever have a fully effective association, it will come about through a spirit of cooperation, mutual respect, volunteerism, and personal initiative from the CMR membership. We will be putting this thought to a thorough test over the coming months as the board tires to deliver a set of amended covenants and rules and regulations to our membership for their approval.

### **Final Comments**

The Cedar Mesa Ranches HOA is positioned at the most critical point in its short history. The membership is faced with two clear choices. One leads to an uncertain future where our governing documents gain little respect from our members, potential members, or the courts.

The other charts a course to an association future that will have the respect of all who have agreed to live in this covenant-controlled environment, and will have the county and state judicial hierarchy agreeing that we are in full compliance with Colorado state law.

It seems to be a fairly easy choice: continuing disunity and largely unenforceable governing documents, or moving to a greater sense of community and the reputation of an association that works.

Thanks for your attention.

**Cedar Mesa Ranches-HOA  
Balance Sheet as of June 30, 2010**

<b><u>Assets</u></b>	<b>2010</b>
Checking/ Money Market	\$85,546.87
Accounts Receivable	\$450.00
Total Assets	\$85,996.87
<b><u>Liabilities</u></b>	
Accounts Payable	\$0.00
<b><u>Members' Equity</u></b>	
Prior Yrs Equity	\$20,874.79
Current Yr Equity	\$65,122.08
Total Member Equity	\$85,996.87
<b>Total Liabilities &amp; Members' Equity</b>	<b>85,996.87</b>

**Cedar Mesa Ranches**  
**Statement of Income and Expense**  
**June 30, 2010**

<b>Income:</b>	2009 Actual	2010 Budget	2010 Year-to-Date Actual	2010 Difference
Dues & Late fees	\$61,468.00	\$62,825.00	62,575.00	
Interest	<u>647.41</u>	<u>\$700.00</u>	<u>409.01</u>	
<b>Total Income:</b>	<b>\$62,115.41</b>	<b>\$63,525.00</b>	<b>\$62,984.01</b>	
<b>Expenses:</b>				
CPA - Tax Preparation	150.00	150.00	150.00	0.00
Contingency Fund	0.00	500.00	0.00	500.00
Fire Mitigation	0.00	100.00	1,750.00	-1,650.00
Insurance	1,162.00	2,000.00	1,486.94	513.06
Office Supplies/ Postage	616.80	620.00	430.65	189.35
Legal Fees/ Not Designated	0.00	8,000.00	8,500.00	-500.00
Legal Funds Designated	185.00	17,000.00	0.00	17,000.00
License - Corporate	10.00	10.00	20.00	-10.00
Road Maint/Improvements	21,337.12	25,210.00	11,587.41	13,622.59
Signs	173.90	100.00	157.01	-57.01
Snow Removal	10,160.00	10,000.00	11,052.50	-1,052.50
Taxes- Federal (previous yr tax return)	146.64	180.00	164.00	16.00
Web Page	0.00	95.00	0.00	95.00
Weed Control	<u>512.38</u>	<u>520.00</u>	<u>402.18</u>	<u>117.82</u>
<b>Total Expenses:</b>	<b><u>34,453.84</u></b>	<b><u>64,485.00</u></b>	<b><u>35,700.69</u></b>	<b><u>28,784.31</u></b>
<b>Excess of Income over Expenses:</b>	<b><u>\$27,661.57</u></b>		<b><u>\$27,283.32</u></b>	
Total legal fees-designated set aside 2007, 2008, 2009 & 2010		\$92,000.00		
Total legal fees-designated expenses		<u>\$28,573.80</u>		
Remaining legal fees-designated		<u>\$63,426.20</u>		

Fire Mitigation 2010 is a pass through the HOA will be reimbursed later in the year.

# **CEDAR MESA RANCHES HOMEOWNERS BOARD OF DIRECTORS MEETING MINUTES**

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**September 9, 2010  
Southwest Colorado Community College**

**Present:** Greg Kemp, Lisa Liljedahl, Paul Ruatti, Pam Linscott, and Darla Sanders. There were 4 HOA members in attendance.

**Absent:** Bob Sanders, Chris Schaufele, and Mike Handron

**Call to Order:** The meeting was called to order at 7:11 pm

**Approval of Minutes:** A motion was made, 2<sup>nd</sup> and passed to approve the minutes for the July 22, 2010 meeting with one amendment. The special meeting to vote on the new governing documents was inadvertently listed as occurring on November 3, 2010 when it should be October 3<sup>rd</sup>.

## **Secretary Report: Darla Sanders**

- July 22<sup>nd</sup> meeting minutes went out by both email and postal mail on July 28, 2010.

## **Treasurer's Report: Lisa Liljedahl**

- Budget report is attached. The Treasurer requested \$10,000 from the Designated Legal Fund be used to supplement the monies left for this year's operating budget. Office supplies, insurance, and road maintenance have taken more money than anticipated this year. A motion was made to move funds to the operating budget, 2<sup>nd</sup> and passed. A second motion was made, 2<sup>nd</sup> and passed to approve the Treasurer's report.

## **Building Advisory Committee Report**

- A letter was sent to Montezuma Water Company requesting them to eradicate the noxious weeds surrounding their equipment.

## **Property Management Committee Reports:**

### **Fire & Weed-Paul Ruatti**

- There was a meeting of the State Forestry Service, Emergency Management Services manager for Montezuma County, and Fire Management for the National Parks Service. All present agreed that fire mitigation needs to be accomplished on the north side of Hwy 160 and that ARAMARK, AAA Campground, and the Colorado Department of Transportation should be invited to the next meeting. This was the first core meeting for the development of our Community Wildfire Protection Plan (CWPP).
- A barbeque is being scheduled for the end of the month at the Mancos Fire Department Substation at the front of the subdivision. This will be a chance for residents to provide input into the development of our CWPP. Flyers will be sent out as soon as the date/time for the BBQ is established.
- There was discussion about purchasing reflective vests for our fire-fighting team members. Since the fire season is nearly over, it was decided to table the issue until next year.
- Note for those who aren't aware...tumbleweeds are considered noxious weeds.

### **Roads-Bob Sanders / Lisa Liljedahl**

- Gwen Gold volunteered and has been appointed as a member of the Road committee. Thanks Gwen for your willingness to help.
- The committee, along with Dale Murphy, inspected all of the roads throughout the community in order to prepare a five-year plan for road maintenance.
- A portion of the money moved to the operating budget will be used for blading and snow removal for the rest of the year.
- Any left-over funds will be used to lay down more magnesium chloride, if available.
- Road maintenance accomplished since July 22, 2010:
  - The cul-de-sac at the end of Road 35.3 was unfinished and had become a mud bog. We bladed it, applied road base, and then finished it with ¾ inch gravel.
  - Road 35 was bladed except for the areas that were treated with magnesium chloride.
  - Due to the heavy traffic and speed of vehicles travelling on Road 35, it needs blading again.

### **Activities and Grounds – Darla Sanders**

- No items to report at this time.

### **Old Business:**

- Status of Front Entrance The new log we purchased to replace the log at the top of our entrance requires staining/sealing prior to putting it in place. Anyone interested in assisting may contact Greg Kemp at 560-0562.
- Community Bulletin Board –We are currently waiting on an estimate for materials. The bulletin board will be constructed on the south side of the mail box pedestals, posting important and relevant information regarding the association. Of great importance will be a map of the subdivision to assist first responders.
- Newsletter /Website –Website updates have not yet begun. Initial changes will be updating and adding documents to the current site. Eventually the site will be redesigned.

### **New Business:**

- Chris Schaufele was appointed to the Board of Directors on August 4, 2010 by unanimous consent.
- Two Informational workshops were held in August so the membership could ask questions and get clarification on the newly proposed documents. A total of twelve residents attended; no questions/concerns were received by telephone, email, or postal mail. The results of the workshops will be sent under separate cover.
- Of the 21 letters sent out as a result of the annual inspection, most issues have been resolved. The lot where there was a question about setbacks was answered...the building is well within limits. The lots that require signage have been resolved except for a few. One lot owner who responded and is still in violation of our covenants will be served notification that further action will be taken by the Board.
- The date for the special meeting to adopt the proposed documents was changed from October 3 to October 30, 2010.

**Open Discussion:**

- No additional items were discussed.

**Upcoming Meetings:**

- The next Board of Directors meeting will be held at 7:00 pm on October 7, 2010 at the Southwest Colorado Community College, Room 208.
- A Special meeting to vote on the new governing documents will take place at 3:00 pm on October 30, 2010 at the Southwest Colorado Community College, Room 208.

**Adjournment:** A motion was made, 2<sup>nd</sup> and passed to adjourn. The meeting adjourned at 8:56 pm.

Respectfully submitted:

Darla D. Sanders  
Secretary to the Board



**Cedar Mesa Ranches-HOA  
Balance Sheet as of August 31,  
2010**

<b><u>Assets</u></b>	<b>2010</b>
Checking/ Money Market	\$71,989.57
Accounts Receivable	\$450.00
 Total Assets	 \$72,439.57
 <b><u>Liabilities</u></b>	
Accounts Payable	\$0.00
 <b><u>Members' Equity</u></b>	
Prior Yrs Equity	\$20,874.79
Current Yr Equity	\$51,564.78
 Total Member Equity	 \$72,439.57
 <b>Total Liabilities &amp; Members' Equity</b>	 72,439.57

**Cedar Mesa Ranches  
Statement of Income and Expense  
August 31, 2010**

<b>Income:</b>	2009 Actual	2010 Budget	2010 Year-to- Date Actual	2010 Difference
Dues & Late fees	\$61,468.00	\$62,825.00	62,575.00	
Interest	647.41	\$700.00	477.81	
	<hr/>	<hr/>	<hr/>	
<b>Total Income:</b>	\$62,115.41	\$63,525.00	\$63,052.81	
 <b>Expenses:</b>				
CPA - Tax Preparation	150.00	150.00	150.00	0.00
Contingency Fund	0.00	500.00	0.00	500.00
Fire Mitigation	0.00	100.00	1,750.00	-1,650.00
Insurance	1,162.00	2,000.00	1,475.61	524.39
Office Supplies/ Postage	616.80	620.00	906.50	-286.50
Legal Fees/ Not Designated	0.00	8,000.00	8,500.00	-500.00
Legal Funds Designated	185.00	17,000.00	0.00	17,000.00
License - Corporate	10.00	10.00	20.00	-10.00
Road Maint/Improvements	21,337.12	25,210.00	24,484.28	725.72
Signs	173.90	100.00	157.01	-57.01
Snow Removal	10,160.00	10,000.00	11,052.50	-1,052.50
Taxes- Federal (previous yr tax return)	146.64	180.00	164.00	16.00
Web Page	0.00	95.00	119.40	-24.40
Weed Control	512.38	520.00	547.49	-27.49
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Expenses:</b>	34,453.84	64,485.00	49,326.79	15,158.21
<b>Excess of Income over Expenses:</b>	<hr/> <hr/>		<hr/> <hr/>	
	\$27,661.57		\$13,726.02	
Total legal fees-designated set aside 2007, 2008, 2009 & 2010		\$92,000.00		
Total legal fees-designated expenses		<hr/>		
Remaining legal fees-designated		\$71,926.20		

Fire Mitigation 2010 is a pass through the HOA will be reimbursed later in the year.

# **CEDAR MESA RANCHES HOMEOWNERS BOARD OF DIRECTORS MEETING MINUTES**

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**October 7, 2010  
Southwest Colorado Community College**

**Present:** Greg Kemp, Paul Ruatti, Mike Handron, Chris Schaufele, and Darla Sanders. There were 6 HOA members in attendance.

**Absent:** Bob Sanders, Lisa Liljedahl, and Pam Linscott

**Call to Order:** The meeting was called to order at 7:03 pm

**Approval of Minutes:** A motion was made, 2nd and passed to approve the minutes for the September 9, 2010.

### **Secretary Report: Darla Sanders**

- September 9th meeting minutes went out by both email and postal mail on September 18, 2010.
- Voting documents for the Special Member Meeting were mailed out on October 2, 2010.

### **Treasurer's Report: Lisa Liljedahl**

- Treasurer's report was not given due to the absence of the Treasurer.

### **Building Advisory Committee Report**

- No business other than update of annual inspection results. Two properties have yet to satisfactorily comply with our covenants.

### **Property Management Committee Reports:**

#### **Fire & Weed-Paul Ruatti**

- A barbeque was held on October 1, 2010 at the Mancos Fire Department Substation at the front of the subdivision. Over 30 people attended. It was a chance for residents to provide input into the development of our Community Wildfire Protection Plan (CWPP).
- The next step in the development of the CWPP is for Short Forestry to provide a rough draft for our review.
- We are looking into ways to provide subdivision residents access to a chipper/grinder to use as they perform fire mitigation.

#### **Roads-Bob Sanders / Lisa Liljedahl**

- Dale spoke with a person from Montezuma County Road and Bridge. They felt that it was too dry to apply the magnesium chloride this time of year. The county applies their magnesium chloride in the spring when it is very wet and they still have to put down many loads of water at that time. Since we still need to pay for the big mailing, road blading and possible snow plowing, the Board determined not to apply additional magnesium chloride until spring - we need the money to operate until the dues are sent in early January.
- Road maintenance accomplished since September 9, 2010:
  - Road 35 and Road K.3 up to Road J.9 were bladed except for the areas that were treated with magnesium chloride.

## **Activities and Grounds – Darla Sanders**

- No items to report at this time.

### **Old Business:**

- Status of Front Entrance - The new log we purchased to replace the log at the top of our entrance has been stained/sealed and put into place. The vertical logs have also been stained and sealed. Thanks to everyone who helped, especially Gwen Gold, Paul Ruatti, and Richard Forster.
- Community Bulletin Board – Jack Stillinger volunteered and is building the bulletin board. It will be placed on the south side of the mail box pedestals, posting important and relevant information regarding the association. Of great importance will be a map of the subdivision to assist first responders. It should be finished and in place by the end of the month.
- Newsletter /Website –Website updates have not yet begun. Initial changes will be updating and adding documents to the current site. Eventually the site will be redesigned.

### **New Business:**

- Annual Inspection - Of the 21 letters sent out as a result of the annual inspection, most issues have been resolved. The lots that require signage have been resolved except for one. One lot owner who responded and is still in violation of our covenants will be served notification that further action will be taken by the Board.
  - A motion was made, 2<sup>nd</sup>, and approved to place signage on the lot that still does not have signage. A bill will be sent to the lot owner for the cost of putting up the sign.
  - A motion was made, 2<sup>nd</sup>, and approved to have house counsel prepare a letter for the lot owner still in violation of our covenants.
- Voting/Proxy Information - Everyone should be receiving their ballots this week for the upcoming Special Member Meeting.
  - When you fill out your ballot it is not necessary to fill out your name, etc. on the second page.
  - For those attending the meeting, please bring your ballot in the Secret Ballot Envelope.
  - For those who cannot attend, please sign the proxy allowing me to submit your ballot for you at the meeting. Put both the proxy and the secret ballot envelope in the gold envelope and return it to me. If you'd like you may fill in the instructions portion of the proxy instructing me to place your ballot in the ballot box.

### **Open Discussion:**

- Legal Fund – A member asked what amount of funds would be retained in the Designated Legal Fund. That has not been determined as of yet. The Board will review the issue after the Special Member Meeting.
- Speed Limit Sign – A member asked if a speed limit sign could be placed on the backside of the current sign to remind people heading out of the subdivision to slow down.
- Tree Removal - A question was raised concerning the fire mitigation updates to the covenants. It was explained that the current covenant is outdated. For those who would like to do more to defend their property against fires, the new verbiage will allow tree removal of up to 50% of the trees versus the 30%-35% allowed in the current documents.

- Staggered Terms – A member asked why we are going to staggered terms. Most governmental and non-profit corporations/agencies use staggered terms and it keeps continuity on the Board.

**Upcoming Meetings:**

- The Special Member Meeting to vote on the new governing documents will take place at 3:00 pm on October 30, 2010 at the Southwest Colorado Community College, Room 208.

**Adjournment:** A motion was made, 2<sup>nd</sup> and passed to adjourn. The meeting adjourned at 8:56 pm.

Respectfully submitted:

Darla D. Sanders  
Secretary to the Board

# CEDAR MESA RANCHES HOMEOWNERS SPECIAL MEMBER MEETING MINUTES

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**November 13, 2010  
Cortez Recreation Center**

**Present:** Greg Kemp, Paul Ruatti, Lisa Liljedahl, Chris Schaufele, and Darla Sanders. There were 10 HOA members in attendance.

**Absent:** Bob Sanders, Mike Handron, and Pam Linscott

**Call to Order:** The meeting was called to order at 3:30 pm

The Special Member Meeting to vote on the new governing documents was scheduled to take place at 3:00 pm on October 30, 2010 at the Southwest Colorado Community College, Room 208. Due to an insufficient number of votes, the membership voted to continue the meeting at 3:00 pm on November 13, 2010 at the Southwest Colorado Community College, Room 208.

On November 13, 2010 Southwest Colorado Community College was unavailable for the meeting due to an emergency on the part of the SWCCC staff. The meeting was moved to the Canyon Room at the Cortez Recreation Center.

Here are the results of the voting:

<b>1</b>		<b>2A</b>		<b>2B</b>		<b>2C</b>		<b>2D</b>		<b>2E</b>	
Declarations of Covenants		Number/Term of Directors		Membership & Voting Rights		Assessments for Common Expense		Amendment of Bylaws		Implementation Staggered Terms	
<b>For</b>	<b>Against</b>	<b>For</b>	<b>Against</b>	<b>For</b>	<b>Against</b>	<b>For</b>	<b>Against</b>	<b>For</b>	<b>Against</b>	<b>For</b>	<b>Against</b>
52	19	57	18	60	15	57	18	56	19	56	18
63.5%		68.4%		75%		68.4%		66.1%		67.9%	

A total of 75 ballots were turned in which enabled the membership to pass the Bylaws (items 2A-2E). We did not have enough ballots to pass the Declarations and Covenants (Item 1). This requires a minimum vote of 92 members.

**Upcoming Meetings:**

The next Board of Director's Meeting will take place at 7:00 pm on December 16, 2010 at the Southwest Colorado Community College, Room 208.

**Adjournment:** A motion was made, 2<sup>nd</sup> and passed to adjourn. The meeting adjourned at 4:02 pm.

Respectfully submitted:

Darla D. Sanders  
Secretary to the Board

# CEDAR MESA RANCHES HOMEOWNERS SPECIAL MEMBER MEETING MINUTES

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**November 13, 2010  
Cortez Recreation Center**

**Present:** Greg Kemp, Paul Ruatti, Lisa Liljedahl, Chris Schaufele, and Darla Sanders. There were 10 HOA members in attendance.

**Absent:** Bob Sanders, Mike Handron, and Pam Linscott

**Call to Order:** The meeting was called to order at 3:30 pm

The Special Member Meeting to vote on the new governing documents was scheduled to take place at 3:00 pm on October 30, 2010 at the Southwest Colorado Community College, Room 208. Due to an insufficient number of votes, the membership voted to continue the meeting at 3:00 pm on November 13, 2010 at the Southwest Colorado Community College, Room 208.

On November 13, 2010 Southwest Colorado Community College was unavailable for the meeting due to an emergency on the part of the SWCCC staff. The meeting was moved to the Canyon Room at the Cortez Recreation Center.

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<b>1</b>		<b>2A</b>		<b>2B</b>		<b>2C</b>		<b>2D</b>		<b>2E</b>	
Declarations of Covenants		Number/Term of Directors		Membership & Voting Rights		Assessments for Common Expense		Amendment of Bylaws		Implementation Staggered Terms	
<b>For</b>	<b>Against</b>	<b>For</b>	<b>Against</b>	<b>For</b>	<b>Against</b>	<b>For</b>	<b>Against</b>	<b>For</b>	<b>Against</b>	<b>For</b>	<b>Against</b>
52	19	57	18	60	15	57	18	56	19	56	18
63.5%		68.4%		75%		68.4%		66.1%		67.9%	

A total of 75 ballots were turned in which enabled the membership to pass the Bylaws (items 2A-2E). We did not have enough ballots to pass the Declarations and Covenants (Item 1). This requires a minimum vote of 92 members.

**Upcoming Meetings:**

The next Board of Director's Meeting will take place at 7:00 pm on December 16, 2010 at the Southwest Colorado Community College, Room 208.

**Adjournment:** A motion was made, 2<sup>nd</sup> and passed to adjourn. The meeting adjourned at 4:02 pm.

Respectfully submitted:

Darla D. Sanders  
Secretary to the Board

# **CEDAR MESA RANCHES HOMEOWNERS BOARD OF DIRECTORS MEETING MINUTES**

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**December 16, 2010  
Southwest Colorado Community College**

**Present:** Greg Kemp, Lisa Liljedahl, Pam Linscott, Paul Ruatti, Mike Handron (via telecon), and Darla Sanders. There were 6 HOA members in attendance.

**Absent:** None

**Call to Order:** The meeting was called to order at 7:06 pm

**Approval of Minutes:** A motion was made, 2nd and passed to approve the minutes for the October 7 and October 30, 2010 meetings.

### **Secretary Report: Darla Sanders**

- The October 7th meeting minutes went out by both email and postal mail on October 13, 2010.
- The October 30 Special Member Meeting minutes (which was continued on Nov 13, 2010) went out on November 30, 2010.

### **Treasurer's Report: Lisa Liljedahl**

- Treasurer's report was given for the month of November. A motion was made, 2nd and passed to approve the report.

### **Review of Goals for 2010**

- Below is a list of goals the Board established for the year at their Jan 28, 2010 meeting:
  - Obtain a grant to hire assistance to develop/acquire certification for our CWPP.
  - Select House Counsel.
  - Acquire Directors and Officers Insurance for the Board of Directors.
  - Accomplish an in-depth review of covenants and bylaws.
  - Develop road maintenance plan with budget.
  - Complete maintenance at main entrance.
- All items have been completed and, in addition, the Board has obtained a PO Box for the Association and a Community Bulletin Board has been erected.

### **Building Advisory Committee Report**

- No items to discuss.

### **Property Management Committee Reports:**

#### **Fire & Weed-Paul Ruatti**

- The rough draft of our Community Wildfire Protection Plan (CWPP) will be available for our review around January 1, 2011.
- The rebate for toxic weed control has been sent in. We should be receiving a check in the mail in the near future. The check should be coming to our PO Box.
- For the residents who are ESF Grant recipients, just a reminder that fire mitigation work must meet Colorado State Forestry Standards. You may contact Kent Grant from the CO State Forest Service to assist you in your efforts. His email is [kgrant@lamar.colostate.edu](mailto:kgrant@lamar.colostate.edu).



- We have a vacancy on the Fire & Weed committee. Anyone interest please contact Paul Ruatti at 560-1413. The committee members are responsible for toxic weed control as well as being first responders to fires in the neighborhood. Committee members will receive first responder training and we are looking into the possibility of obtaining fireproof clothing.

#### **Roads-Bob Sanders / Lisa Liljedahl**

- The roads were bladed in Sep and again in October.
- There was 1 load of gravel spread on Road 35 past K.3 per resident request.
- The committee has submitted its Road Budget 2011 and is now working on a Five-Year Plan for the roads.
- The committee will be obtaining bids for road maintenance for the upcoming year.
- The Board will acquire and place T-posts with reflectors at the end of Road 35.

#### **Activities and Grounds – Darla Sanders**

- No items to report at this time.

#### **Old Business:**

- Community Bulletin Board – Jack Stillinger volunteered and built our HOA bulletin board - it was placed on the south side of the mail box pedestals. Thanks Jack for your time and effort!!
  - For now, posting will be limited to important and relevant information regarding the association. Later on the board may consider posting additional items of interest to the community. Of great importance will be a map of the subdivision to assist first responders.
- Newsletter /Website –We have found a new host for our website that specializes in HOA web hosting. They have many excellent applications that will upgrade our website tremendously. We have begun uploading to the site – all of this year’s minutes and financials have been uploaded as well as the 2010 budget and the proposed 2011 budget. The governing documents have also been placed on the website. We will have a public area and a private area that is password protected for members.
  - The public area will include items of interest to prospective buyers and realtors, etc. There is also a classified ad area where homebuilders, contractors, landscapers, interior decorators, etc., can place their information. We can charge a small fee for this which makes it a source of revenue to offset the cost of the website.
  - The private area will include a member directory where each member may allow their contact information to be available to neighbors if they choose. This side will also include a payment services page that will allow members to pay their HOA assessments online and a discussion forum.

The website is not available for public review yet, we hope to have it published and online by mid-January.

#### **New Business:**

- Board Resignations
  - Bob Sanders resigned as a Board Member on November 18, 2010
  - Chris Schaufele resigned as a Board Member on November 24, 2010.

- Annual Budget – The 2011 proposed budget was reviewed. Assessments remained the same - \$450 per member. An additional \$9,000 was transferred from the Reserve Fund to Road Maintenance/Improvements. This, in addition to not having to fund the Legal Fund as we did in prior years, gives us twice the amount of money available for our roads ( from \$25,210 in 2010 to \$50,470 for 2011). A motion was made, 2nd and passed to approve the report. Please see attached Operating Budget 2011.
- In conjunction with the Annual Budget discussion, a presentation of the Road Budget for 2011 was reviewed. Please see the attached Road Budget 2011 for a breakdown of the improvements scheduled for next year.
- Annual Disclosures – Each year the HOA is required to provide the membership certain items for their review (per Article 5, paragraph 5.07 of the Cedar Mesa Ranches HOA Amended and Restated Bylaws). These items include:
  - **Fiscal Year.** The date on which its fiscal year commences;
  - **Budget.** Its operating budget for the current fiscal year;
  - **Assessments.** A list of the Association's current Assessments, including both General and Special Assessments;
  - **Financial Statements.** Its annual financial statements, including any amounts held in reserve for the fiscal year immediately preceding the current annual disclosure;
  - **Audit.** The results of its most recent available financial audit or review, if any;
  - **Insurance Policies.** A list of all Association insurance policies, including, but not limited to, property, general liability, association director and officer professional liability, and fidelity policies. Such list shall include the company names, policy limits, policy deductibles, additional named insureds, and expiration dates of the policies listed;
  - **Governing Documents.** All of the Association's Governing Documents;
  - **Meeting Minutes.** The minutes of the Board and Member meetings for the fiscal year immediately preceding the current annual disclosure; and
  - **Policies.** The Association's responsible governance policies adopted under C.R.S. §38-33.3-209.5, and any other policies adopted by the Association.

The disclosures must be made available no later than 90 days after the end of the fiscal year - that means they must be available by March 31, 2011. Per our bylaws, our annual disclosures will be available on our website by that date.

## Winter Reminder

With winter upon us, it is a good time to review the requirements for maintaining our roads. Here is the excerpt from our Covenants, Article 9, paragraph 9.05:

*Each lot owner agrees to keep their section of the road free of debris and all other natural and man-made obstructions. Cedar Mesa Ranches Homeowner's Association Inc. will maintain roads in common with others in a suitable condition for two-wheel drive vehicular traffic except for extreme conditions where four-wheel drive may be needed.*

When clearing your driveway of snow please ensure you keep the snow out of the roadway. If you need to, push the snow to the shoulder on the opposite side of the road.

**Open Discussion:** Discussion time was held after the adjournment of the business meeting.

**Upcoming Meetings:**

- The next Board meeting will take place at 7:00 pm on January 20, 2011 at the Southwest Colorado Community College, Room 208.
- The Annual Membership Meeting will take place at 3:00 pm on February 5, 2011 at the Southwest Colorado Community College, Room 208.

**Adjournment:** A motion was made, 2<sup>nd</sup> and passed to adjourn. The meeting adjourned at 7:48 pm.

Respectfully submitted:

Darla D. Sanders  
Secretary to the Board

**Cedar Mesa Ranches-HOA  
Balance Sheet as of November 30, 2010**

<b><u>Assets</u></b>	<b>2010</b>
Checking/ Money Market	\$67,598.83
Accounts Receivable	\$225.00
 Total Assets	 \$67,823.83
 <b><u>Liabilities</u></b>	
Accounts Payable	\$0.00
 <b><u>Members' Equity</u></b>	
Prior Yrs Equity	\$20,874.79
Current Yr Equity	\$46,949.04
Total Member Equity	\$67,823.83
 <b>Total Liabilities &amp; Members' Equity</b>	 67,823.83

**Cedar Mesa Ranches  
Statement of Income and Expense  
November 30, 2010**

<b>Income:</b>	2009 Actual	2010 Budget	2010 Year-to-Date Actual	2010 Difference
Dues & Late fees	\$61,468.00	\$62,825.00	62,873.78	
Interest	<u>647.41</u>	<u>\$700.00</u>	<u>575.07</u>	
<b>Total Income:</b>	<b>\$62,115.41</b>	<b>\$63,525.00</b>	<b>\$63,448.85</b>	
<b>Expenses:</b>				
CPA - Tax Preparation	150.00	150.00	150.00	0.00
Contingency Fund	0.00	500.00	0.00	500.00
Fire Mitigation	0.00	100.00	25.00	75.00
Insurance	1,162.00	2,000.00	2,619.61	-619.61
Office Supplies/ Postage	616.80	620.00	1,702.22	-1,082.22
Legal Fees/ Not Designated	0.00	8,000.00	8,500.00	-500.00
Legal Funds Designated	185.00	7,000.00	0.00	7,000.00
License - Corporate	10.00	10.00	20.00	-10.00
Repairs & Maint.	0.00	0.00	1,684.79	-1,684.79
Road Maint/Improvements	21,337.12	25,210.00	27,451.55	-2,241.55
Signs	173.90	100.00	77.02	22.98
Snow Removal	10,160.00	10,000.00	11,052.50	-1,052.50
Taxes- Federal (previous yr tax return)	146.64	180.00	164.00	16.00
Web Page	0.00	95.00	119.40	-24.40
Weed Control	<u>512.38</u>	<u>520.00</u>	<u>547.49</u>	<u>-27.49</u>
<b>Total Expenses:</b>	<b><u>34,453.84</u></b>	<b><u>54,485.00</u></b>	<b><u>54,113.58</u></b>	<b><u>371.42</u></b>
<b>Excess of Income over Expenses:</b>	<b><u>\$27,661.57</u></b>		<b><u>\$9,335.27</u></b>	
Total legal fees-designated set aside 2007, 2008, 2009 & 2010		\$82,000.00		
Total legal fees-designated expenses		<u>\$20,073.80</u>		
Remaining legal fees-designated		\$61,926.20		

### Cedar Mesa Ranches - 2011 Operating Budget

<b>Income:</b>	2010 Actual	2010 Budget	2011 Budget
Dues	\$61,468.00	\$62,475.00	\$62,550.00
2010 dues & late fees collected in 2011			275.00
Money from Reserve Fund*			9,000.00
Interest	647.41	400.00	500.00
	<u>\$62,115.41</u>	<u>\$62,875.00</u>	<u>\$72,325.00</u>
 <b>Expenses:</b>			
CPA - Tax Preparation	150.00	150.00	150.00
Contingency Fund	0.00	500.00	500.00
Fire Mitigation	25.00	100.00	200.00
Insurance	2,619.61	2,000.00	2,800.00
Office Supplies/ Postage	1,702.22	620.00	1,200.00
Legal Fees/ Not Designated	8,500.00	8,000.00	2,000.00
Legal Funds Designated	0.00	7,000.00	0.00
License - Corporate	20.00	10.00	20.00
Repairs & Maintenance	1,684.79	0.00	250.00
Road Maintenance/Improvements	27,451.55	25,210.00	50,470.00
Signs	77.02	100.00	100.00
Snow Removal	11,052.50	10,000.00	12,000.00
Taxes- Federal (previous yr tax return)	164.00	180.00	160.00
Web Page	119.40	95.00	1,875.00
Weed Control	547.49	520.00	600.00
	<u>54,113.58</u>	<u>54,485.00</u>	<u>72,325.00</u>
 Total Expenses	 <u>54,113.58</u>	 <u>54,485.00</u>	 <u>72,325.00</u>
 Excess Income over Expenses:	 <u><u>\$8,001.83</u></u>	 <u><u>\$8,390.00</u></u>	 <u><u>\$0.00</u></u>
 Total legal fees-designated set aside 2007 - 2010		\$82,000.00	
Total legal fees-designated expenses		<u>(\$20,073.80)</u>	
Sub-Total		\$61,926.20	
Funds transferred to 2011 Operating Budget*		<u>(\$9,000)</u>	
Reserve Fund Balance		<u>\$52,926.20</u>	

The Actual for 2010 is through November only & not a final

### Cedar Mesa Ranches - Road Budget 2011

Projects:	\$50,470	Available for 2011
Magnesium Chloride	\$28,000	2.7 miles - Road 35 + K.3 to J.9 (includes new gravel on 25%)
Magnesium Chloride	\$2,000	Apply to Road 35 past intersection of K.3 500ft,& J.8 - apply 500ft from intersection of Road 35, Apply to K.3 past intersection of J.9 400ft (no gravel or preparation) applied for dust control
Front entry chip seal	\$2,500	\$1000 to remove old chip seal & \$1500 for gravel & trucking
Rebuild cul de sac - J.6	\$3,500	Complete including 2 - 30" culverts
Rebuild J.7 steepness	<u>\$5,500</u>	Complete
	\$8,970	Leaves money for grading, pulling barrow ditches & emergencies