

Board of Directors' Meeting Minutes

March 19, 2022, 1:00 p.m.



Mancos Community Center

Zoom Virtual Meeting (Out of Town)

Board of Directors Present

Allen Giannakopoulos (President), Bob Sanders (Vice President), Roy Wilkinson (Treasurer), Phil Mayor, Stephanie Morton, Sherry Nigteagle, and Charlie Osburn (via Zoom).

HOA members in attendance (17)

Nan Campbell, (Secretary), Steve Campbell, Judy Wilkinson, Diane Cherbak, Dana Fetterman, Dan Gagliano, Paul Ruatti, David Nigteagle, Carol Stout, Terry Wheeler, Maria Lago Giannakopoulos, Louis Horton, Julie Horton, Chris Hinds, Vivek Vasudeva, Mary Vasudeva, and Heather Johnston.

HOA members in attendance via Zoom (2)

Tim Bolyard and Phil Bock.

Non-HOA members in attendance (0)

Call to Order

The meeting was called to order at 1:02 p.m.

Introductory Comments

Allen explained the microphone/receiver system that was established to improve the Zoom meeting experience. When talking, Board Members and Members need to speak into a microphone. All comments will be heard clearly by those on Zoom and those on Zoom will be heard by the Board and the Members attending in person via speakers attached to the computer.

Allen also referenced the *Protocol and Decorum for Speaking at Meetings* document which was created by the Secretary and sent out with the call to the Board Meeting. He thanked Nan for creating the document and requested that it be adhered to when members wished to speak.

Proposed By-Law Changes

Article 3, Section 7 – Annual Dues

This by-law change was approved by a majority vote of the membership on January 8, 2022.

It was moved by Bob Sanders and seconded by Phil Mayor to approve changing the annual dues from \$450.00 to \$550.00 and increasing the alternative payment option to one-half (\$275) due January 30th and a final one-half (\$275) payment due on April 30th. The motion passed unanimously.

Board of Directors' Meeting Minutes

Page 2

Article 4, Section 2 – Annual Meeting Date

It was moved by Stephanie Morton and seconded by Sherry Nigteagle to approve setting the Annual Meeting of Members in January on a day and time selected by the Board. The motion passed unanimously.

Article 4, Section 3 – Special Board Meetings

There was discussion on this by-law since the wording appeared to be in error. The purpose of Article 4 is to set forth by-laws dealing with meetings of the members. Yet Section 3 begins with "Special meetings of the Board of Directors. . ." The consensus was that the wording should be changed to read "Special meetings of the Members. . ."

It was moved by Bob Sanders and seconded by Phil Mayor to approve special meetings being called by the President or a quorum of the Board of Directors with an agenda of meeting topics to be included with the call. The motion passed unanimously.

Article 4, Section 4 – Written Notice of Meetings

It was moved by Bob Sanders and seconded by Phil Mayor to approve the member meeting notice to include place, day, hour, notification requirements and to include in person and electronic (video conferencing).

Discussion began with the notification times and if they were in concert with other notification times for meetings in the by-laws. Article V, Section 3 "Election and Term of Office" refers to notification of the Annual Member Meeting which states that notification of the Annual Meeting "will be mailed to the membership one month prior to the annual meeting." It was discussed that if the annual member meeting is mentioned in other Articles, perhaps Section 4 could be eliminated.

It was moved by Sherry Nigteagle and seconded by Phil Mayor to set aside the motion to approve Article 4, Section 4 by-law. The motion was approved unanimously.

It was moved by Roy Wilkinson and seconded by Phil Mayor to remove Section 4 of the by-laws.

Discussion continued on eliminating this by-law. It was brought up that while the notification of one month prior to the annual meeting was stated in Article V, Section 3, it did not specifically state the "not less than ten (10) days nor more than sixty (60) days". It was suggested that the intent of the notification should not be lost.

The motion to remove Section 4 was defeated unanimously.

The discussion resumed on the wording of Section 4. It was suggested that instead of "Written notice of meetings, annual or special. . ." it might be changed to read "Written notice of annual meetings. . ." so as to eliminate confusion.

Board of Directors' Meeting Minutes

Page 3

It was moved by Roy Wilkinson and seconded by Phil Mayor to approve the Article 4, Section 4 by-law as written except to change the wording to read "Written notice of annual meetings. . ." The motion was approved unanimously.

Article 5, Section 3 – Election and Terms of Office

It was moved by Phil Mayor and seconded by Roy Wilkinson to approve the nomination process, staggered terms, and term limits for Board of Director positions.

Discussion centered around the process of notification. A provision for members to receive voting information via regular mail and not just email was suggested.

The motion passed with a 5 – 2 majority. Sherry Nigteagle and Stephanie Morton voted against the motion.

Article 5, Section 5 – Place of Meeting (and Number of Meetings)

It was moved by Phil Mayor and seconded by Roy Wilkinson to approve the place meetings are held and the number of regular board meetings in a year. The motion passed unanimously.

Article 5, Section 8 – Special Meeting Notice

It was moved by Phil Mayor and seconded by Roy Wilkinson to approve Special Board Meetings to be called by the President or a quorum of the Board with 72 hours' notice and an agenda of the topics to be discussed. The motion passed unanimously.

Creation of Financial Review Committee

The activities and guidelines for the Financial Review Committee were sent out with the agenda to the Board Meeting. Once the Committee is formed, they will have the opportunity to review the guidelines and make changes if necessary.

It was moved by Phil Mayor and seconded by Bob Sanders to approve the creation of a Finance and Budget Oversight Committee. The motion passed unanimously.

Water Truck Insurance

In talking with Tyler Denning, CMRHOA attorney, concerning insurance, it was suggested that the Board consider increasing the liability insurance on the water truck from \$1,000,000 to \$2,000,000 since one incident with the water truck could easily reach the \$1,000,000 limit. Allen called our Progressive Insurance agent to get a quote and found out that the truck does not have under-insured or non-insured driver insurance. The quotes for liability insurance are as follows:

\$1 M liability without under-insured and non-insured driver	\$202 per year
\$1 M liability with under-insured and non-insured driver	\$615 per year
\$2 M liability with under-insured and non-insured driver	\$634 per year

Board of Directors' Meeting Minutes

Page 4

It was moved by Bob Sanders and seconded by Phil Mayor to increase the liability insurance coverage for the water truck to \$2,000,000 with under-insured and non-insured driver coverage at \$1,000,000. The motion passed unanimously.

By-Law Changes Being Recommended by Counsel

Since our by-laws do not define a balloting and voting process (except for when nominees and ballots are to be mailed to the members), it has been recommended by CMR's Counsel to create a new by-law which sets forth this process. This will affect Article 4, Sections 6 and 7 and Article 5, Sections 3 and 5. An electronic nominations and balloting process has been suggested.

It was agreed by consensus to write a by-law defining a balloting and voting process. The by-law review process will be as follows: 1) the new by-law will go to the Board for review, comments, etc.; 2) the by-law will then go to the attorney for review and wordsmithing, if necessary; 3) it will then be sent to the membership for review, comments, etc.; 4) the by-law with member comments will be sent to the Board; 5) the by-law will be placed on the agenda for the July Board of Directors' meeting.

Secretary's Report

Nan reported that the confirmation of email addresses for members has been completed. The results follow:

- Only 3 members did not respond to emails or phone calls.
- Two of those 3 members have already paid their dues assessment, so it was determined that their email addresses are correct.
- A letter has been sent to the one member asking for email confirmation.
- There are only 2 members that do not use email or have internet access, and both are local.

Montezuma County is changing addresses on Road 35 in CMR. If anyone has been notified that their address has been changed, please notify the Secretary so contact information will be current and correct.

Treasurer's Report

Board Members Bank Account Access, Update

To date, the Secretary and all but one Board member has access to the bank accounts and can sign checks.

Bookkeeping Services, Update

Roy has been working with Forth and Associates to set up the books so financial statements can be generated. The budget's line items are now set and as expense amounts are entered, the line item will become visible in the Profit and Loss statement. Roy explained the profit/loss statement which is prepared with the Accrual Basis of accounting. The bank statements from

Board of Directors' Meeting Minutes

Page 5

2020 and 2021 will be provided to Forth and Associates so a better picture of the HOA's expenditures will emerge to help with the generation of a budget for 2023.

Financial Audit and Review, Update

Roy has received a General Ledger from the Auditors. There are about thirty-five checks from 2014 that were written with no explanation for the expense. He will be working to find explanations for each invoice. The auditors will be working on 2015 and 2016 soon. Roy has been working to identify, categorize and collect any items that were purchased by CMR.

Polling Software

Survey Monkey has been purchased and members will be receiving emails for their feedback. This software will be available to the Board Committees and the Board.

Budget Requests, Budget Sheets

A *Cedar Mesa Ranches Financial Request* is on the website to be filled out when Committee chairs and Board members request payment for NON-budgeted funds.

Title and Realtor Information, Update

The title companies and realtors in the Mancos, Cortez and Durango areas have been contacted to introduce the new Board and let them know new contact information. They were also advised that the website contains a new "realtor section" which will give them new buyer information for CMRHOA, Inc.

There was an issue immediately after the January 8, 2022, Annual Meeting with a title company. Title paperwork was signed by a non-board member and incorrect dues assessment information was provided on January 10, 2022. New title paperwork had to be generated and the additional dues amount requested from the new owners.

Financial Information, Update

"Carry Over" from 2021 per Bank Statements (as of January 1, 2022)	
\$7,854.15	Checking Account
\$49,485.94	Savings Account (Formally known as Money Market")
\$57,340.09	Total "Carry Over" from 2021
\$40,209.70	Reserve Account ("Rainy Day Fund")
\$97,549.79	Total ("Carry Over" + Reserve)

Board of Directors' Meeting Minutes

Page 6

Bank Statements (as of January 31, 2022)	
\$13,975.41	Checking Account
\$31,489.40	Savings Account (Formally known as Money Market")
\$45,464.81	Total Checking + Savings
\$40,209.70	Reserve Account ("Rainy Day Fund")
\$85,674.51	Total (Checking + Savings + Reserve Accounts)
Bank Statements (as of February 28, 2022)	
\$21,700.59	Checking Account
\$69,491.92	Savings Account (Formally known as Money Market")
\$91,192.51	Total Checking + Savings
\$40,213.12	Reserve Account ("Rainy Day Fund")
\$131,404.63	Total (Checking + Savings + Reserve Accounts)

2022 Dues Collection, update (as of March 17, 2022):

Fully paid members = 101

Partially paid members = 29

Total number of checks received = 130 of 138

Total dues collected = \$63,550.00

Outstanding dues = \$12,350.00

Sent out reminder letters on March 17, 2022, to eight of the late paying members.

Board of Directors' Meeting Minutes

Page 7

Website, Update

A button has been added to the "Home" page for realtors and title companies, so they have quick access to the files they need. Roy has had wonderful feedback from them about this feature.

A new page called "Board Access" has been added and contains items such as truck titles, insurance waivers, emergency contact lists, etc. This page is password protected for Board and Committee access only.

Compared to last year at this time, visits are up 276% (totaling 1,500 visits). In the last 30 days, there have been 1,200 visits (up 597%). The majority of pages visited were main page, by-laws and covenants, New and Prospective Owner Information, maps, Four Corners Info, CMR Board of Directors, and From Our Members.

New E-mail, Update

A new e-mail has been set up as the primary e-mail for CMRHOA, Inc. "cmr81328@gmail.com" will be up and running soon. The change is due to the inability to get e-mails to members using the Yahoo e-mail account. There will be separate "primary" and "secondary" email groups for easy updates and polling use. The Gmail account will also enable us to utilize "Google Drive" (cloud base) and the rest of the Google Suite programs.

Road Costs, Update

The Board requested information on the actual road costs for previous years.

- 2021 - \$33,758.19
- 2020 - \$49,115.06
- 2019 - \$69,759.25
- 2018 - \$64,951.66
- 2017 - \$47,964.69
- 2016 - \$27,618.96 (March to December 2016)
- Average per year - \$48,861.39 (2017-2021, due to partial year in 2016, not used)

Discussion was opened to the Board and the membership. It was requested that the financial statements be prepared using Cash Based Accounting as these statements are easier to read. The Board will consider this.

Roads Committee

Chris Hinds presented the Work Plan/Annual Goals and a budget for 2022. These documents were sent to the membership with the agenda and call to the meeting. Chris explained that with

the continuing rising costs for oil, no hard surfacing will be done in 2022 on Road 35. The Committee will continue to investigate and gather information.

Board of Directors' Meeting Minutes

Page 8

The Road Committee is requesting a budget of \$55,000 for 2022, and to have the Board earmark \$20,000 as a special line item for hard surfacing costs in the future.

It was moved by Phil Mayor and seconded by Bob Sanders to approve \$55,000 in the 2022 budget as set forth by the Work Plan/Annual Goals from the Roads Committee. The motion was approved 6-0. (Sherry Nigteagle had to leave the meeting.)

The Board will consider the \$20,000 special line item for hard surfacing costs as the 2023 budget is being assembled.

Building Advisory Committee

Bob Sanders reported that construction is very slow because of rising costs for building materials and the wait for these materials to arrive. The Committee continues to keep a neighborly eye out on the properties that are under construction.

Member Relations Committee

Heather Johnston reported on the Volunteer Recognition Event that occurred on February 26, 2022. It was very successful, and the Committee looks forward to having this event annually. She also mentioned that the Committee had been notified of a possible potluck event following the CMR Fire Drill on May 7th. This will be brought up under the Fire Mitigation Committee report.

Meeting Extended

It was moved by Bob Sanders and seconded by Stephanie Morton to extend the Board meeting by 11 minutes. The motion was approved 6-0.

Fire Mitigation Committee

Steve Campbell reported that due to weather conditions some of the Committee's projects are on hold. When conditions change, examining and working on CMR's evacuation routes will begin.

A community-wide fire drill has been scheduled with Montezuma County on Saturday, May 7th. The purpose is to educate all residents on what to do, where to go, etc., in the event of a fire. Work is ongoing to provide maps and signage for evacuation routes and safe zones.

Sherriff Nowlin requested, last year, that every resident in CMR fill out an emergency evacuation form which would be on file in case of an emergency. It is very important that this form be filled out and returned. The Sheriff's Office will use these forms on May 7th.

Three slash files have been located on Road K.3. As members bring their slash to this area, please deposit it in the appropriately marked piles (dry/dead slash, green slash, and large stumps or logs.) Montezuma County Landfill will be allowing free slash deposits, but they have not set a time for this yet.

It was moved by Stephanie Morton and seconded by Bob Sanders to approve a community-wide Fire Evacuation Drill on Saturday, May 7, 2022. The motion was approved 6-0.

Board of Directors' Meeting Minutes

Page 9

It was moved by Stephanie Morton and seconded by Phil Mayor to approve the purchase and placement of signs, not to exceed \$600 in cost, indicating evacuation routes and safe zones. The motion was approved 6-0.

It was moved by Stephanie Morton and seconded by Bob Sanders to approve a Community Potluck event (in conjunction with the Member Relations Committee) after the fire evacuation drill to meet the Montezuma County Officials conducting the drill and discuss the drill. The motion was approved 6-0.

Minutes Approved

It was moved by Bob Sanders and seconded by Phil Mayor to approve the January 22, 2022 Board minutes as written. The motion was approved 6-0.

President's Comments were eliminated because of time restraints.

Member Comments

The member wished to know the status of the Ad Hoc Insurance Review Committee. A message from the President will be going out soon and will address this issue.

Next Board Meeting

The next Board meeting will be held at the Mancos Community Center on Saturday, July 16, 2022, at 10:30 a.m.

Adjournment

The meeting was adjourned at 3:16 p.m.