

Board of Directors' Meeting Minutes

January 22, 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 cell phone and Zoom).

HOA members in attendance (13)

Nan Campbell, (Secretary), Steve Campbell, Judy Wilkinson, Darla Sanders, Diane Cherbak, Dan Morton, Russ Siracuse, Paul Ruatti, David Nigteagle, Steve Ruehrwein, Carol Stout, Heather Johnston, and Chad Johnston.

HOA members in attendance via Zoom

Due to a technical problem, attendance on Zoom was not recorded.

Non-HOA members in attendance (1)

Doug Freddes

Call to Order

The meeting was called to order at 1:05 p.m.

Approval of Minutes

The minutes of the December 28, 2021 were approved.

The January 8, 2022 minutes will be sent out to the membership.

Robert's Rules of Order

While the meetings of the CMRHOA, Inc. Board of Directors have been loosely conducted around *Robert's Rules of Order*, after research, it appears that there is no official documentation that adopted these rules of order for all meetings.

It was moved by Phil Mayor and seconded by Bob Sanders that the Cedar Mesa Ranches Board of Directors accept the use of Roberts Rules of Order as the standard for meeting etiquette as required by Colorado corporation laws. The motion passed unanimously.

Bank Account Access for Board Members

At the beginning of every year, Board member access to CMR's bank accounts, financial information, and signatories to said accounts must be renewed or changed. The President would like all current Board

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members to have access to the bank accounts and the ability to sign checks.

It was moved by Bob Sanders and seconded by Phil Mayor that access to CMR's bank accounts, financial information, and signatories to said accounts be given to those Board members who wish it. The motion passed unanimously.

Master Property Owner's Email List

Nan Campbell, Secretary, has been going through the Master List of Property Owners. There are currently 139 properties and over 160 email addresses associated with those properties. There does not seem to be any guidelines on adding additional emails to a property owner's contact information. She would like to have the Board's opinion/advise on these secondary emails. Should notices, announcements, minutes, etc. go to all email addresses? Should such information only go to the property owner's email address? Should the property owner be the one to request an additional email address? Are there any email addresses that should not be associated with the property (i.e., renters, non-owner siblings or relatives)?

After discussion, the Board felt that the secondary email addresses should remain as a courtesy, but that any additional email requests associated with the property must come from the property owner of record.

Confirmation of All Email Addresses

As the Board investigates electronic balloting, it will be imperative to confirm all primary (owner of record) email addresses for the property owners. The Secretary, with the help of the Board members, will confirm the primary email for each property by February 28, 2022.

Board Member's Contact Information

The President informed those present and on Zoom that the current Board of Directors' contact information will be posted on the website.

Financial Audit and Review

Roy Wilkerson, treasurer, requested that a Financial Audit and Review be considered for CMRHOA, Inc. Our corporation has never had an audit or financial review since its inception. The cost of a financial review would be around \$5,000 and would come from the Reserve Funds Account. The audit will give CMRHOA, Inc. a foundation on which to go forward. Also, recommendations will be made for financial general controls and for accounting practices and procedures.

Discussion focused on how this financial review was owed to the homeowner's and would set up a good foundation for going forward. A member asked if the Board had considered a Financial Review conducted by qualified members instead an audit. It was discussed and the consensus was that an audit was needed first and then a Financial Review by qualified members (or trustees) would be considered.

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After a friendly amendment, the following motion was made:

It was moved by Charlie Osburn and seconded by Bob Sanders that CMRHOA, Inc. initiate a Financial Audit and Review for the years 2014 through 2021. The motion passed with 6 affirmative votes. Stephanie Morton abstained.

Creation of Financial Review Committee

Roy requested that the Board consider creating a Finance Committee that would assist the Treasurer in financial matters. The thought behind this request is that there would be multiple people to review financial transactions. The committee would consist of member volunteers who have strong financial credentials. The Board approved that this committee would be discussed when more information was provided.

Safe Deposit Box

Allen asked the Board to consider opening a safe deposit box at Dolores State Bank. The safe deposit box would contain legal documents, electronic storage devices with documents, minutes, etc. on them, and anything else that will be deemed valuable for the corporation whether on paper or electronically. The Board agreed by consensus to open a safe deposit box at Dolores State Bank.

Bookkeeping Services

Roy requested the Board to consider hiring a professional bookkeeping service to assist in the transition from our past processes to a new transparent bookkeeping process. A bookkeeping service would also be able to assist the treasurer during the audit. The software that would be used is QuickBooks and this service would create new books and open accounts in those books for each lot owner. This service will have access to make deposits to our bank accounts as is standard industry practice. Monthly and quarterly statements will be provided to the treasurer. A list of approved contractors would be provided to the service. They would prepare the checks and the Treasurer, and one other board member, would approve and sign checks weekly. The cost would be \$250 per month.

It was moved by Roy Wilkinson and seconded by Allen Giannakopoulos to hire Forth and Associates, a professional bookkeeping and CPA service for 2022 and to look at this service before 2023 to see if it should be continued. The motion was passed with 6 affirmative votes. Stephanie Morton abstained.

By-Law Revisions

Allen introduced revisions for six By-laws. These revisions included giving more flexibility in the date of the Annual Membership Meeting; notice of meetings and meetings themselves to be both electronic and paper; establishing a 2-year term for directors and a succession system; establishing maximum term limits for directors; establishing 5 meetings per year (minimum); and modifying the calling of special meetings. The Board agreed by consensus that the process of revisioning these By-laws could begin.

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The full process of approving these By-laws is as follows: 1) the Board will approve the revisions to the By-laws; 2) the revised By-laws will go to Tyler Denney, Newbold Chapman, to review and make changes if necessary; 3) the revised By-laws will then go out to the membership for their review; 4) the Board will then review comments from the membership and consider changes; 5) the final versions will be signed off by the Board; 6) at the March Board meeting the revised By-laws will come before the Board for approval; 7) if approved by a majority of the Board, the By-laws will go into effect at that time.

Legal Review and Opinion

Allen is proposing that the Board request a review of official documents by Newbold Chapman. He has been receiving information, requests and calls from the membership concerning our Articles of Incorporation, Covenants, and the legal judgment rendered from Judge Plewe in 2012.

CMRHOA, Inc.'s original Articles of Incorporation in 1998 (Covenant 32) does not transfer authority to the Homeowner's Association to make changes, and there is no known legal document whereby the Homeowner's Association accepted this authority. There are concerns that some of the covenants may not be in sync with current state and corporate laws. Then there is the issue of enforcement of the covenants.

Allen is recommending 10 hours of legal time for a legal review and opinion on CMR's official documents.

A member expressed her concern that the Board was taking on too much too fast and they should consider putting this review off for a while. Another member felt that the decision from Judge Plewe answered the question concerning enforcement of the covenants and we didn't need another legal opinion.

It was moved by Roy Wilkinson and seconded by Bob Sanders that CMRHOA, Inc. contract for ten (10) hours of time with Newbold Chapman for a legal review and opinion on the Articles of Incorporation, covenants, and any other legal documents which might be pertinent to the review. The motion passed with 5 affirmative votes. Sherry Nigteagle voted against the motion and Stephanie Morton abstained.

Polling Software

Roy would like the Board to consider purchasing Survey Monkey. The cost would be \$25 per month and is in the budget for a website master. Roy will be maintaining the website and will not charge for this service. Survey Monkey would enable CMR to do surveys of the membership on various issues and enable the Board to move ahead toward electronic balloting. The Board agreed by consensus to purchase Survey Monkey since the monies for it are already in the budget.

President's Comments

The President's comments were not made to enable more time for other reports.

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Secretary's Report

Nan Campbell reported that a transition and training have been taking place and that there isn't really a report from the secretary.

Treasurer's Report

Roy reported that there hasn't been a formal transition, but that he has received the current information from the former treasurer and bookkeeper. He reported that the three (3) CMRHOA, Inc. bank accounts have been updated and signatories changed. Checks have been ordered and received and each check will require two (2) signatures.

The dues assessment notices will be going out this coming week and the dates for paying the entire amount or partial amount will be shifted accordingly since the invoices are going out later than usual.

Current financial statements were not able to be generated, but the following financial information was given:

Checking Account - \$7,854.15

Money Market Account – \$49,495.94

Reserve Account – \$40,206.51

Total of Accounts – \$97,546.60

There are currently approximately \$9,415 in accounts payable.

Ballot Initiative for Dues Assessment

Roy reported that there had been an error in the vote reporting for the proposed initiative that approved the dues assessment to remain at \$550. For the initiative to pass, it required a majority vote of the membership. That would have been 70 plus members voting in the affirmative. The number of affirmative votes reported at the January 8, 2022 was 66. After reviewing the Election Tallies (additions from the meeting), it was discovered that while the votes submitted were added to the Ballot Initiative tallies, the proxy votes were not. Roy then met with each of the volunteers, Callie Ruh, Cheryl Brodhagen and Bruce Short, who counted the votes and proxies that were submitted at the meeting, and they have signed a form indicating that the correct number of affirmative votes for the Ballot Initiative was 73, thus passing the initiative.

Roads Committee Report

Phil Mayor reported for Chris Hinds, Chair of the Roads Committee. Chris' report will be put on the website and sent to the membership. The goal of the Roads Committee is to improve the entrance into Cedar Mesa Ranches by hard surfacing a portion of Road 35. The exact distance of the hard surfacing has not been determined. Because of the costs (which are rising), it is hoped that the monies that were not spent in the 2021 budget for roads will be carried over into the 2022 budget. The Roads Committee has scheduled regular meetings for the second Wednesday of odd months.

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Building Advisory Committee

Bob Sanders reported that little had changed since the Annual Meeting report. 113 lots have homes or structures on them, and 7 lots are in various stages of construction.

Member Relations Committee

Heather Johnston reported that the Member Relations Committee has met twice and are in the process of planning four (4) events for the Community. There will be an Annual Volunteer Event on February 26th at the American Legion Hall at 11:00 a.m. – 3:00 p.m. All are invited to come, and it will be a potluck. Other events that are being considered are: a 4th of July parade; Veteran's Day Recognition; and a Neighborhood Truck and Treat Event at Halloween. After some discussion on costs and dates, the Board approved by consensus for these possible events.

Mitigation Committee

Steve Campbell, Chair of the committee reported that at the committee's meeting it was decided to pursue a Fire Drill for the first Saturday in May. The Board gave tentative approval to the Fire Drill so it could be pursued. The County landfill will be again collecting slash only sometime in Spring. As specifics are forthcoming, they will be passed on to the property owners. For full information, the Mitigation Committee minutes will be on the website.

Next Meeting

The next Board Meeting will be on Saturday, March 19, 2022 at the Mancos Community Center at a time to be established.

Adjournment

The meeting was adjourned at 2:54 p.m.