

# Board of Directors' Meeting Minutes

July 8, 2023, 10:00 a.m.

Mancos Public Library

Google Meet Virtual Meeting



## Board of Directors Present

Michael Noland (President), Roy Wilkinson (Vice President), Kim Lanyon (Treasurer), Stephanie Morton, and Charlie Osburn. Terry Wheeler excused; Sherry Nigteagle absent.

## HOA members in attendance (10)

Nan Campbell, (Secretary), Steve Campbell, Diane Cherbak, Donna Riley, Mike Riley, Don Macklin, Susan Macklin, Cindy Ruatti, Paul Ruatti, and Steve Shimek.

## HOA members in attendance via Google Meet (0)

## Meeting Called to Order

The meeting was called to order at 10:01 a.m.

## BOARD REPORTS

### Roy Wilkinson, Vice President

Roy reported that visits to the CMR website are down 86%. Events, meeting dates, minutes, financials, etc. are all on the website. Realtors are definitely using the website. Roy was thanked for keeping the website current and informative.

### Kim Lanyon, Treasurer

#### Treasurer's Report

Kim reported that our Checking account balance as of the June 30<sup>th</sup> statement was \$56,848.79. Our balance in the Reserve account as of the June 9<sup>th</sup> statement was \$40,330.21.

#### Dues

There are 3 members with unpaid dues which total \$1,375.00. In the by-laws, it states that a \$50 late fee will be assessed. There is a standard format letter which will be sent to Kim. Michael said that he will be glad to sign the letter as the President of the Board.

#### Insurance

The State Farm Insurance policy is still in the underwriting process. CMR is covered as of May 18<sup>th</sup>, but we will not receive the policy until the Underwriters are finished. Our previous insurance policy was cancelled as of May 18<sup>th</sup>, and we will be receiving a refund from them soon. The refund will cover the premium for the State Farm Insurance policy. Kim was again thanked for the work she did to secure this new policy.

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## Financial Review investigation

When the Financial Review was completed and the report posted on the website, it was noted that there were some receipts that were missing from check requests and mentioned by the reviewers to the Treasurer that documentation was not available for possible grant money that came in (approximately \$10,000) and was distributed to property owners for fire mitigation. The missing receipts were not a problem, but the deposit of grant money and the distribution of this money required research. Bank statements were available, but the detail of each deposit was not since the transactions were made over 9 years ago. Stephanie Morton began to research this issue by cross referencing profit and loss reports and bank statements from 2014. Kim and Stephanie retraced all the deposits that were made and feel the answer to the issue is as follows:

- On May 20, 2014, a deposit was made totaling \$13,847.30. Two other deposits were recorded that month, \$700 and \$225.
- A Statement of Income and Expense dated 5/31/2014 reported that dues in the amount of \$4,450 were collected for the month of May.
- The difference in the money deposited vs. the dues collected was \$10,322.30.
- Checks written to six CMR property owners for a fire grant totaled \$10,315.00. There is a \$7.30 difference in favor of CMR HOA.
- A spreadsheet was located that had a space for fire grant money and it says, "pass through." It was determined that the grant money just passed through the account without altering the profit and loss statement.

Michael thanked Stephanie, Kim, and Board members that had been involved in the resolution of this financial issue.

It was brought up by a property owner that they were very disappointed by the negative connotations that went through the Community associated with the reason for the Financial Review. The main reason for the Financial Review was that one had not been done since the inception of the HOA. A Board member also expressed disappointment that it had cost so much money to acquire this review.

## **Nan Campbell, Secretary**

Nan reported that the 5 sets of minutes that are to be approved by the Board had gone out to the membership and were on the website.

## March 11, 2023, Board of Directors' Minutes

**It was moved by Stephanie and seconded by Kim to approve the March 11, 2023, minutes of the Regular Board meeting. The motion passed unanimously.**

## March 24, 2023, Special Meeting of the Directors'

**It was moved by Stephanie and seconded by Kim to approve the March 24, 2023, minutes of the Special Meeting of the Directors'. The motion passed unanimously.** This meeting set up the Covenant Task Force.

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## April 15, 2023, Special Meeting of the Directors'

**It was moved by Stephanie and seconded by Kim to approve the minutes of the April 15, 2023, Special Meeting of the Directors'. The motion passed unanimously.** This meeting discussed the current insurance policy and another one that had been proposed.

## April 25, 2023, Email Board of Directors' Meeting

**It was moved by Roy and seconded by Charlie to approve the minutes of the April 25, 2023, Email Board of Director's Meeting. The motion passed unanimously.** This meeting granted a fence variance for a property owner.

## May 13, 2023, Special Meeting of the Board of Directors

**It was moved by Stephanie and seconded by Kim to approve the minutes of the May 13, 2023, Special Meeting of the Board of Directors. The motion passed unanimously.** This meeting approved switching insurance policies and setting meeting dates for the remainder of 2023.

## **OLD BUSINESS**

Since previous Board actions were reviewed as the minutes were being approved, there was no Old Business.

## **COMMITTEE REPORTS**

### **Roads Committee**

There was no one from the Roads Committee to make a report, but since Diane Cherbak was at the meeting, she provided some of the items that were discussed.

- The Committee discussed the timing of the second Mag Chlor application. The timing is basically tied into the supplier's schedule.
- The work on J.7 will begin after the cedar gnats are gone. There is quite a bit of work to be done including trenching to remove and re-install a culvert.
- An information document will be created to list the actual costs incurred for work and maintenance on CMR roads. This document will be sent out to the membership and discussed at the September Board meeting. Mike indicated that while dues will not be raised for 2024, this document is needed to begin informing the property owners of the actual costs to maintain the roads and do necessary repairs.

Roy asked about the minutes for the Roads Committee. Minutes have not been received to be put on the website since February. Stan Mattingly takes the minutes and Roy will contact him.

The recommendation to approve the Safety Guidelines for the Roads Committee will be postponed until the September Board meeting when there will be a representative from the Committee to present these guidelines.

### **Fire Mitigation Committee**

Steve Campbell reported the following for the Fire Mitigation Committee:

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- The Chipping Weekend in May was a success. Fifteen property owners had the slash on their property chipped. Each property was assessed \$50 to defray the cost of the chipper rental and fuel. Money was also spent for fuel and new blades for the small chipper.
- A WAP grant was received for approximately \$236 for the chipping mitigation project. This money along with the money received from the property owners will allow for another Chipping Weekend.
- The next Chipping Weekend will be on August 5 and 6. The first 12 properties that sign up will be chipped. If there is more interest, than a third weekend will be considered for late September or early October.

A property owner asked who owned the small chipper, the CMRHOA or someone else. It was noted that the chipper may have been sold to Chris Hinds, but it was not certain if his business owned it or he did personally. The property owner felt that HOA money should not be used to replace blades and purchase fuel for a privately owned chipper. It was pointed out that no HOA dues money was used; all the money was collected from the individual property owners.

Apparently, there is a policy in a previous years' minutes that allows a property owner to rent equipment for their personal use. This will be researched.

It was pointed out that the fire escape road from J.9 to J.8 is overgrown and needs to be brushed hogged. The question was raised whether this was a Fire Mitigation issue or a Roads Committee issue. Apparently, a proposal was created by the Roads Committee in conjunction with the Fire Mitigation Committee in 2022 for this fire escape road. Much more is needed than brush hogging in order to make it passable (culvert repair, addition of new culverts, road repair and new gravel). It was not certain what happened to this proposal.

Kim stated that she felt the program to charge property owners \$50 for chipping on their lots was a good idea. This helped with fire mitigation and did not use HOA funds to do it.

The Fire Mitigation Committee has created Safety Guidelines for volunteers who participate in mitigation projects.

**It was moved by Charlie and seconded by Roy to approve the Safety Guidelines developed for Fire Mitigation volunteers. The motion passed unanimously.**

## **Financial Review Committee**

Cindy Ruatti reported for the Financial Review Committee.

- Cindy is the Chair of the Committee since the others did not want this position.
- There has been a meeting with the Treasurer and Bookkeeper where financials were shared, and the budget and budget request forms were discussed.
- The next step will be to do an audit/review of the finances. Documents will be requested from the Treasurer. This working meeting will be scheduled soon.

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Cindy has a concern for document control. She was unable to determine which Financial Review Committee Guidelines were the ones to be followed. She had copies from her work that showed how document control was done for other places of business. If the Board is interested, Cindy will be glad to send a document control template to the Secretary. There was agreement that there was certainly a need to review, confirm, coordinate, and date CMRHOA documents. This will be discussed under New Business.

## **Covenant Task Force**

Steve Shimek, Chair of the Covenant Task Force, reported for the Committee. The members of the Committee are Diane Cherbak, Gwen Gold, Gretchen Magwitz, David Nigteagle, Todd Panagopoulos, and Stan Wellborn. Steve reported that the Committee was diverse with passionate opinions, however, they were high performing, amazing and worked together to move the task of developing the covenants forward.

The Task Force is not ready to give the results of their work yet. At first the goal was to have a first draft by the end of July. That date will not be met; but there will be a draft by August 3<sup>rd</sup>.

Some of the issues that are/were being discussed and developed are:

- What is the use purpose of a primary residence?
- What is the use purpose of a guest house?
- Long term and short-term rentals.
- Mobile and modular homes.
- Enforcement and what covenants need to be enforced.
- The intent of a covenant which goes to the writing and clarity of the covenant.

After the draft of the covenants is completed there will be a Special Board Meeting to present the draft to the Board. At that time, the Committee (or the Chair) will take questions from the Board, but not the membership. The Board will review the covenants, make suggestions or changes and it will go back to the Task Force Committee. The expectation of Steve is that the draft will go back to the Committee only once.

Mike thanked the Covenant Task Force Committee for its hard work.

It was asked what the next steps would be after the Covenants were returned to the Committee after Board review. Those steps are "to be determined" as the process proceeds before a membership vote.

## **NEW BUSINESS**

Cindy Ruatti had recommendations that she presented to the Board.

### Concern over the negative connotations of the Financial Review

**It was moved by Michael and seconded by Kim that the Board develop a communication to go to the membership concerning the results from the Financial Review and the subsequent investigation. The motion passed unanimously.**

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## Document Control

**It was moved by Michael and seconded by Stephanie to implement a document control system for all CMR documents. The motion passed unanimously.**

Michael responded to a third recommendation concerning a By-law change that it would be deferred and discussed by the Board in 2024.

## **Next Meeting Date**

The next regular Board Meeting will be held on Saturday, September 23, 2023, at 10:00 a.m. at the Mancos Public Library.

It was asked if there would be a Fall Annual Picnic after the meeting. This will be referred to the Member Relations Committee.

## **Meeting Adjourned**

The meeting was adjourned at 11:50 a.m.