

**Board of Directors Regular Monthly Meeting Minutes
Fairway Pines Estates Owners Association
Monday, May 9, 2016 @ 3:00 PM (MDT)
518 Marmot Drive
Ridgway, CO 81432**

The meeting was called to order by President Chris Carr at 3:00 PM. The Board members present were Ann Blakely. Patricia Jennings, Board member and Jerry Farrington, advisor, participated by phone. Tara Del Rossi, Mike Forstner, and Sharon Kreutzen, advisors, were present. Recording secretary, Mary Ann Guilinger, was present.

1. Review and approval of minutes of April 18, 2016, Meeting

A motion was made by Ann Blakely and seconded by Chris Carr to accept the minutes of the April 18, 2016, Board Meeting. The motion was approved unanimously by the Board.

2. Introduction of Board Nominees and Board Appointee

Chris Carr introduced Tara Del Rossi and Sharon Kreutzen as nominees for the Board in the election to be held at the July 28, 2016, summer member meeting. Chris Carr also introduced Mike Forstner, who has volunteered to be Board President for a one-year term.

3. Member Comments (Limited to five (5) minutes per person)

None.

4. Reports

a. Compliance Violation Report

Compliance Officer Report – Violations were reviewed. Specific actions will be taken in the form of courtesy or violation letters.

b. President's Comments

The US Congress has proposed HR 4696 to allow homeowners living in an HOA to deduct on Federal taxes up to \$5,000 of HOA dues if their home in an HOA is a

principal residence. There is strong possibility that the bill will pass because it has bipartisan support. The rationale is that homeowners are paying twice for the same services. This measure is supposed to come up for vote, but probably not until 2017.

Dudley Shaw and Chris Carr spent six hours picking up branches broken off trees during the recent heavy snowfall in early May.

On the Fairway Pines' streets there will be follow-up crack sealing and filling in a pothole by the old clubhouse for approximately \$300 to \$400.

Chris purchased the already approved mobile water tank and assembled the unit. The water tank will be used for the flowers and bushes to be planted for the beautification at Ponderosa Drive and Marmot Drive and County Road 1 and Ponderosa Drive.

c. Treasurer's Monthly Report as of April 30, 2016

Ann Blakely reviewed the April 30, 2016, monthly Treasurer's Report.

The ending balance as of April 30, 2016, for the Operations Account is \$54,849. Middleton Accounting transferred \$100 per lot from the Operations Account to the Reserve Fund. Each year from Line 34, Road Fund Assessment, \$100 is transferred out of the annual HOA dues of \$378 to the Reserve Fund. The ending balance of the Road Operations Account is \$3,998.

The ending balance as of April 30, 2016, for the Reserve Fund is \$256,746.

With the increase in ARC applications to build new homes, the Association funds will be increased by \$3,000 for each application; \$2,000 for the initial application fee which is applied to the Operations Account, and \$1,000 for the road impact fee, which is applied to the Road Operations Account

d. ARC Update

Ann Blakely, the Board liaison to ARC, discussed three applications reviewed at the ARC meeting today. None of the three homes will be on the Fairway Pines Sanitation District. The Collins' are building a home at Antler and Marmot. Randy Collins will be his own contractor. The Collins had to let go of their

designer and hire a new one. The Collins received a conditional approval for the conceptual design which will be changed because of the new designer.

Barry Zane is building a spec home to be listed in the mid-to-high \$500,000 at 181 Woodchuck Place. Greg Doudt of Dallas Creek Construction Company will be B Zane's contractor. Zane received approval for the conceptual design at the May ARC Meeting. Zane wants to present his preliminary and final plans at the next ARC meeting in June.

Mike Saville, owner of Lot 436, on South Badger Trail, received approval for his conceptual design.

The Collins and Saville's will have the preliminary plan review by ARC on June 6th and the final plan review by ARC on July 11th. The Jones' home on Marten Court has been started. Tony Girard, building a spec home at 1886 Marmot Drive, is running behind in starting construction. Barry Zane plans to build another spec home across the cul-de-sac on Woodchuck Place, and on two lots located on White Tail Lane.

5. Old Business

None.

6. New Business

a. Status of delinquent account Small Claim Court filings/liens and A/R Account Update

The Association has had twelve owners who have not paid their 2016 HOA dues in a timely manner, and thus became delinquent. Starting in April, Chris Carr filed actions in small claims court. A summons is issued to the owner to appear in court. Nine times out of ten, the owners pay the amount due in full before the hearings. If the amount due is not paid, then a default judgment is issued by the court, and the property is placed in a Sheriff's Sale, with the proceeds going to the Association to satisfy the debt. If no bid is received, the property reverts to the Association, and the Sheriff issues a Sheriff's Deed.

On May 4th, for Lot 329A, 557A Bear Cub Drive, the owner paid \$2,379 with \$1,125 in funds owed to the DENS since 2010 with the Association receiving the

remainder for dues owed the FPEOA. The DENS assigned the collection to the Association for collection purposes.

The owner of Lot 302 paid \$764 for past due HOA dues and penalties. Section 8, Collection of Past Due Assessments, of Policies, Procedures and Rules states that if the HOA dues are not paid in full, then the owner can be assessed an additional \$100 in penalty and \$1.48 in interest. An additional \$390 for penalties and legal fees is assessed on April 1st. Most of the delinquent accounts have been in delinquent status consistently year after year.

A small claims court hearing is set for June 9th for the past due amounts for HOA dues and penalties of \$906.24 on Lot 527. Another small claims court hearing is set for June 9th for the past due amounts for HOA dues and penalties of \$1,549.68 on Lot 509.

A small claims court date was set for May 26th for the delinquent account of \$956.76 on Lot 430. The owner had been delinquent for four years in a row. The owner passed away in February, thus Association may not be able to collect the delinquent account in the near future. A lien will be left on the lot until the actual owner becomes known following probate.

Last Thursday, May 5th, at the small claims court hearing, the owner attended the hearing. The judge asked Chris Carr and the owner to discuss the delinquent accounts of \$5,287.50 on Lots V-612 and V-613 with 3 units per lot. The judge set a new hearing date of May 26th before a default judgement is rendered.

The accounts receivable on HOA dues for the Association currently are \$8,700, with the most to be collected from the owner of Lots V612 and V-613 since the lots are 3-unit cluster lots. The Association has collected approximately \$8,500 in penalties and interest on past due 2016 HOA dues.

The Association currently owns eight lots which they received in sheriff's sales as a result of foreclosures and collection actions to date. The Association did have ten lots, and sold two lots. Two additional lots are in suspense because two different Sheriff's Deeds were issued to the Association and another party, which obviously needs to be resolved. The Association is in litigation currently to determine the actual owner.

b. Update on CR1fix initiative

Chris Carr stated that the Association, in cooperation with the CR1fix Committee in actively pursuing paving of County Road 1 under a public improvement district outlined at the website www.cr1fix.com. Last week saw two public meetings scheduled to provide information to residents of the proposed District. The paving would be from Yucca Road at the south end of the escarpment to just south of Colona. Property taxes would be increased by about approximately \$70 for every \$100,000 assessed value, if approved in its present form. The petitions to place the initiative on the ballot are close to 300 signatures; well beyond the amount needed. The initiative has a good chance of being placed on the ballot. In 1999, the public improvement district to pave County Road 1 up the escarpment passed by just 18 votes.

c. Attendance at Western Regional Wildfire Council Meeting on May 25

Chris Carr asked for a volunteer to attend the Western Regional Wildfire Council meeting on Wednesday, May 25th at 10 AM at the Log Hill Volunteer Fire Station #2. Sharon Kreutzen volunteered herself or her husband, Dick, to attend. The Western Regional Wildfire Council provides grants for slash removal to offset the costs. Sharon will update the Board at the next meeting. Fairway Pines will most likely plan for a community clean-up on October 3, 2016.

d. Board review of reference materials for advisors and new members

Chris Carr reviewed with Mike Forstner, Sharon Kreutzen and Tara Del Rossi the Board of Director's book's provided to them. Chris recommended that they initially read the covenants, especially Article V, Section 15, Offensive Activity, Outside Storage, because many covenant violations are related to this section. The covenants and By-Law changes require Association members to vote to change them. Sixty-one percent of the membership has to approve the changes. Gay Dicus is the Chair of the Covenants and Rules Committee.

The fourteen sections of the Policies, Procedures, and Rules are written by the Covenants Committee and approved by the Board to explain and clarify the many sections of the covenants. Sections 5 and 6 are related to covenant violations. Section 8 is related to collections of the HOA dues. The Association never wants to go back to the time when it had \$168,000 in accounts receivable for past due

HOA dues. Sections 12, 13, and 14 were the last sections added in the last few years.

The executive session minutes are not published. They are only for Board members. Attorney and client related issues are discussed in executive sessions.

All of the organization documents are on the website including the ARC standards, and the minutes of the Board and the committees. Also, the members of the Board and committees are on the website. Generally, the only time that the Board gets involved with ARC Standards is if an owner requests a variance to the ARC standards. The Board approves updates to the ARC standards. Dick Kreutzen updated the ARC standards and did a fantastic job over the past three years prior to Terry Thomas taking over as chair in February of 2016.

e. Background regarding Board decisions in 2016 to-date

This agenda item was not covered due to time constraints.

f. Proposed Association activities to be coordinated by Chris Carr beginning in August of 2016

At the Winter Member Meeting on January 28, 2016, the Association members present approved Chris Carr to be appointed as an advisor and a part-time employee of the Association starting August 1, 2016. The new Board, to be elected at the July 28, 2016, Summer Member Meeting, will review the duties in detail, and take final action to approve. The Association By-Laws require that Chris Carr's employment, and as an advisor, be at the pleasure of the Board. Some of the duties that Chris will assume are collections of delinquent HOA dues, legislative issues, coordination with the Ouray County Planning Commission and the Board of Ouray County Commissioners, coordinate maintenance/snowplowing of the 7 ½ miles of Fairway Pines streets (The Association is responsible for the streets within Fairway Pines) as well as the FPEOA Water Project.

In the April 2016 Fairway Pines Newsletter, is an article about what Chris' responsibilities will be in more detail.

g. New items – Open discussion

None.

7. Executive Session

The meeting adjourned at 4:15 PM to go into executive session.

8. Adjournment

The meeting adjourned at 5:00 PM with a motion by Chris Carr, seconded by Ann Blakely and unanimously approved.

The next scheduled regular Board Meeting will be scheduled on Tuesday, June 7th, 2016, @ 2:00 PM (MDT) at 664 Marmot Drive.

Respectfully submitted,

Mary Ann Guilinger
Recording secretary
May 19, 2016