



DMCA BOARD MEETING MINUTES

Purpose of Meeting: To provide a forum for the DMCA Board to meet and confirm they are fulfilling their duties and functions outlined in the Amended and Restated Bylaws of the Dallas Meadows Community Association.

Meeting Date	June 12, 2023	Meeting Time	6:01 pm – 7:17 pm
DMCA Board Attendees:			
• <input checked="" type="checkbox"/> Martin Bouliane		• <input type="checkbox"/> Erik Fallenius	
• <input checked="" type="checkbox"/> Russell Cosby		• <input checked="" type="checkbox"/> John Harper	
• <input checked="" type="checkbox"/> Mark Dollard			

***Guests – Kyle C, Sally H, John R, Wally H, Val S, Tom S, Bo and Barbara F (Manager)**

#	Agenda Item Discussion and Result
1	<p>Lot Owner Input</p> <ul style="list-style-type: none"> John R commented that Meadows Circle is in very poor condition. The agenda for tonight’s meeting includes a line item for road conditions within DM so we just talked about it now. It was affirmed that the county owns the roads within DM. It was further stated that the county posts the upcoming road maintenance schedule – timing and specific work to be done – on their road department page on their web site. County always cries poverty, saying they do not have enough money to do more, so until the county receives more funding for road upgrades, we are likely stuck with what we have.
2	<p>Approve Previous Board Meeting Minutes</p> <ul style="list-style-type: none"> Secretary distributed the draft of the minutes from the January 2023 Board Meeting. Martin made a motion to approve the minutes as presented. Russell seconded. Passed unanimously.
3	<p>Manager Update</p> <ul style="list-style-type: none"> We reviewed several items the manager was still missing from us. Secretary committed to getting needed docs to manager again and confirm receipt. Barb introduced Bo as the Assurance compliance officer. Items the manager still needed pertain to Procedures and Current Policies, specifically those around late fees for past due HOA Dues payments. During the meeting we shared these procedures (Board Resolutions) with Barb. The late fee is set at \$25/month. There are currently 5 DMCA owners late on their 2023 Dues. After a discussion, there was broad consensus among the Board Members that enough time has passed and late fees should begin being assessed to the overdue accounts. Barb was given direction to do that. <ul style="list-style-type: none"> Action: Barb will send late fee notices to those members overdue on 2023 Dues. <ul style="list-style-type: none"> Due Date: July 1, 2023



DMCA BOARD MEETING MINUTES

Purpose of Meeting: To provide a forum for the DMCA Board to meet and confirm they are fulfilling their duties and functions outlined in the Amended and Restated Bylaws of the Dallas Meadows Community Association.

#	Agenda Item Discussion and Result
4	<p>Water Team Update</p> <ul style="list-style-type: none">• John, Chair of the Water Committee, has assumed the role as primary gatherer of monthly property owner water meter reads. Going smoothly. Caroline is still helping but John has effectively taken over this job from her. Next step is to ensure other members of the water committee can do the reads in the event John is out of town or otherwise unavailable. John and the Committee will ensure we have redundancy among its members, so multiple people will be trained to read the meters each month.• John introduced the topic of a new meter for the pump house. Current meter is down and in need of replacement. Committee's aim has been to replace that meter with remote/wireless meter so that we can automate some processes and reduce time commitments from committee volunteers, but Lee at Valley Pump has not yet been able to recommend a good option. All agree the priority has to be fixing the meter, even if the wireless solution has to be delayed. Wally and John communicating with Valley Pump to get this done.• Wally has been most hands-on with the recent work at the pump house and the water tank. UPDATES: He shared that all of our meters are the brand Neptune. The communications at the tank were converted to wireless last Fall. We added whole-house surge protection in both the pump house and the tank stand, and both locations have ground solutions in place. We removed the GFCi switch at the tank to avoid false trips and we added a lock to the box (same combo as week house lock). We added an air fan near the heater switch in the pump house so it turns on whenever someone enters the room. As all have noticed, we added a 40-watt equivalent bulb with a top shield to indicate when the tank is calling for water (tank at approx. 40%). We also added a red bulb to indicate when the tank falls below a bottom line and is close to being empty. In the pump house, we added a thermostat-controlled heater on a new set of its own breakers (old heater in OFF position now).• Wally reported that the motor start up is obsolete. Martin confirmed that an electrician will not touch it and stated that we need Valley Pump to assist.<ul style="list-style-type: none">○ Action: John will train other water committee members on meter reading tasks.<ul style="list-style-type: none">▪ Due Date: September 11, 2023○ Action: John will communicate with Valley Pump on new Neptune meter for pump house and get on their schedule for the obsolete motor start up.<ul style="list-style-type: none">▪ Due Date: July 1, 2023



DMCA BOARD MEETING MINUTES

Purpose of Meeting: To provide a forum for the DMCA Board to meet and confirm they are fulfilling their duties and functions outlined in the Amended and Restated Bylaws of the Dallas Meadows Community Association.

#	Agenda Item Discussion and Result
5	<p>Financial Report</p> <ul style="list-style-type: none">Assurance was still missing a few clarifications on several expense items, so a current snapshot of the HOA's financial picture was not distributed prior to the meeting, but Treasurer and Assurance could report that all expenses were as expected. One area where the HOA is well over budget for the year is in Attorney Fees. After two years of running under budget on that expense item, the Board reduced its budgeted dollar amount to \$1,000 for 2023. The matter surrounding the Lot 36 home being built in the wrong location required legal assistance for the Board to respond correctly and effectively. Cleaning up old liens on Lot 21 was another unexpected matter that required legal assistance.Clarifications on missing expense items have already been delivered to Barb. Assurance will deliver actual financials through May 31, 2023 within the next week. Secretary will post to the community web site along with these draft board meeting minutes.Martin cut and Mark delivered a \$20,000 cashier's check to Assurance in May so they could open a new operating account at CIT. Martin stopped writing checks and paying bills at that time with Assurance assuming all bill-paying tasks, including those for water use overages. A capital expense related to the water pipe testing in 2022 was still unpaid, and Barb updated the Board that the capital expense needs to be paid out of a capital account. After discussion it was agreed there was enough surplus funds in the CIT operating account that could be used to prime a new capital account at CIT. Martin made a motion to instruct Assurance to move \$5,000 from the existing CIT operating account into a new CIT capital account that Barb will set up. John seconded the motion. The motion passed by a unanimous vote and Barb now has instructions to open the new account with the transferred money.
6	<p>ARC Committee</p> <ul style="list-style-type: none">Russell the Chair reported one new application since our last meeting. Lot 5 would like to add a solar array to their property. Prior to the Board Meeting, the ARC members communicated via email on standards surrounding solar arrays within the community. Some panels look solid black all around, while others have visible white/silver "frames" around the individual panels and around the outer edge of the array. Members acknowledged a neighbor's legally-protected right to install alternative energy systems. Members also acknowledged a Board's limitations in requiring certain types of panels, particularly if that requirement adds an undue extra expense to the applicant. In the end, no action was taken to update ARC language around these types of installations. Lot 5 was given full ARC approval to proceed. Lot 5 owner confirmed in an email that they intend to install the all-black style of panels.No violations reported.



DMCA BOARD MEETING MINUTES

Purpose of Meeting: To provide a forum for the DMCA Board to meet and confirm they are fulfilling their duties and functions outlined in the Amended and Restated Bylaws of the Dallas Meadows Community Association.

#	Agenda Item Discussion and Result
7	<p>New Business</p> <ul style="list-style-type: none">• Lot 36 Construction Project Discussion – Please see the ARC Meeting Minutes from April (under ARCHITECTURAL tab on community web site) for full background on the Lot 36 build project. This line item deals with (1) a request from a lot owner neighboring Lot 36 that hired an attorney and sought reimbursement from the HOA for spent attorney fees and (2) whether or not the HOA should seek reimbursement for attorney fees incurred. The Board expressed full consensus that (1) the HOA does not owe reimbursement and (2) the HOA will not seek reimbursement for itself. See Appendix A for email detailing these attorney-informed decisions.• Clean up of Lot 21 Title and Past Liens – In the 1Q, Martin B, owner of Lot 21, alerted Mark that there was an outstanding lien on record, filed by the HOA against the previous owner of Lot 21. After confirming the HOA was fully compensated and the lien was indeed no longer needed, Mark (with support from the Board) asked the HOA attorney to prepare a “release of lien”. He did, and afterward Mark got the release notarized while he signed it as the President, and then recorded it at the Ouray County Courthouse. All good. But in April, Martin’s attorney contacted the HOA’s attorney (David Skarka), letting him know that there were still matters of record still clouding the Title of Lot 21. Mark’s last communication with David stated “we don’t want to pay for anything we don’t have to, but yes, the past financial matters between Lot 21 and the HOA are 100% resolved, so if we need to release or update other matters of record – if it is the HOA’s responsibility – then please proceed.” David has not replied to Mark on this topic yet so Mark will contact him for an update.<ul style="list-style-type: none">○ Action: Mark will contact David Skarka by phone and email to get update on Lot 21 Title Clean-up.<ul style="list-style-type: none">▪ Due Date: June 20, 2023
6	<p>Open Action Items</p> <ul style="list-style-type: none">○ Action: Barb & Assurance will send late fee notices to those members overdue on 2023 Dues.<ul style="list-style-type: none">▪ Due Date: July 1, 2023○ Action: John will train other water committee members on meter reading tasks.<ul style="list-style-type: none">▪ Due Date: September 11, 2023○ Action: John will communicate with Valley Pump on new Neptune meter for pump house and get on their schedule for the obsolete motor start up.<ul style="list-style-type: none">▪ Due Date: July 1, 2023○ Action: Mark will contact David Skarka by phone and email to get update on Lot 21 Title Clean-up.<ul style="list-style-type: none">▪ Due Date: June 20, 2023
7	<p>Adjournment</p> <ul style="list-style-type: none">• With consensus among all members, Mark adjourned the meeting at 7:17 PM.
8	<p>Next Board Meeting</p> <ul style="list-style-type: none">• September TBD, 2023 at 6:00 PM via Zoom

Dallas Meadows Community Assoc.

Profit & Loss

06/19/23

January through May 2023

Accrual Basis

	<u>Jan - May 23</u>
Ordinary Income/Expense	
Income	
4000 · Dues Improved Lots	31,975.00
4000.1 · Dues Unimproved Lots	3,000.00
4016 · Water Overage Payment	248.18
4027 · Interest from Bank Accounts	43.06
8000 · Transfer to Reserves	6,930.00
	<hr/>
Total Income	42,196.24
	<hr/>
Gross Profit	42,196.24
Expense	
Administrative	
5002 · Audit/Tax Preparation	375.00
5018 · Insurance - General Liability	963.00
5025 · Legal General	1,830.00
5026 · Annual Filings - SOS/DORA	10.00
5034 · Office Expenses	69.99
5052 · Website	258.00
	<hr/>
Total Administrative	3,505.99
Operating Expenses	
6092 · Electric	823.20
6095 · Water	2,361.04
6096 · Water Testing, Repair, Chemical	1,717.54
6097 · Water O&M	4,710.15
	<hr/>
Total Operating Expenses	9,611.93
Reserve Fund Expenses	
Sprinkler System	750.00
	<hr/>
Total Reserve Fund Expenses	750.00
	<hr/>
Total Expense	13,867.92
	<hr/>
Net Ordinary Income	28,328.32
	<hr/>
Net Income	<u><u>28,328.32</u></u>

Balance Sheet

As of May 31, 2023

	<u>May 31, 23</u>
ASSETS	
Current Assets	
Checking/Savings	
0544 · Wells Fargo 0544	100.00
4763 · Alpine Bank 4763	38,481.33
5420 · Alpine Bank 5420	2,002.07
5586 · Alpine Bank Acct. 5586	39,651.57
9220 · CIT Bank-Operating Acct. 9220	3,960.00
Total Checking/Savings	<u>84,194.97</u>
Accounts Receivable	
1200 · Accounts Receivable	6,730.00
Total Accounts Receivable	<u>6,730.00</u>
Other Current Assets	
12000 · Undeposited Funds	-165.00
Total Other Current Assets	<u>-165.00</u>
Total Current Assets	<u>90,759.97</u>
TOTAL ASSETS	<u>90,759.97</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · 2000 Accounts Payable	2,120.00
Total Accounts Payable	<u>2,120.00</u>
Total Current Liabilities	<u>2,120.00</u>
Total Liabilities	<u>2,120.00</u>
Equity	
30000 · Opening Balance Equity	60,311.65
Net Income	28,328.32
Total Equity	<u>88,639.97</u>
TOTAL LIABILITIES & EQUITY	<u>90,759.97</u>

APPENDIX A
June 12, 2023 DMCA Board Meeting

Tom,

I was able to communicate with the DMCA attorney, David Skarka, in regard to the letter you and Debbie sent to the DMCA Board and ARC concerning Lot 36 and your attorney incurred fees. The Board had informal conversations prior to my communication with the attorney, and after.

David was in line with the Board's view of the role of ARC and of the Board as it relates to approvals and actually monitoring construction projects. He agreed with the Board that ARC members are simply volunteers with no specialized skills to conduct any legitimate oversight work. There is nothing in our decs describing responsibilities for oversight of in-progress projects.

When this subject was first raised by you, the wheels may have moved slowly, but they moved. After hearing your concerns, Gary Ratcliff, a member of ARC and past-President, visited Lot 36 and took some crude measurements. He contacted Tom Bennett (ARC chair at time of Lot 36 approval) for documentation of past communications and to confirm the copy of the Lot 36 plans that ARC had approved. When Gary thought it did look different, he revisited the site with a second ARC member (Val) and took more accurate measurements, confirming that the foundation was in a different location than what was approved. Gary kept me and the current ARC members informed along the way. With this knowledge and confirmation we contacted our attorney to seek assistance with the drafting of a formal letter to the Veenstras demanding they cease construction in the unapproved spot. Which we delivered via email and certified letter.

There was no dereliction of duty. It often does require a neighbor to raise the alarm, just like in this instance. You and Debbie were in the best position to notice if something was amiss. It was your choice to hire an attorney. We acted when alerted. We enforced the covenants. And the matter was resolved in a satisfactory manner when the misplaced foundation was removed. The process worked the way it was supposed to when a lot owner violates the covenants.

Our attorney advises us that the HOA does not owe you reimbursement. Hiring an attorney was your choice. His opinion is that the law does not support the HOA reimbursing you. The Board is going to follow his advice.

Paragraph 16.3 in our decs is very clear that the Association, **as well as any aggrieved lot owner**, may seek reimbursement for undue expenses incurred due to another lot owner's violation of the covenants. The State statutes provide more support for such an action in CCIOA section 38-33.3-123 - this is the part of the law that covers ENFORCEMENT. The relevant paragraph states:

APPENDIX A
June 12, 2023 DMCA Board Meeting

For any failure to comply with the provisions of this article or any provision of the declaration, bylaws, articles, or rules and regulations, other than the payment of assessments or any money or sums due to the association, the association, any unit owner, or any class of unit owners adversely affected by the failure to comply may seek reimbursement for collection costs and reasonable attorney fees and costs incurred as a result of such failure to comply, without the necessity of commencing a legal proceeding.

Note that in addition to saying the association can pursue reimbursement, it says "any unit owner" can do so as well. I would encourage you and Debbie to pursue all remedies you feel you are due from the owners of Lot 36. That is up to you, and the HOA is not a party to it.

The HOA attorney feels that the law and our decs are on the Association's side to seek reimbursement from the Veenstras. He believes that...but he advises against it. He feels we budget a line item for attorney fees each year because stuff comes up. He feels we should just view this as stuff coming up. He advises against getting overly litigious and move on and accept this as a cost of doing business. This will be a line item on the agenda for the 2Q Board Meeting in June where we will make a final decision on what to do.

With regards to the timeframe of the construction project on Lot 36, they have alerted the Board that they have ceased and scrapped the build. The ARC approved home and home site are not going to be built. That is the extent of the information I have on that.

Please let me know what I can answer or clarify.

Sincerely,

Mark Dollard, President
Dallas Meadows Community Association
970-708-0854