

FPOA Board Meeting Minutes

January 18, 2014

Northwest Fire District

www.foxtailpineshoa.org

Vice-President, Jude O'Connor called the meeting to order at 10:07 am. A quorum of the board was established since 4 of 5 members were present: Jude O'Connor, Bob Smith, Trent Green & Kathy Reeves. Allyn Mosher and Diane Kyles were also present.

The agenda was provided by Jude. Kathy made a motion to approve the agenda and Trent seconded. Motion passed.

Kathy provided minutes of the November 9th meeting. Trent made a motion to approve the minutes with 2 small changes and Bob seconded. Motion passed.

Financial Report

Bookkeeper Allyn Mosher and Treasurer Bob Smith gave the financial report. Allyn said we have one bad debt in foreclosure on Lot 237 for \$710.99. Since it is a foreclosure in bankruptcy there is nothing we can do, but we have a good chance of collecting it if the sale is through a title company.

Bob said Dec. 31, 2013 ended the fiscal year for the HOA. We had \$32,600 in income and \$27,505.30 in expenses with a surplus of \$5,094.70. There were no new expenses in 2014 except for the bad debt expense of \$710.99 on lot 237 due to a bankruptcy filing. As of Dec.31, 2013 we have \$8,734 in outstanding dues from 33 owners. This is 11% of property owners with 17 being chronic. At the last meeting we worked on a collections policy to go into effect on Jan. 1, 2014. Allyn typed the revisions and we approved it unanimously via email Nov. 11, 2014 as agreed upon at the Nov. 9th meeting. Since we sent the notices out before Jan 1st we may not have given proper notice.

Bob said: The new HOA collections bill (HB13-1276) went into effect January 1, 2014. The statute states in the final sentence, "This act applies to debt collection practices, payment plans, and foreclosure proceedings commenced on or after the applicable effective date of this act." Since we are now following this law, and we have established a policy, I believe that we would now be required to send another outstanding dues notice to comply with the guidelines set forth in our collections policy. Should a motion be made and passed, we would need to follow a specific course of action. First, a new notification is sent to the delinquent owners. Next, the owners have 30 days to cure. After this time, any delinquencies must be addressed, each, on an individual basis. The Board must formally resolve, by a recorded vote, to authorize the appropriate action to be taken on each and every case individually, to proceed with a collection agency, or refer to a lawyer for legal action.

Jude also brought up the offer of a one-time payment plan. Bob contacted an attorney. A paralegal could send letters for about \$125. Allyn said the letters we sent out said this was the last chance before legal action was taken and we got a great response. 10 accounts became current before Jan. 1st. Diane appreciated that the bills are being sent out consistently, in a timely manner. Bob said the credit card payment system is up and

running and we have received 4 payments online. Diane updated the website with the online option. Trent thought we should engage a law firm to send a letter to the 33 delinquent owners. Give them 30 days to cure and meet to decide on liens or collections for each owner. Allyn said there are different kinds of liens. Homeowner liens can lead to foreclosure. Mechanics liens are cheap to file and put a cloud on the title. Title companies will collect delinquent dues at closing. Collection agents take a high percent of the amount but get the money sooner. Trent made a motion to engage a law firm to send a letter to the 33 delinquent owners telling them they have 30 days to pay the balance or we will have a hearing to vote on action for each account. Kathy seconded. Bob will talk to the attorney. Diane asked for current financials and minutes to post on the website.

Unfinished Business

Architectural Committee

Jude had nothing to report. No new construction.

Covenants

Kathy met with Steve Groome to discuss revisions to #2, #4 & #5. Some owners at the annual meeting had concerns about #4 & #5 being too vague and restrictive. Steve said those were written by Hinman-Sanchez and he didn't change them because no one on the documents committee objected to them. He combined #4 & #5 into #4 "Liens and Assessments". He added #5 "Residential Use" which includes commercial grow operations. We didn't add anything on trash and nuisance since that is included in the original covenants. There was discussion on the language of #2 and #6 but the Board agreed on the newest revision. Bob made a motion to accept the covenants as presented. Trent seconded. Motion passed. Kathy will date the newest revision January 18, 2014. Jude will write a draft and send to Monte. We will ask Allyn to do a mailing with the letter and a return postage postcard.

Bob wants to thank Northwest Fire and maybe have our future meetings here. They have excellent internet connection if anyone needs to use Skype. Jude said she would send a thank you note.

Possible meeting dates: If we need to have a hearing March 8th would work. April 12th will work for the next board meeting. Meeting adjourned at 11: 53. Diane will post possible meeting dates on the website.