

SPECIAL MEETING OF THE COLONIA VERDE HOMEOWNER'S ASSOCIATION
TO GAIN INPUT AND INSIGHT FROM THE COMMUNITY ON THE SUBJECT OF A
PROFESSIONAL MANAGEMENT COMPANY

The meeting was called to order at 9:00 a.m. on November 21, 2007 by Joey Curtis, President of the Colonia Verde Homeowner's association. The following Board Members were in attendance: GJ Spilde, Gloria Williams, Bob Ferguson, Annette Green, Dee Ruelas and John Carlson. Approximately 60 members of the community were in attendance.

The President announced the purpose of the meeting was to present the information the Board had gathered regarding the services Property Management Company's offer and to answer questions from individual homeowners on the subject. She then read a statement outlining the meeting rules. Several people objected loudly/verbally all at once to the statement. Mark Brook took exception to the President's statement yelling above the others that he did not accept the rules and guidelines for the meeting set forth by the President.

When the room finally quieted the President introduced CVHOA's attorney, Carolyn Goldschmidt. Carolyn made a brief statement about professional management companies, her experience working with them and explained how they could take the burden off non professional board members in running a community the size of Colonia Verde. She stated that she has worked with Colonia Verde for several years, that she was here, at the invitation of the Board, to help the residents understand where Colonia Verde is operationally at the present time. The President then asked that any speaker identify themselves before they asked a question and opened the floor up to questions regarding the issue at hand.

Mike Zonnefeld asked why the attorney was here and if she represented any management companies. Carolyn replied that the Board had asked her to be here to help the community understand how property management companies work and NO she does not represent any property management companies. She further stated that she represents almost 400 HOAs, some managed some not.

A question from the floor from an unidentified male: "since we all make monthly payments, why is the Board making this decision without our input." The attorney responded to the question due to the absence of the Legislative Chair at this meeting. Carolyn: Colonia Verde is a corporation and the directors are elected by the members to represent them and take care of the corporations business and in all but a few situations outlined in your governing documents, they have the authority to act on behalf of the corporation.

Mark Brook then brought up the meeting held last night for homeowners and stated that it was clear that those in attendance wanted this action delayed until a new board was in place. He further stated that he thought the "Lame Duck Board" should be removed immediately if they didn't do as he suggested. He further stated that he wanted to know why the attorney was here that this was not a legal matter but a process matter and why "we as homeowners are paying your fees to be here, you represent the association but not the community." Mr. Brook continued to speak but was not clear in the front of the room where minutes were being taken as several others in the audience began to talk loudly and refused to come to order when the President requested them to do so.

When order was restored President Curtis reminded all those in attendance that they had received a hand delivered letter to their door advising that there would be no vote taken on this issue today and asked that they all attend an informational meeting on Dec. 3rd to hear directly from the property management company.

Clement Knorr was then recognized by the President. Mr. Knorr stated that he had lived in four communities with HOAs and this was the only one with amateur management. Kent Driesbock interrupted him and said “unprofessional perhaps, but not amateur” to which Mr. Knorr responded, “amateur Management, people with good will doing an thankless job working their butts off having ugly people like you criticize ” – the room broke into loud shouting. He further stated that he had been at the meeting the previous evening and didn’t like the way things were approached by the individual running the meeting. The attendees again broke out into talking all at once, not identifying themselves and shouting at Mr. Knorr to sit down. Helga Whiton identified herself and stated that she did not want a property management company, she was happy with things the way they were. Karen Davis stated that she understood that the Board had responsibility for the day to day occurrences and this is not a day to day occurrence, this is major and extraordinary. Ms. Logan spoke up and stated that she had property management experience in Colorado and that it sucked bad and for the most part they were run out. She stated that the Board had been underhanded in their actions and if the Board didn’t postpone the decision they should all step down. President Curtis reminded those in attendance that they had all received a letter last weekend explaining the board’s position and the reasons for it. Again yelling and shouting broke out. Ms. Logan then stated that she works for attorneys and that the Board acted unethically and did not follow protocol and said “if you think you did you’re unethical as hell”.

President Curtis again had to request that order be restored and asked if anyone was interested in hearing what the board had learned and what brought this to a head? A member of the audience shouted out “what’s the hurry” to which the President replied “the board thought this was the best thing to do given the results of the reserve study and lack of professional input over the last 30 years, we did it for the future of this community.

Burt Lubliner then stated “you have done a study, is it a dooms day type of thing or do we have time to work on this?” He was immediately followed by Kent Diresbock who said he wanted to hear what each board member has to say and that he took exception to being called an instigator. (Secretary’s note: I do not know when or if he was called that during this meeting, I have nothing in my notes on that matter.) Dennis Davis then identified himself and said he too wanted to hear from the board on their positions. Jack Olwine took the floor and thanked the board for their work on the revision of the governing documents this past year and stated that the community needs information on the issue of a professional property manager and that a board meeting was not the place for that. He suggested we call a special meeting for that purpose and asked that the board end this meeting now. Lorraine Morales stated that “we appreciate all the work the board has done and want to hear what they have to say”.

In response to the request to hear from each member of the Board, President Curtis first called on Gloria Williams, CVHOA Treasurer and member of the Long Range Planning Committee. Gloria explained that the LRP Committee came about out of a need to learn how to protect our community in the long term. Over the past few years there have been many articles published on the necessity for HOA’s to prepare for the future. Gloria pointed out that although requests for volunteers for this committee were sought, very few came forward and some that did soon dropped away. She further explained that the developer should have done this in the very beginning, 30 years ago, but they didn’t plan ahead and as a result CV is now facing some

serious rebuilding needs in the near future and the reserve fund started this year will not be sufficient in the long run. Several people began to speak at once, not identifying themselves, the main theme seemed to be where the funds for a management company would come from, how much a management company would cost and how much dues would be raised. Lenci Loring asked about the old reserve fund started many years ago, she thought it was \$15/month. Gloria replied that somewhere along the line the funds had been commingled because of non professional management. Harold Glass then asked if the board could guarantee that dues would not increase with a property management company. Gloria replied, no, no matter who is in charge. Upon the conclusion of Gloria's remarks, someone (male) in the back of the room shouted out "we don't want to hear from all the Board members". Once again disorder broke out and President Curtis asked that order be restored.

Helen Heun then asked if an annual audit had been done by a CPA, she further stated that if it had they would have alerted us to this situation much sooner, Gloria turned the question over to Ron Sipp, CPA and CV homeowner. He said an audit of the books would not have been of a nature to discover or recommend the need for more reserves or the long range needs of the community but rather to make sure funds were properly allocated and that it would cost \$2,000 to \$3,000/year for such an audit.

John Whiton then identified himself and stated that he wants all this tabled until after the holidays and asked the board to make such a motion. John further stated that he felt by discussing this matter in detail we were getting off the track of delaying the action until after the first of the year and that if we heard from each board member we would be here until afternoon. He felt that this was not the time or place and again requested a motion to table the issue until after the holidays.

After consultation with our attorney, Architectural Chair, Annette Green made the following motion: "I move that we table the matter of a property management company until the new board is voted in" Gloria Williams Seconded, discussion followed that the motion was not correct and John Carlson amended the motion as follows. "I move that we table the matter of a property management company until after the holidays", second Gloria Williams, passed. Helen Heun then stood and stated that she hoped the community would be able to come together. Another homeowner Terry Henry spoke up and stated that he thought headway had been made, and asked of the board "can we be assured that the community will be heard?" Responses from the board, "of course".

Burt Lubliner then asked Annette if she accepted the revised motion. Annette responded "if I didn't I'd be outvoted so what's the point." "I do think it's important to have information out in the community but I do not accept the amended motion". Attorney Goldschmidt then advised that it didn't matter if Ms. Green accepted or not, the Board had acted.

Once again, loud talking and shouting broke out in the room and Attorney Goldschmidt recommended that we end this portion of the board the meeting as nothing was being accomplished. Motion to adjourn Dee Ruelas, Second Annette Green, passed.

Respectfully submitted by,

Dorinda Ruelas, Secretary
Colonia Verde Homeowner's Association