**Southern Bluffs Annual Meeting**

**Agenda**

**June 3, 23**

**9:00 AM**

**NOTE FROM BOARD:** *This is an important meeting. If we do not have a quorum, the meeting will have to be rescheduled until we reach a quorum for our required yearly meeting. The quorum failed in October, so we have new and unresolved business. Please attend, but if you cannot, please give your proxy (attached) to a trusted HOA or Board member.*

* 1. Welcome / Brief Introductions Karen
  2. Approval of Minutes from June and October 2022 meetings (attached). Sally
  3. **Election of Officers:** Karen/Sally

EJ White, Treasurer;

Sally Planalp, Secretary; Marilyn Zion, Board Member-at-Large **Continuing:** Karen Sheek, President;

Eric Cheever, Vice President

* 1. Introduction of Carol Glover, new SBHOA Accountant, review of PY financials EJ/Carol
  2. Proposed Budget for June 2023 to May 2024 (attached) EJ
  3. Discussion of Clubhouse Karen/EJ
  4. Update on the Streets Karen
  5. Issue of L Way Gate EJ/Sally
  6. Strategies for Fire Mitigation (see minutes of 6/18/22 meeting). Karen

**Information Meeting: Saturday, 6/10/23, 9:00 am**

Guest Presenter: Samantha Torres, Wildfire Adapted

* 1. Other Business from the Floor Karen
  2. Adjournment Karen

**Letter from the Board, May 11, 2023**

**Board Members**: The terms of current Board members EJ White, Marilyn Zion, and Sally Planalp are expiring. All were either elected or appointed to fill out terms of previous Board Members who resigned before their terms ended. All three are willing to run for election and continue to serve. If other HOA members would like to be candidates for a seat on the Board, please notify [secretarysbhoa@gmail.com](mailto:secretarysbhoa@gmail.com) before the meeting, if possible. Nominations will also be taken from the floor during the meeting; contested elections require a secret ballot.

Please recognize that Board and ARC members serve on a volunteer basis; Board and ARC members are not paid and cannot accept any compensation. When you make requests or raise issues, remember that you are not dealing with a paid management company, but rather residents who have volunteered to serve on the Board and have donated hours of personal time to address HOA business. We do our best to take care of our common property and to address your concerns promptly. The Board can be reached via the website [southernbluffshoa.com](mailto:no_reply@apple.com) or [secretarysbhoa@gmail.com](mailto:secretarysbhoa@gmail.com). Many additional services are provided by other volunteers, especially Steve Eberhart, John Sheek, and George Cheney. These services include maintaining the website, managing the holiday lights, making numerous repairs to the Clubhouse and fences, mowing grass and shrubs for fire breaks, eliminating weeds in cracks in streets and curbs, and trimming shrubs around the clubhouse and in the medians. Julia Buff has also spent time researching fire mitigation.

**Change in Accountant**: The Board determined that it was time to issue a Request for Proposals (RFP) for accounting services to try to reduce accounting costs. Periodically changing accountants is also considered a best practice. The RFP went out to 12 local firms. Forth and Associates did not respond. Carol Glover was recommended by Haley and Majors and chosen by the Board. The transition went smoothly during January and February. Some HOA members have asked where they can drop off their checks. There is no secure box at the Clubhouse so checks must be mailed to SBHOA, 801 Bluffs Blvd.

HOA dues and late fees are the only revenues that our organization receives to cover landscaping, building and road maintenance, insurance, etc., so it is extremely important that all residents pay their assessed fees in a timely manner. If annual dues are not paid in full by **June 30** of each year, interest and monthly service fees will be charged per CO Statute 22-1137. Owners may set up a monthly payment plan, and monthly dues made on time will not accrue additional charges. Residents who fail to pay their dues or adhere to a payment plan will be taken to Small Claims Court, which will result in additional costs and may damage one’s credit rating.

**Update on the Streets**: At the time of this writing, we are in a stalemate between the City Attorney, Patrick Coleman, and our HOA Attorney, David Firmin, over legal procedures for turning over the streets to the City. Updates and details will be discussed at the meeting. It is possible that we will need to decide on a plan for collective action if the stalemate is not resolved. At stake are ongoing costs of $10-$20K per year for road maintenance that is either spent in that year or escrowed for major, very expensive major road work in the future.

The concrete corner repairs at the Jennings & Bluffs and L Way & Bluffs intersections have been completed and approved by the City. Many thanks to Steve Eberhart for supervising this project. Steve is also searching for a vendor to do asphalt filling of cracks in the streets that have developed over the winter. Be forewarned that Steve will kill weeds in the streets and gutters for the last time this year. After that, we will need to find other SBHOA volunteers or pay service providers to do this work.

**Renovations/Repairs to Clubhouse**: The Board, in consultation with the Clubhouse Manager, determined that the Clubhouse was worn and in disrepair, which may have inhibited our ability to rent it. As you had probably noticed, the carpet was ragged, and the walls badly needed to be repainted. Renovations were:

1. New painting for the Great Room (3 bids submitted with references; least expensive was chosen)
2. New carpet (2 bids, virtually identical, least expensive chosen); other flooring options involving tearing out the existing tile were about 4x the price.
3. Broken globes in chandelier and inoperative ceiling fans were replaced or soon will be.
4. Cleaning of valances.

**ARC Lighting Violations**: ARC rules indicate that “Exterior lighting should not cause glare on adjacent properties.” Please be a good neighbor and ask those nearby if your lights are bothering them.” Waiting for a complaint to be filed before turning down your lightsdoes not make for good neighbor relations. There are many ways to minimize glare, such as using lights that face downward, shields to target the areas of focus, motion detectors, and simply turning off your lights when they are not needed. Search online for additional options.

**Website Recommendations:** It is becoming increasingly difficult to find good service providers, from plumbers and electricians to a general handyman. The Board had such positive experiences with the clubhouse painting and carpet providers that we will recommend them to HOA members through the “Members Only” section of the website, [southernbluffshoa.com](mailto:no_reply@apple.com). Password for “Members Only” (not to be shared) is **XXXXXXX.** If you would like to recommend a service provider, contact [secretarysbhoa.com](mailto:no_reply@apple.com). The Board will provide an ongoing updated list of names with contact information. Please provide *your* name and contact info so that other residents can discuss the provider’s services with you.

**DRAFT Minutes of Meeting 6/18/22, NOT YET APPROVED BY MEMBERS**

Board members in attendance: Greg Felsen, President; Karen Sheek, Vice-President; Sally Planalp, Secretary;

Roger Fulks, Board Member; Bill Marty, Treasurer was not in attendance for medical reasons.

HOA Active Members present = 33; Inactive Members = 2; Proxies = 9;

Quorum is 30% of Active Members (105 Total Members – 11 Inactive Members x .30 = 29 members needed).

Meeting was called to order at 9:07am by President Greg Felsen.

Chuck Forth, the HOA accountant, was present to discuss the Budget. He mentioned that the difference between the fiscal year (June-May, Bylaws 9.02) and the calendar year (when dues are paid) can be confusing. He said the HOA could change the fiscal year to calendar year if desired, and he discussed its implications in terms of filing with the IRS. Planalp noted that the difference between the Budget and Calendar years is misleading because it does not show the need to escrow 7/12 of the income to cover expenses for the beginning of the next budget year (e.g., June to December 2023) when there is little income because most dues are paid earlier (usually January 2023). This has been noted in the current budget. Forth indicated that the HOA’s balance is +$10K compared to the previous fiscal year but that it is still a deficit budget.

One member raised issue of monthly dues and extra fees, and Planalp responded that dues are payable by June 30 (per Responsible Governance Policies 1.5), but that residents are also eligible for a payment plan over 6 months without penalty. **If you are paying monthly over the course of the year, please let us know via** [secretarysbhoa@gmail.com](mailto:secretarysbhoa@gmail.com)**.**

Felsen asked new members to introduce themselves: Sheri Forzley, Laurie Hutton, Eric Cheever, Christina Myers. The rest of the attending members then introduced themselves as well.

Jessica Borden, the Community Risk Reduction Officer of the Montezuma County Fire Protection District, gave

A brief presentation on fire mitigation for SBHOA. Among the points she made (approved by her via email):

* Most homes that are lost to fire are because of embers getting up against house, via eaves, window sills, cracks between stucco and other surfaces, pine needles under decks, etc. Keep an eye on stucco siding; gaps should not have flammable material in them, also gutters and window sills. There is a certain size screen for rooftop vents for fire safety.
* Fuel is in the canyon, not so much in the subdivision, but wildfire could spread very fast in the canyon, as with the fire that spread to the Hawkins Preserve in Spring 2021.

1. She indicated that the SE side is especially vulnerable because flames can rise up the hillside. If vegetation is removed, she is concerned about erosion; she suggests putting down gravel.
2. Homeowners need to develop fire breaks, at least 1½ times the height of surrounding vegetation (e.g., 2 ft. shrub needs 3 ft. fire break), but twice as much on the hillside.
3. There should be nothing flammable within 5 ft. of the house, including wood chips that will bring fire right up to the house. She suggests forms of inflammable decorative ground cover.
4. Owners should make sure wood fences are kept well treated and are not weathered. Keep vegetation away from fences and flammable structures. Plantings should be okay if kept watered.
5. The big goal with mitigation is to give fire fighters an advantage with “structural prep,” in other words, triage about what can be saved and what cannot.
6. They can only make recommendations; it is up to the HOA to enforce rules. She also encouraged the HOA to think about evacuation preparedness. Their website, readyforwildfire.org, will be posted on the southernbluffshoa.com website, and additional materials will be provided. Here is a video recommended by Jessica of the Palisade hillside fire. Start at 5:44: <https://www.youtube.com/watch?v=kkNHhwbylXU>
7. Mitigation: Wildfire Adapted Partnership (<https://www.wildfireadapted.org/>) can help but may not be available until the Fall. Jessica asked us to share their office number that you can call with questions: 970-565-3157. She suggested that the HOA also reach out to Alex Graf in LaPlata County.
8. Felsen said that yard waste can now be taken to the County for free.

There was additional discussion of the budget, including discrepancies between Forth’s estimates and those in the proposed budget. Several members requested more transparency about expenses. The Board agreed to post monthly expenses on the website, although in a form that aligns better with budget categories than the Transaction Detail statements from Forth and preserves confidentiality. Additional explanation of budget and expenses will be provided on the website when expense information is posted.

There was also a discussion of the budget deficit and the need for a reserve fund, which is currently impossible with the budget deficit. Planalp indicated that if the budget is vetoed by the membership, it defaults to the last budget approved. Buff moved, with multiple seconds, to approve the proposed 2022-2023 budget. The motion passed by voice vote. Felsen asked for calls for a standing vote, and there were none.

It was announced that there is a new Clubhouse manager, and that the Board is trying to find the best place between lower rental rates that are attractive but do not cover expenses and higher rates that cover expenses but may discourage rentals. Planalp noted that Clubhouse income and expenses rentals have not broken even over the past several years, when one factors in utilities, insurance, maintenance and repairs.

Sheek addressed the issue of the status of the effort to turn over the streets to the City of Cortez. She indicated that the HOA was told by the City Attorney that 100% of owners would need to sign off on the transfer. The SBHOA lawyer has sent a formal letter to the City Attorney of Cortez citing Colorado law and SBHOA CCR’s indicating that signatures of 67% of owners are needed for the transfer. A reply has been delayed because there is a new City Attorney who has not yet had time to deal with this issue.

Sheek also noted that the Pinon gate has been opened due to fire hazard. One Member raised the issue of cars speeding, especially on Jennings and L Way. One Member who is a law enforcement officer advised residents to report violations to police but noted that law enforcement cannot issue speeding tickets on private streets. Another Member raised the issue of dark skies and bright LED lights and encouraged residents to limit unnecessary lighting, especially bright lights at night.

Michael Green spoke to the group about his preliminary plan for development of the western sector that was in the original development plan as Phase 2. He asked the Board to put the street decision on hold for 60 days until his plan is solidified and could be presented to HOA members. One Member asked who the developer is, and the response was Mark Knutson, a developer out of Boulder. He indicated that the development plan might lower costs of preparing the streets for transfer to the City.

The final matter of business was to nominate and elect a new Board member and Treasurer to fill out the last year of Bill Marty’s term due to his illness. There was one nominee, E. J. White, who is an accountant. She agreed to serve, was elected by voice vote, and is welcomed enthusiastically by Members and the Board.

Felsen called for more volunteers to help with community tasks. Sign-up sheets were available for the following committees: Landscaping/Maintenance, Welcoming New Residents, Clubhouse, Socials and Get-Togethers [Note outside Minutes: an additional committee on Wildfire and Safety may be added.

There was a motion to adjourn, seconded, and approved at 11:21.

**DRAFT Minutes of Meeting 10/8/22, NOT YET APPROVED BY MEMBERS**

Board members in attendance: Greg Felsen, President; Sally Planalp, Secretary; Roger Fulks, Board Member;

EJ White, Treasurer; Absent: Karen Sheek, Vice-President

HOA Active Members present = 19; Inactive Members = 0; Proxies = 1; no quorum was met. Quorum is 30%

of Active Members (105 Total Members – 11 Inactive Members x .30 = 29 members needed).

Minutes of June meeting were not approved due to lack of quorum; call for approval at June 2023 meeting

Meeting was called to order at 9:13 am by President Greg Felsen.

Nominations were invited to fill Board position held by Felsen and Fulks, who asked to step down. No nominations came from the floor, but Marilyn Zion and Eric Cheever had agreed to serve on the Board. The Board is authorized to appoint members for unexpired terms (see Board meeting minutes below) with new elections for all positions in June 2023 and 2024.

The situation with the streets has not changed since last reported. We are waiting for the new City Attorney to make a judgment about whether 100% or 67% of owners will be required to sign off on the transfer of streets to the City of Cortez. The attorney hired by SBHOA has sent a letter arguing that 67% is appropriate.

A request was made for volunteers to serve on several committees: Fire and Safety, Landscaping, Welcoming, and Social Committees. Several people signed up for the Social Committee, but no volunteers for the others. Julia Buff spoke to issues of fire and safety and the work she has done to find ways to remove brush, especially along the slope to the east, which was noted by fire experts as a hazard (see minutes of June 2022 meeting). More information will be posted in the Members Only section of the southernbluffshoa.com website. The tangle of trees and shrubs at 726 L Way was noted as a particular hazard; Planalp will contact Preston Dillon to ask that the vegetation be removed when construction begins.

Matt Abrams spoke to the issue of establishing better park space for the children of the neighborhood, perhaps near the Clubhouse. EJ White raised the issue of the prohibitive cost of liability insurance for playground equipment. Erik Torfin suggested modest upgrades to the gazebo area, such as benches and a walkway, to make it more useful and attractive. Greg Felsen indicated that there will be a Colorado initiative starting in June 2023 for grass removal to establish xeriscaping with money funneled through the City of Cortez. SBHOA should determine if it would be eligible for funds.

Steve Eberhart reported on several issues that he has heard in discussions with various SBHOA residents. He invited all SBHOA residents to be **Good Neighbors** by considering the following:

* Torfin would like to be relieved of his duties to lower and raise the flag at the entrance.
* Speeding in the subdivision continues to be a problem, especially by contractors and delivery drivers. Eberhart offered to contact the contractors, and Torfin suggested that speed limit monitors might be installed by the City of Cortez, as they had been in the past.
* Trailers parked on the street should have unexpired plates and be there for no more than 48 hours.
* Old political signage should be removed.
* Talk to your neighbors about outdoor lighting that is a nuisance to you, and ask your neighbors if your lighting is a nuisance to them. Some lights seem to be unnecessarily bright; lighting may be pointed outward rather than downward at the area to be illuminated; and motion-sensor lighting might work better.

**Many Thanks** to Steve Eberhart and EJ White for making all the arrangements for Donut Hour after the meeting. It was a very nice opportunity to chat with neighbors.

**Board Meeting following Member Meeting**

(Board members present as above)

1. President Greg Felsen signed off on new SBHOA policies consistent with new Colorado HOA Laws for 2022 on Conduct of Meetings, Covenant and Rule Enforcement, and Collection on Unpaid Assessments. These will be posted on the southernbluffshoa.com website.
2. Planalp moved and White seconded the appointments of Marilyn Zion and Eric Cheever to the Board, with Cheever also appointed as Vice President. Motions passed unanimously.