

Minutes of Meeting 6/18/22, APPROVED BY MEMBERS 6/3/23

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.**

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.