

SPHOA Annual Member Meeting Minutes

01/28/2015

Welcome and Introductions

Board members introduced themselves to the group

Ms. Harris of Hindman Sanchez law practice introduced herself. Hindman Sanchez is a law firm specializing in community associations.

Member owners from 11 properties other than board members introduced themselves

16 properties represented necessary for quorum

An attendee proposed that owner/members be able to by mail in future to increase participation

Approval of 2014 Annual Meeting Minutes

Minutes approved

President's Report

Chris Sharrow shared that board met quarterly to discuss neighborhood events, legal issues and budget. He recapped the neighborhood events that were held in 2014.

Legal Issues

Chris Sharrow clarified for the attendees that SPHOA is, and has always been, a voluntary HOA. The bylaws have never included a monetary fine structure or "consequence" for member/property owners who do not pay dues or abide by the covenants. The organization has never collected enough dues from members to take legal action against homeowners who do not comply, therefore, the covenants are difficult to enforce. Chris Sharrow shared that many of the complaint calls he receives about property problems are violations of city ordinances, rather than covenant violations.

Ms. Harris reports that SPHOA is not subject to Colorado Common Interest Ownership Act (CCIOA) laws due to its voluntary status, but SPHOA is a registered non-profit organization. Tom Narvaez confirmed that he has regularly registered SPHOA for non-profit status each year.

Chris Sharrow shared with member attendees that the current board inherited a box of paperwork from previous board.

Tom Narvaez shared discovery of emails from the prior board suggesting that covenants had expired. The board elected in January 2013 contacted legal counsel at Hindman Sanchez to clarify the status of the covenants once this was discovered.

Ms. Harris reported that the covenants “sun downed” or expired in September 2011. The previous board filed an extension of covenants after September 2011 and without homeowner input, therefore the extension does not have legal strength. Had action been taken prior to September 14, 2011 to get 60% of the homeowners to approve the extension of the covenants, they would still be active. The opportunity to renew covenants with only 60% approval is no longer available. Ms. Harris proposed that the option for re-instating either old covenants or enacting newly crafted covenants would be to get 100% member/property owner approval. Legally, 100% of the homeowners would have to approve of a renewal of original covenants or newly proposed covenants. Currently, any homeowner can refuse to sign for renewal of original covenants or approval of new covenants, binding only the property owners who sign the documents to the covenants.

Attendees discussed whether there is a benefit to attempting to establish new covenants or renew original covenants. Several attendees asked board if they considered trying to reinstate covenants. The 2013 elected board reported that they were not going to undertake reinstating old covenants or writing new covenants that have little chance of 100% approval. The effort would be incredible time consuming and financially costly. Several attendees stated that there is little likelihood of 100% agreement from homeowners.

Board members made attendees aware of the Ordinance of View Plane specific to our neighborhood. This ordinance prohibits property owners from extending rooflines or adding stories blocking views of other homeowners. This city ordinance will protect the integrity of the neighborhood as it was established in 1961.

Attendees discussed the positive benefits of having an HOA that continues to build community relationships, organize communication, hold social events for members, promote neighborhood safety, and keep an eye on properties for code enforcement. Attendees requested that current board provide members with a list of city ordinances and codes that could be reinforced by local authorities. An example of an ordinance would be a limit to number of cars permitted to be parked at one property. Board agreed to take this on and perhaps include a list with dues statements in June of this year.

Treasure’s Report

Tom Narvaez reported roughly 85% of households paying dues and majority of households are current. There will be no late charges for anyone wanting to become current. There will be no late fees assessed in the future. Dues are required to attend neighborhood events, hold office and vote at the annual meeting.

New Business

- Website – The website will be developed by Steve Hartley. The website will be very simple housing public documents necessary for the SPHOA non-profit such as annual meeting minutes and bylaws.
- Directory-Meeting attendees decided that attaching a voluntary spreadsheet with contact information and post on Nextdoor.com would be a good alternative to a directory. A directory

would be expensive to produce and hard to keep current as property owners change. Attendees suggested that we do a separate mailing to encourage neighbors to join Nextdoor.com and then an additional request to join Nextdoor.com when dues letters go out.

- New Signs – Please note new signs as you enter our neighborhood.

Elections

Two new board members need to be elected. Diana Fox and Terry Russell volunteered and ran unopposed.

Adjourn