Minutes from the Special Meeting held February 9, 2022, of the Meadowdale Hills Property Owners Association Board to discuss the hiring of the law firm Orten, Cavanaugh, Holmes & Hunt, LLC

Attendance – Kathy Moran, Brigitte Delisa, Keith Pearson, Dan Turk, Paul Drouin, Kevan Davidson

Absent - Chip Sproul

Call to order 7:02p

Kathy brought the meeting to order. She thanked Brigitte for her research and finding Aaron Goodlock, from Orten, Cavanuagh, Holmes & Hunt LLC (OCH&H), a law firm that represents HOAs in Colorado. Kathy sent out the Proposal we received from Aaron and explained that hers and Brigitte’s meeting with Aaron on February 4th was very productive. We learned that the laws that govern HOAs have changed significantly. Since OCH&H specialize in HOAs and the laws surrounding them, they would be helpful for us in the following ways. We have approximately $15k outstanding in dues, that comprises 4 lots/3 homeowners. Allowing outstanding dues without attempting to collect sends a negative message to others who are paying their dues to have the roads maintained that all are using. Everyone should contribute to that. Aaron said that before we can collect past due amounts via legal means (attorneys), the HOA is required to have a published Collection Policy that has the details regarding how debt will be treated. Then, a demand letter needs to be issued and it must comply with certain requirements and after this, an attorney may be engaged to procure a lien and follow the rest of the steps necessary to collect the debt. Aaron said that he could help us develop a Collection Policy and a Demand Letter, at a cost of $240. Further action (liens, etc.) would cost about $300 per lot to begin. The information regarding charges is listed on Page 13 of the OCH&H proposal.

Paul expressed that collections is always an issue and he was confused as to why our financials do not reflect the $15k debt. Brigitte could not explain why we only show the current late dues, but this is the debt that has been shown on the financials for the last two years or so. On a side note, Paul, I will begin to show this old debt on the bottom of the BS, right now we only show the fact that x amount of properties owe over 2 years, and not the amount.

Dan was ready to support paying for the collection policy

Kathy also explained that Aaron said, debt that is over 6 years old is usually uncollectable. We can still send out a demand letter, but the law would not support collecting more than 6 years of dues and that by law we would have to give the homeowners a minimum of 6 months to pay if the homeowner demands it. Kathy said that OCH&H offers free webinars that are useful for HOA Board members. The current one they have is Board Member Duties which she found very useful and enlightening. She believes every Board member should be required to attend and said that if the Board votes a “go ahead” to hire OCH&H to help with past dues collections, she will ensure the webinars are made available to all Board members.

Kevan said he would support the $240 for the policy and collection letter, but wasn’t sure about the further actions ($300).

Keith asked if our current bylaws don’t all ready cover the HOA on the collection of dues and could be viewed as an HOA endorsed collection policy. It was explained that a legal collection policy must have the detail regarding the amount of the fees, interest, etc. that would be levied against a past due account and our current rules do not contain any such details. Also that someone needed to make a motion to proceed.

There was further discussion about the webinars and how the firm would charge us and whether they should be put on retainer. Keith suggested if we increased the annual dues by $17 that would cover the annual retainer fee for Aaron Goodlock. This will be discussed in a future meeting.

Keith posed the first motion: Motion to engage OCH&H as Meadowdale Hills POA law firm as legal matters arise. Kevan seconded. Passed unanimously.

Second motion: Motion to commission OCH&H to help MHPOA develop a collections policy. Dan seconded. Passed unanimously.

Kathy will sign an agreement with Aaron Goodlock to engage OCH&H as our legal representation and to start the development of a collection policy which will then be distributed to all Board members for approval by our April meeting.

Meeting adjourned 7:45p