

FALL CREEK VILLAGE HOMEOWNERS ASSOCIATION
Board Meeting

Via Conference Call

Friday, September 3, 2010, 9:00 AM (MDT)

Dial-in number: 760-569-0100

Participant access code: 378277#

AGENDA

1. Call to order
2. Waiver of notice
3. Determination of quorum
 - Re Members:
 - 50% of votes entitled to be cast
 - Votes entitled to be cast = 4 (Franzese, Black, Murray, Murray)
 - Quorum is 2
 - Re Board:
 - Majority of Directors (Franzese, Black, Murray, Wohl)
 - 4 people elected in March 2006 annual Member meeting
 - Disqualification of Brian Wohl for delinquency in Assessments
 - Board is 3
 - Quorum would be 2
 - Act of majority of quorum of Directors is an act of the Board
 - 2 votes = act of Board
4. Approval of the agenda
5. New Business:
 - a. Discussion on Erin Johnson proposal
 - Collection effort
 - Turnaround operation
 - Completion of easements
 - Update of governing documents and operational infrastructure
 - b. Engagement of Erin Johnson Attorney at Law LLC
 - c. Borrowing of funds for payment of advance fees for Erin Johnson
 - Mark Murray loan and note
 - d. Adoption of Resolution #010-2010 for engagement and borrowing
 - e. Adoption of Policy #1-2010: Conduct of Meetings
 - f. Adoption of Policy #2-2010: Collection of Unpaid Assessments
6. Next meeting date and place
7. Adjournment

FALL CREEK VILLAGE HOMEOWNERS ASSOCIATION

Board Meeting DRAFT MINUTES

Via Conference Call

Friday, September 3, 2010, 9:00 AM (MDT)

1. Call to order. The board of directors meeting was called to order by President Bob Franzese at 9:05 AM. Directors present were Bob Franzese, Brian Wohl and Greg Wohl, and Lynn Black. Manager Judi Balkind and attorney Erin Johnson were in attendance.

2. Waiver of notice. All directors acknowledged and waived notice of the meeting.

3. Determination of quorum. A discussion of what constitutes a quorum of the board was held. The officers of the association are: Bob Franzese, President; Lynn Black, Vice President; Brian Wohl, Treasurer; Mark Murray, Secretary. These officers constitute the board of directors of the association. With the current disqualification of Brian or Greg Wohl for delinquency, the board is three members and a quorum of the board is two directors. A quorum was established with Bob Franzese and Lynn Black.

Quorum Re Board:

Majority of Directors (Franzese, Black, Murray, Wohl)

4 people elected in March 2006 annual Member meeting

Disqualification of Brian Wohl for delinquency in Assessments

Board is 3

Quorum would be 2

Act of majority of quorum of Directors is an act of the Board

2 votes = act of Board

4. Approval of the agenda. Unanimously approved.

5. New Business:

a. Discussion on Erin Johnson proposal

- Collection effort
- Turnaround operation
- Completion of easements
- Update of governing documents and operational infrastructure

President Bob Franzese presented an overview of his efforts to locate a qualified person to help with the HOA's issues. Erin Johnson and a few others were recommended to him and after interviewing them he asked for a proposal from Erin. The final proposal for services is included in the engagement letter that everyone has seen.

Brian Wohl stated that he is aware of the abuse of the HOA and acknowledged that he is one of the delinquent members. Brian stated that nothing is ever accomplished and he is concerned about hiring yet another attorney.

Bob responded that it is time to run the association responsibly and that he has the same reservations, but something has to be done.

There was a general discussion of delinquent members and the possibilities of collecting

from them. Brian Wohl stated that he wasn't paying the assessments because others have refused to pay. Lynn stated that she is willing to pay some amount to get all this taken care of.

b. Engagement of Erin Johnson Attorney at Law LLC

Lynn Black moved to approve the engagement of Erin Johnson. Bob seconded. Motion carried.

c. Borrowing of funds for payment of advance fees for Erin Johnson
- Mark Murray loan and note

Bob stated that Mark Murray agreed to loan the funds to the association for the advance payment requirements of Erin's engagement, and he asked if anyone had any questions about the promissory note. A discussion of the terms of the note was held.

Bob moved to approve the promissory note. Lynn seconded. Motion carried.

d. Adoption of Resolution #010-2010 for engagement and borrowing

Erin explained that the resolution was simply a formality recognizing the votes on the matters above.

Lynn Black moved to approve FCV Resolution #010-2010. Bob seconded. Motion carried.

e. Adoption of Policy #1-2010: Conduct of Meetings.

Erin introduced Policy #1 regarding parameters for the conduct of meetings. Lynn requested that several items be tightened up to ensure effective enforcement. After further discussion and a general agreement to conduct meetings by telephone conference for a while, Policy #1 was tabled for further review after Erin has a chance to revise and edit it.

Tabled.

f. Adoption of Policy #2-2010: Collection of Unpaid Assessments.

Bob started the discussion of the proposed Policy #2-2010, regarding collection of unpaid assessments. Erin stated that the association already has the authority to do everything in the policy, but the policy states the issues and procedures clearly so that the board and the members can understand it. Discussion followed on the monthly late fee of \$100.

Bob moved to approve Policy #2-2010. Lynn seconded. Motion carried.

A general discussion followed regarding the authority of the HOA, and a few questions were asked of Erin regarding her proposal.

The state requires monthly reports to be filed regarding the septic system, which are to be signed by the President. Lynn said that she is willing to file the reports and asked if the authority to do so could be delegated to her. Erin responded that yes as far as nonprofit corporation law is concerned the association could delegate that authority. Erin said that she would draft a letter for Bob to sign, but stated that it would be subject to the approval of the health department.

The board agreed that Bob would continue his responsibilities to oversee the water system.

Erin stated that she would send the final documents to Ramon Escure's office and asked that Bob stop by there later in the day to sign them. Erin explained that she and Ramon work

together on various issues and Ramon agreed to assist her in this regard.

In the interests of full disclosure, Bob stated that he has never worked with Erin Johnson, but that she was recommended to him by attorney Ramon Escure, who Bob works with on various matters. Lynn Black stated that with regard to her employment with San Miguel County, she has not worked with Erin Johnson before through the county, and has not worked with her on other personal or business matters either.

A brief discussion of the water system was held. The board agreed that a comprehensive assessment is needed and that the association should pursue this as soon as possible.

6. Next meeting date and place

The board agreed to call meetings as needed based on Erin's progress, and no specific date was set for the next board meeting.

7. Adjournment

The meeting was adjourned at 10:07 AM.