

August 29, 2020 Homeowners Annual Meeting

Pete Tattersall, Jim Good, Chris Rodkey, Mary Kiernan, Rick Dittrich

Quorum Present

Meeting held at Headwaters, Dubois WY under COVID-19 Protocol

- 9:10 Pete called meeting to order
- Approval of Meeting Minutes – Minutes of Annual 2019 meeting unanimously approved.
- Pete announced: No recording of the meeting. Meeting only open to the members. Same as last year.

- Board candidates were asked to speak to their qualifications:

Aaron Coleman

Jim Good

Chris Rodkey

Informal Question to Community re Proxy or Mail-in voting. Community unanimously favors.

(Note: not an official vote).

- Financial Report – Chris Rodkey
 - Suggestion came up that we might want to consider assessing dues.
 - Suggestion came up that we might want to consider a credit union.
- Road Report – Chris
 - Discussion of what was done last year and what to expect in terms of maintenance.
- Lawsuit Report
 - Explanation, of facts only, of current status of suits was passed out to all homeowners and floor was opened for questions.
- New Business
 - Committees
 - Communications
 - Tracy Hayes, Kathy Grove and Becky Dickman volunteered.
 - Covenants
 - Materials – Aaron Coleman. Tracy Hayes volunteered.
 - Roads – Doug Mallory volunteered.
 - Firewise – Rick Dittrich
 - Burn pile requirements discussed.

- HOMEOWNER FORUM

- New board members announced. Votes were tallied by Kathy Groves and Sara Tickler.
 - Chris Rodkey and Aaron Coleman elected to Board.

- Meeting Adjourned.

Note: Election of officers was to occur post meeting. Aaron Coleman was unavailable to meet. It was agreed that officers would be elected via email among the Directors.

Paul Van Velzer and Matthew Neurberg were sued by the HOA for breach of covenants after every attempt was made to encourage them to comply with covenant restrictions, which travel with the land, and are part of every landowner's deed.

Mr. Van Velzer has been running a mini hotel on his single lot, renting out two Airbnb accommodations, one in his house and one in a separate building, on his single lot. The covenants restrict the use of property to a single family on a lot.

Mr. Neuerberg altered his property using material which was not submitted to the Architectural Control Committee and/or approved, as is required by the covenants.

Both parties countersued the Homeowners Association claiming 5 counts:

1. Requesting a permanent injunction against the Association claiming that their activities comply with the 1974 Restrictive Covenants.
2. Requesting the court enjoin the association and its directors from taking any action limiting or attempting to limit the use and enjoyment of their property.
3. Fraud
4. Ultra Vires – claiming that the Association lacks the requisite authority and power to attempt to prevent them from using their property.
5. Derivative Suit – claiming to bring their legal action on behalf of all members.

The district court of Wyoming has ruled on claims 4 & 5 – dismissing these claims as “frivolous and in bad faith”. The Neuerbergs and Van Velzers were ordered to pay the Association's legal fees spent in defense of these claims.

The court filings for the above are in the public domain.

Both “sides” have submitted their remaining claims to the court and asked the court for a summary judgment on the claims. All parties currently await the court's decision.

Reasonable people can disagree. In those cases, litigation may unfortunately ensue and an impartial party must decide an issue. The Board of directors takes seriously its duty to uphold the covenants and to protect the integrity and beauty of the subdivision. We also respect all parties right to freely express their own opinions.

The board has no further comment.

Upper Little Warm Springs Association
Balance Sheet
As of June 30, 2020

	<u>Jun 30, 20</u>
ASSETS	
Current Assets	
Checking/Savings	57,840.30
Bank of Jackson Hole - Check...	57,840.30
Total Checking/Savings	106,176.63
Other Current Assets	
Morgan Stanley Mutual Fund	106,176.63
Total Other Current Assets	164,016.93
Total Current Assets	1,982.00
Fixed Assets	
Land	1,982.00
Total Fixed Assets	165,998.93
TOTAL ASSETS	165,998.93
LIABILITIES & EQUITY	
Equity	
Retained Principal	189,139.66
Net Income	-23,140.73
Total Equity	165,998.93
TOTAL LIABILITIES & EQUITY	165,998.93

Mut Fund (Govt Obligations - GOFXX)

Reduction of \$23,140.73

Upper Little Warm Springs Association
Profit & Loss
July 2019 through June 2020

	Jul '19 - Jun 20	Budgeted amount	
Ordinary Income/Expense			
Income	121.13		
Interest-BOJH			
Investments	1,386.85	\$4,1000	(Low Risk Mutual Funds
Dividend, Interest (Securities)	1,386.85		1.3% return since last period)
Total Investments	1,507.98		
Total Income	1,507.98		
Gross Profit	1,507.98		
Expense			
Bank Service Charges	5.00		
Business Expenses			
Business Registration Fees	147.00		
Total Business Expenses	147.00		
Contract Services			
Legal Fees	22,279.16	\$10,000	
Professional Fees	150.00		
Total Contract Services	22,429.16		
Facilities and Equipment			
Real Estate, Personal Prop ...	14.14		
Total Facilities and Equipment	14.14		
Operations			
Office Supplies	10.00		
Postage, Mailing Service	54.00		
Road Maintenance & Repair	475.00	\$ 3,000	(July Inv \$1770.50)
Total Operations	539.00		
Other Types of Expenses			
Insurance - Liability, D and O	1,400.00		
Legal Notice Publications	40.05		
Total Other Types of Expenses	1,440.05		
Travel and Meetings			
HOA Member Event	74.36		
Total Travel and Meetings	74.36		
Total Expense	24,648.71		
Net Ordinary Income	-23,140.73		
Net Income	-23,140.73		