

Happy Monday All!!

First let me apologize for the technical issues we were having for the Annual Meeting and the Organizational Meeting.

Wendy was present to give us an update on legal issues. Much of the meeting was a recap but there was a bit of new information. The case is with the Arizona Attorney General's office right now. As they are looking to press charges for all involved under one charge, they need more information to come in from other HOA's. Once they have received the remaining information the case will go before a Grand Jury for indictment. Wendy is estimating that charges can be brought by early summer.

Wendy also brought members up to date on the Wells Fargo situation. The association has hired a law firm out of Phoenix to pursue the bank. As of this date they have sent a demand letter requesting \$365,000 restitution plus costs which the bank responded with a request for documents and information. A second demand was sent along with a draft of the complaint requesting full restitution plus costs with Wells Fargo sent and an offer of \$50,000. The Board decided to counter with an offer of \$410,000.00 which Wells Fargo declined. We asked for input from our members to see if they would support continuing with the suit on an hourly basis which could cause a small Special Assessment being assessed or on a contingency basis where we would be responsible for paying all costs and the attorney will take a 30% cut at settlement.

Many questions and comments were received:

- Where is the \$300,000 dollar insurance payout---This case was only eligible for employee theft which carried a maximum payout of \$100,000. There was no forgery involved nor was there wire fraud involved.
- What about filing with the Postmaster---As we received mail through our PO Box, the manager was tasked with checking the mail so we cannot file for theft of mail.
- A question was posed regarding punitive damages---The attorney stated that during these types of suits negligence is assessed against both parties. The association would have to take on some blame for the theft.
- One person had a question about a class action lawsuit---Most of the other victims lost \$10,000-\$20,000 and most likely would not be interested in pursuing due to costs.
- Some homeowners stated that we need to "lick our wounds" and move on. If you figure the total amount stolen divided by the number of units, each unit lost a total of \$692 and if we look at an assessment it could cost each household another \$300 putting everyone in the hole by almost \$1000 with no guarantee of receiving any of that money back. The association has been able to fund what it has needed and have not touched the Reserve Account since the termination of the previous manager.

The second ZOOM meeting was held to elect officers and lasted about 15 minutes. Below I have listed your new Board Members and their office:

President---Linda Djupstrom

Vice President---Lou Kifer

Treasurer---Merna Kerss

Secretary---Tim Schaid

Member at Large---Lila Szedlus

During this meeting no business was discussed, and no comments were taken.

Remember...our office will close at 1:00pm on Friday due to some IT updates and upgrades.

Have a great week!

Dorothy