Open Board Letter to our CHHOA Community
July 30, 2026

The Board of the CHHOA is pleased to announce that 163 out of 165 lots have paid their 2026 annual assessment. Efforts continue with the aim of collecting the remaining two assessments.

At the open CHHOA board meeting held on July 9, 2026, the Board unanimously voted to expunge de minimis amounts of interest on ten lots for members who were slightly late in paying their annual assessment. The amounts expunged for the ten lots were as follows: one lot for $10.12, one lot for $10.78, eight lots for $12.23 each, and one lot for $14.63, for a total of $133.37.

Since that decision, a few members of our community have made veiled threats to initiate litigation against the Board and the HOA regarding the action taken. The Board does not wish to be involved in any dispute regarding this matter, but if such litigation is initiated, the Board and the HOA will vigorously defend their decision in any court of law. The Board's decision is rooted in the law, in basic fairness, and is compliant with our current governing documents. It is the Board's wish to draw our community together, leaving behind petty disagreements, and redouble our efforts on the issues that matter most: expanding fire safety efforts, improving and maintaining our road, and strengthening our governing documents.

The Board's Decision is Rooted in The Law

A recognized legal doctrine known as "de minimis non curat lex" translates to "the law does not concern itself with trifles." This is not merely a concept, but rather, it is a routinely applied legal doctrine. It reflects the principle that decision-makers should not expend administrative resources on matters that are trivial or inconsequential. Government bodies, businesses, and other organizations frequently determine that pursuing trivial amounts is not an efficient use of administrative resources. There is no specific legal threshold for what amounts to "de minimis" since this type of determination is contextual. The Board, through a duly held vote at its open board meeting, deemed the small amounts owed as too small to pursue, and chose not to expend any additional administrative resources on their collection. Instead, the Board stated at the meeting that it wished to focus its financial-related efforts on collecting the two remaining unpaid assessments. This doctrine provides one independent legal basis justifying the Board's decision.

The Board’s Decision is Consistent with Principles of Fairness

This year’s dues collection process generated an unusually high level of confusion among members. Several owners indicated that they were unaware of the payment deadline or were uncertain about the acceptable methods of payment. The Intuit software that the Board uses to invoice the assessments inadvertently included a credit card payment option, even though the Board’s only acceptable form of payment is by cash, check, or money order. This led some members to initially pay their assessment using a credit card. Those credit card transactions ultimately had to be reversed, and those members who had initially paid using a credit card, were informed that they needed to remake payment using cash, check, or money order. For some members, this caused delays in making a suitable payment. While owners are ultimately responsible for timely payment, the Board believed these circumstances were relevant in exercising its discretion.

Moreover, around the time assessments became due, the Board was discussing the implementation and roll-out of a new financial policy. The final draft of that new policy, known as the CHHOA Treasury Financial Management Policy, was unanimously approved by the Board at the open board meeting on April 9, 2026 and posted to the HOA website shortly thereafter. That timing was one of the factors we considered and has also resulted in clearer procedures for future assessment collections. Under the new policy, dues are expressly deemed late on February 1, and will at that time be subject to a 10% late fee, and will also accrue interest at the legal rate of 1.5% per month. Owners with outstanding balances after two months will be given written notice and their lot subject to lien. Given the new 10% late fee, the updated policy intends to avoid situations in which de minimis amounts remain.

Fairness is a principle the Board strives to uphold and one that resonates with all of us. However, fairness does not require identical treatment of materially different circumstances. It is not unfair to decline to waive interest on the two outstanding lots for which the annual assessments remain unpaid. When an owner does not pay an assessment, whether by inability or choice, interest continues to accrue on the unpaid balance. By contrast, the Board's decision to forgive the relatively small amounts of interest incurred by owners who paid their assessments in full reflects a materially different situation. The Board is under no obligation to waive interest on unpaid assessments simply because it chose, in the exercise of its discretion, to forgive de minimis interest charges associated with assessments that have already been paid. Treating these two situations differently is both reasonable and consistent with principles of fairness.

Since the Board's decision on July 9, 2026, it has been brought to the attention of the Board that an additional nine members paid their assessments late including the applied interest ranging from $11.52 to $74.90. To ensure consistency and fairness, and in consideration of the above-referenced extenuating circumstances, the Board will apply a credit to the associated accounts of these members, which will be applied to next year's dues. If any member believes they have received unequal treatment, they are encouraged to present their concerns to the Board. The Board will review the matter in good faith and, if warranted, take appropriate corrective action.

The Board's Decision is Compliant with our Current Governing Documents

The Board has received feedback from a few members of our community expressing concern that the Board's decision violates the language "shall bear interest" found within our current CC&R Declaration at ART V Section 9. However, the Board's decision did not violate this provision because the interest accrued as required, and was thereafter waived by the Board through a unanimous exercise of its discretionary authority. Furthermore, in the notice provision of Section 10 of the same ART V, the Declaration states that including interest on an unpaid assessment is "at the Association's option." The legal principle of harmonious construction provides that a document should be interpreted as a whole, giving effect to every provision whenever reasonably possible. The "shall bear interest" language can be harmonized with the "at the Association's option" language by interpreting the latter as a discretionary exception to the former. Even if these provisions cannot reasonably be harmonized, a well-established canon of contract construction provides that, where two provisions are irreconcilably inconsistent, the later provision ordinarily controls over the earlier one.

In addition, Utah follows the business judgment rule for nonprofit corporations (e.g., our HOA). If the Board has acted in good faith, in the best interests of the organization, courts are generally reluctant to second-guess discretionary board decisions. Exercising its business judgment, the Board determined that pursuing collection of de minimis interest on fully paid assessments was not in our HOA's best interests because the cost of collection exceeded any practical benefit and the amounts involved were trivial. The decision was applied consistently to all similarly situated owners, and our new CHHOA Treasury Financial Management Policy has been established to provide additional clarity for members on fees and interest going forward.

Neighborhood Petition is Based on Incomplete Facts and a Misunderstanding of Both our Governing Documents and the Law

On July 22, 2026, the Board received a petition signed by 19 members of our HOA alleging that the Board had acted unethically. The Board respectfully but firmly disagrees with that characterization. As the above discussion demonstrates, the Board has acted in good faith, in accordance with the law, within the authority granted by the governing documents, and in what it reasonably believes to be the best interests of our HOA. It is the Board's belief that at least some of the petition's signers may not have had the benefit of all relevant facts or a complete understanding of our HOA's governing documents and applicable law when they chose to sign the petition. The petition did not present a complete picture of the circumstances surrounding the Board's decision. For example, it did not disclose that the interest at issue consisted of only de minimis amounts, nor did it explain the context and rationale underlying the Board's action, nor the extenuating circumstances set forth above, despite the fact that the petition's originator was in a position to know those facts. Nor did the petition mention the new CHHOA Treasury Financial Management Policy that is intended to prevent this situation from happening in the future. Rather, the petition presented an incomplete and unfair characterization of the Board's actions. Nevertheless, when additional information was presented to the Board after the petition -- information that could have been presented beforehand and potentially avoided this unnecessary dispute -- the Board carefully reconsidered the issue and acted to ensure that all members were treated fairly under the circumstances.

The Board also believes it is important for our community to know that some of the individuals behind this petition have likewise opposed the Board's efforts to update and strengthen our governing documents. While differences of opinion are both natural and healthy, productive discussion depends on accurate and complete information. The Board welcomes respectful disagreement and constructive debate but believes that mischaracterizing the Board's intentions, actions, or proposals does not serve the best interests of our HOA. The Board encourages all members to evaluate issues based on complete and accurate information and to reject rhetoric that misrepresents the Board's actions or motives.

The Board Wishes to Draw Our Community Together

It is the Board's wish and desire to draw our community together, leaving behind petty disagreements of the past, and redouble our efforts on the issues that matter most: expanding fire safety efforts, improving and maintaining our road, and modernizing our governing documents. As a volunteer Board, we freely devote our time, often on a near-daily basis, to serving our community. We would much rather devote our time and energy to initiatives that benefit the HOA as a whole than to responding to misunderstandings or unnecessary disputes. We invite every member of our community, including those who signed the petition, to join us in focusing on the important work ahead: reducing wildfire risk, improving our roads, and adopting a modern set of governing documents that are fair, enforceable, and in the best interests of our entire community.