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**Attorney for Defendant Meadowcrest Homeowners Association,
Inc.**

**IN THE DISTRICT COURT OF THE THIRD JUDICIAL DISTRICT
OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF CANYON**

MICHAEL A. WILLIAMS, an individual;)
and CHRISTINE D. WILLIAMS, an)
individual)
)
Plaintiffs,)
)
v.)
)
MEADOWCREST HOMEOWNERS)
ASSOCIATION, INC., an Idaho nonprofit)
corporation;)
)
Defendant)
)
)
)

**ANSWER TO AMENDED
COMPLAINT**

Civil No. CV14-24-04102

COMES NOW Defendant Meadowcrest Homeowners Association, Inc. (the
“Association” or “Meadowcrest”) by and through its counsel of record, Collins Law, PLLC, and
submits this Answer to Plaintiffs’ Amended Complaint, filed with this Court on August 5, 2024.

1. Unless specifically admitted in this Answer, Defendant Meadowcrest Homeowners
Association, Inc., denies each and every allegation contained in the Amended Complaint, express

or implied, including all parts and subparts thereof.

PARTIES, JURISDICTION, AND VENUE

2. Defendant Meadowcrest admits the allegations contained in Paragraphs 1 through 5 of the Amended Complaint.

NATURE OF THE CASE

3. Defendant Meadowcrest denies the allegations contained in Paragraph 6 of the Amended Complaint.

GENERAL ALLEGATIONS

4. Defendant Meadowcrest admits the allegations contained in Paragraph 7 of the Amended Complaint.

5. Paragraphs 8 through 15 of the Amended Complaint consist of legal statements and requests for relief to which no factual response is necessary. To the extent Defendant has the obligation to respond, Defendant denies any and all allegations contained therein, stated or implied.

6. With regards to Paragraph 16 of the Amended Complaint, Defendant asserts that the referenced exhibit is a document which speaks for itself. To the extent the allegations contained therein attempt to color, construe, mispresent, or otherwise lend interpretation to the document, Defendant denies any such allegations, stated or implied. Defendant further denies any implication that a procedural resolution of a Board of Directors is forever binding on the Association and its subsequent Directors.

7. With regards to Paragraph 17 of the Amended Complaint, Defendant asserts that is

has no personal knowledge of Plaintiff's own personal knowledge or recollection, and on that basis, must deny the allegations made in Paragraph 17.

8. Defendant Meadowcrest denies the allegations contained in Paragraph 18 of the Amended Complaint.

9. Paragraph 19 of the Amended Complaint consists of legal statements to which no factual response is necessary. To the extent Defendant Meadowcrest has the obligation to respond, Defendant denies any and all allegations contained therein, stated or implied.

COUNT 1
BREACH OF FIDUCIARY DUTIES BY REFUSING
TO ALLOW INSPECTION AND COPYING OF RECORDS

10. No response is required to Paragraph 20 of the Amended Complaint.

11. With regards to Paragraph 21 of the Amended Complaint, Defendant asserts that the referenced exhibit is a document which speaks for itself. To the extent the allegations contained therein attempt to color, construe, mispresent, or otherwise lend interpretation to the document, Defendant denies any such allegations, stated or implied, and has no obligation to respond to legal assertions contained therein.

12. With regards to Paragraph 22 of the Amended Complaint, Defendant asserts that the referenced exhibit is a document which speaks for itself and that the email address that is indicated does, in fact, belong to a member of the Board of Directors of the Defendant Association. To the extent that the allegations imply any misdeed or impropriety in the response or the use of the stated email address, Defendant denies the same.

13. With respect to Paragraph 23 of the Amended Complaint, Defendant admits that the records demanded by Plaintiffs were not made available by the deadline chosen by Plaintiffs. To the extent that the allegations imply any requirement for the Defendant Association to comply with the Plaintiffs' stated deadline, Defendant denies the same.

14. With respect to Paragraph 24 of the Amended Complaint, Defendant Meadowcrest asserts that the referenced documents speak for themselves, but otherwise admits the allegations contained therein.

15. With respect to Paragraph 25 of the Amended Complaint, Defendant Meadowcrest admits that Plaintiffs were provided with electronic copies of certain records of the Association, in response to their request, on the stated date, and that Plaintiffs stated their dissatisfaction with the records provided. Defendant denies any allegation, stated or implied, that the response was incomplete or that Defendant had an obligation to provide further documents, information, or response.

16. With respect to Paragraph 26 of the Amended Complaint, Defendant Meadowcrest asserts that the referenced exhibit is a document which speaks for itself. To the extent the allegations contained therein attempt to color, construe, mispresent, or otherwise lend interpretation to the document, Defendant denies any such allegations, stated or implied, and has no obligation to respond to legal assertions contained therein. Defendant admits that no response was provided and admits that this matter was filed on the date indicated, but denies any implication that records were "missing," that further information was required to be provided to

Plaintiffs, or that a response was required by the Defendant Association.

17. Paragraphs 27 through 29 of the Amended Complaint consists of legal statements and assertions to which no factual response is necessary. To the extent Defendant Meadowcrest has the obligation to respond, Defendant denies any and all allegations contained therein, stated or implied.

18. The Defendant Meadowcrest denies Paragraph 30 of the Amended Complaint in its entirety.

COUNT 2
BREACH OF FIDUCIARY DUTIES
BY VIOLATING MEETING REQUIREMENTS

19. No response is required to Paragraph 31 of the Amended Complaint.

20. With regards to Paragraph 32 of the Amended Complaint, Defendant asserts that is has no personal knowledge of Plaintiffs' own personal beliefs, and on that basis, must deny the allegations made in Paragraph 32. To the extent that the allegations imply any impropriety or illegality in the Defendant's conduct of its meetings, the Defendant denies the same.

21. With respect to Paragraph 33 of the Amended Complaint, Defendant Meadowcrest asserts that the referenced exhibit is a legal document which speaks for itself. To the extent the allegations contained therein attempt to color, construe, mispresent, or otherwise lend interpretation to the document, Defendant denies any such allegations, stated or implied, and has no obligation to respond to legal assertions contained therein. Defendant asserts that is has no

personal knowledge of Plaintiffs' own personal beliefs or understanding, and on that basis, must deny the allegations made to that effect.

22. The Defendant Meadowcrest denies the allegations of Paragraph 34 of the Amended Complaint, and asserts that the meeting minutes from the referenced meeting speak for themselves. To the extent the allegations contained therein attempt to color, construe, mispresent, or otherwise lend interpretation to the minutes of that meeting, Defendant denies any such allegations, stated or implied, and has no obligation to respond to legal assertions contained therein.

23. With regards to Paragraph 35 of the Amended Complaint, Defendant Meadowcrest admits the allegation in part and denies the allegations in part. Defendant admits that the referenced conversation occurred, and that the Board of Directors attempted to resolve the issue of a lack of quorum at the annual meeting by appointing new directors to fill vacancies, as they believed they had the right to do at that time. The referenced exhibit is a document, which speaks for itself, and served as the meeting minutes from the referenced meeting. Defendant that the members of the Association were denied the opportunity to attend the referenced meeting. To the extent the allegations contained in Paragraph 35 attempt to color, construe, mispresent, or otherwise lend interpretation to the document, Defendant denies any such allegations, stated or implied, and has no obligation to respond to legal assertions contained therein. Defendant asserts that is has no personal knowledge of Plaintiffs' own personal beliefs or understanding, and on that basis, must deny any such allegations made to that effect.

24. Paragraphs 36 through 39 of the Amended Complaint consists of opinions and legal statements and assertions to which no factual response is necessary. To the extent Defendant Meadowcrest has the obligation to respond, Defendant denies any and all allegations contained therein, stated or implied.

**COUNT 3
BREACH OF FIDUCIARY DUTIES
AND NEGLIGENCE RELATING TO RESERVE FUNDS**

25. No response is required to Paragraph 40 of the Amended Complaint.

26. With regards to Paragraph 41 of the Amended Complaint, Defendant asserts that is has no personal knowledge of Plaintiffs' own personal beliefs or concerns, and on that basis, must deny the allegations made in Paragraph 41. To the extent that the allegations imply any impropriety or illegality in the Defendant's conduct of its meetings, or corresponding damage to the Plaintiffs, the Defendant denies the same.

27. With regard to Paragraph 42 of the Amended Complaint, Defendant asserts that it is does not presently have personal knowledge to respond to the allegation, and must deny the same on that basis. Plaintiff Mike Williams was on the Board of Directors at the relevant time, and the Association was managed by an HOA management company that is no longer contracted with the Association.

28. With regard to Paragraph 43 of the Amended Complaint, Defendant denies the allegations. The Defendant Association still funds a reserve account, and reserve funds are earmarked, though the name or category for the funds may have changed. The funds remain

visible in the Defendant Association's accounting records.

29. Defendant denies the allegations of Paragraph 44 of the Amended Complaint in part and admits them in part. The Defendant Association admits that it has not paid to have a reserve study completed, due to financial constraints, including this litigation. The Defendant Association also admits that it is required to own, maintain, and operate the Common Areas in the Meadowcrest Subdivision and that it is doing so. All other allegations are denied, including any implication that acquisition of a reserve study is a legal requirement for the Defendant Association. The Board of Directors of the Defendant Association is regularly funding a reserve account and has an established reserve funding plan that is based upon the Defendant Association's current and prospective financial needs.

30. Defendant Meadowcrest denies the allegations in Paragraph 45 of the Amended Complaint, particularly that it has acted in any kind of negligent manner or that Plaintiffs have personally been damaged or injured, or will suffer prospective personal damage or injury.

COUNT 4
BREACH OF FIDUCIARY DUTIES
AND NEGLIGENCE RELATING TO OPERATING EXPENSES

31. No response is required to Paragraph 46 of the Amended Complaint.

32. With regards to Paragraph 47 of the Amended Complaint, the Defendant Association admits only that a present member of the Board of Directors, who serves as the Treasurer, has held the position since 2022 and is employed as an accountant. Defendant Association denies any implication that the Defendant Association's accounting practices are

incorrect or problematic, that the Treasurer is acting as the Association's accountant, or that he is singularly responsible for the financial decisions of the Association. The entire Board of Directors makes financial decisions, with requisite professional and expert input when appropriate. The remainder of the allegations consists of Plaintiffs' opinions and legal conclusions, to which no response is required. To the extent any response is required, Defendant denies all allegations made to that effect.

33. With regards to Paragraph 48 of the Amended Complaint, the Defendant Meadowcrest admits only that the referenced communication was sent, but asserts that the referenced exhibit is a document, which speaks for itself. To the extent the allegations contained therein attempt to color, construe, mispresent, or otherwise lend interpretation to the document, Defendant denies any such allegations, stated or implied, and has no obligation to respond to any legal assertions contained therein. Defendant asserts that it has no personal knowledge of Plaintiffs' own personal beliefs, opinions, or understanding, and on that basis, to the extent any response is required, must deny the allegations made to that effect.

34. The Defendant Association denies the allegations in Paragraph 49 of the Amended Complaint.

35. With regards to Paragraph 50 of the Amended Complaint, the Defendant Association admits that a preliminary, hypothetical budget was published to the members of the Association, to comply with the timelines established by state law, with various items included which were not final numbers, due to uncertainty. The Defendant Association created and

published a corrected and accurate budget in as timely a manner as possible thereafter. The remainder of the allegations made in Paragraph 50 consist of opinions, interpretations, and legal statements and assertions to which no factual response is necessary. To the extent Defendant Meadowcrest has the obligation to respond, Defendant denies any and all such allegations contained therein, stated or implied.

36. With regards to Paragraph 51 of the Amended Complaint, the Association admits that an initial preliminary budget was posted, that it was corrected, and that an accurate budget was posted to the homeowner's portal for homeowner review. The Association also admits that the correct budget includes funding for the items identified by Plaintiffs and that the Association is currently funding those items. The remainder of the allegations made in Paragraph 51 consist of opinions, interpretations, and legal statements and assertions to which no factual response is necessary. To the extent Defendant Meadowcrest has the obligation to respond, Defendant denies any and all such allegations contained therein, stated or implied.

37. With regards to Paragraph 52 of the Amended Complaint, the Defendant Meadowcrest admits only that the Association adopted a budget for 2024, but asserts that the referenced exhibit is a document, which speaks for itself. To the extent the allegations contained therein attempt to color, construe, mispresent, or otherwise lend interpretation to the document, Defendant denies any such allegations, stated or implied and has no obligation to respond to any legal assertions or opinions contained therein.

38. Paragraphs 53 through 56 of the Amended Complaint consists of opinions and

legal statements and assertions to which no factual response is necessary. To the extent Defendant Meadowcrest has the obligation to respond, Defendant denies any and all allegations contained therein, stated or implied.

COUNT 5
BREACH OF FIDUCIARY DUTIES
BY APPOINTING DIRECTORS

39. No response is required to Paragraph 57 of the Amended Complaint.

40. Paragraph 58 of the Amended Complaint consists of opinions and legal statements and assertions to which no factual response is necessary. To the extent Defendant Meadowcrest has the obligation to respond, Defendant denies any and all allegations contained therein, stated or implied. The referenced exhibit is a legal document, which speaks for itself. To the extent the allegations contained therein attempt to color, construe, mispresent, or otherwise lend interpretation to the document, Defendant denies any such allegations, stated or implied and has no obligation to respond to any legal assertions or opinions contained therein.

41. With regards to Paragraph 59 of the Amended Complaint, the Defendant Association denies the allegations to the extent that they are a misrepresentation or misinterpretation of the relevant facts. Defendant admits that there was an error in the election or appointment of the directors in 2023, due to an unintentional lack of quorum at the initial annual meeting of the Association, which was remedied by calling a later meeting of the members, ensuring that proper quorum was present, and electing a full Board of Directors. Defendant denies all other allegation, stated or implied, and has no obligation to respond to the legal conclusions

and assertions stated in Paragraph 59.

42. With regards to Paragraph 60 of the Amended Complaint, the Defendant Association admits only that the Association's counsel sent a letter to the Plaintiffs, but asserts that the referenced exhibit is a document, which speaks for itself. To the extent the allegations contained therein attempt to color, construe, mispresent, or otherwise lend interpretation to the document, Defendant denies any such allegations, stated or implied and has no obligation to respond to any legal assertions or opinions contained therein. The Defendant Association has no personal knowledge as to Plaintiffs' beliefs or opinions and cannot speak to the same, and on that basis must deny any such allegations.

43. Paragraph 61 of the Amended Complaint consists of opinions and legal statements and assertions to which no factual response is necessary. To the extent Defendant Meadowcrest has the obligation to respond, Defendant denies any and all allegations contained therein, stated or implied.

COUNT 6
BREACH OF FIDUCIARY DUTIES
BY TARGETING OF PLAINTIFFS

44. No response is required to Paragraph 62 of the Amended Complaint.

45. With regards to Paragraph 63 of the Amended Complaint, the Defendant Association admits only that Plaintiffs own a home and reside in the Meadowcrest Subdivision. Defendant denies all other allegations in Paragraph 63.

46. Defendant Meadowcrest denies the allegations in Paragraphs 64 through 66 of the Amended Complaint.

47. With regards to Paragraph 67 of the Amended Complaint, the Defendant Meadowcrest asserts that the referenced exhibit is a document, which speaks for itself. To the extent the allegations contained therein attempt to color, construe, mispresent, or otherwise lend interpretation to the document, Defendant denies any such allegations, stated or implied and has no obligation to respond to any legal assertions or opinions contained therein. The Defendant Association has no personal knowledge as to Plaintiffs' beliefs or opinions and cannot speak to the same, and on that basis must deny any such allegations. Defendant further denies that this is a private matter, as it has been filed as a matter of public record with the Third Judicial District.

48. Defendant Meadowcrest denies the allegations in Paragraphs 68 and 69 of the Amended Complaint.

AFFIRMATIVE DEFENSES

Defendant Meadowcrest sets forth below its affirmative defenses. The following defenses are not stated separately as to each claim of relief or allegation of Plaintiffs. Nevertheless, the following defenses are applicable, where appropriate, to any and all of the Plaintiffs' claims for relief. Defendant Meadowcrest does not hereby assume the burden of proving any fact, issue, or element of a cause of action where such burden properly belongs to Plaintiffs.

FIRST AFFIRMATIVE DEFENSE

Plaintiffs have failed, in general, to state claims upon which relief can be granted.

Specifically, Plaintiffs have failed to meet the pleading standard of Rule 78 of the Idaho Rules of Civil Procedure and have no standing to bring the stated breach of fiduciary duty claims as direct claims. Further, Plaintiffs have asserted a claim for punitive damages in violation of I.C.A. §6-1604. Lastly, certain of Plaintiffs claims fail for lack of ripeness, due to a lack of live and justiciable controversy.

SECOND AFFIRMATIVE DEFENSE

Plaintiff's claims against Defendant Meadowcrest are barred, in whole or in part, by the equitable doctrines of estoppel, waiver, unclean hands, and laches.

THIRD AFFIRMATIVE DEFENSE

Plaintiffs have filed their claims for an improper purpose and in bad faith. For this and other reasons, Defendant Meadowcrest are entitled to attorney's fees and costs.

FOURTH AFFIRMATIVE DEFENSE

To the extent the facts of this case show that Plaintiffs have failed to mitigate their alleged damages, such mitigation would bar their claims in whole or in part.

FIFTH AFFIRMATIVE DEFENSE

Defendant Meadowcrest reserves the right to amend this Answer to assert additional affirmative defenses to the Plaintiffs or to delete affirmative defenses already pled to the extent the same are impacted through discovery and the factual development of this case. Defendant Meadowcrest also reserves and asserts all affirmative defenses available under any applicable law.

WHEREFORE, Defendant Meadowcrest respectfully asks this Court to enter judgment in

its favor and against Plaintiffs as follows:

- A. That each request in Plaintiffs' prayer for relief be denied;
- B. That all or part of Plaintiffs' Complaint be dismissed on the merits and with prejudice;
- C. That Defendant Meadowcrest be awarded its reasonable attorneys' fees and costs incurred in defending itself in this action; and
- D. For such other and further relief as this Court deems just and proper.

Respectfully submitted this 26th day of August, 2024.



Brindee L. Collins, #9216
Attorneys for Defendant

CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that I served a true and correct copy of the foregoing
ANSWER TO PLAINTIFFS' AMENDED COMPLAINT via iCourt filing to the following:

Michael A. Williams
Christine D. Williams

████████████████████
████████████████

DATED this 27th day of August, 2024.

COLLINS LAW PLLC

Bryan G. Collins
