

THE RESERVE ON THE EAGLE RIVER HOMEOWNER ASSOCIATION
BOARD OF DIRECTORS WORK SESSION
JUNE 5, 2012

The Board of Directors work session was held on June 5, 2012 at The Reserve Club House. In attendance were: President Chad Sloniker, Joy Dunham, Regina Pickle, and Chris Dudar. Linda Guerrette, property manager and Kay Chenny, accountant we also present. Matt Lydens was absent.

1. The meeting was called to order at 6:40pm. Chad Sloniker took a moment to thank Kay Chenny for coming and taking the time to go over a complete financial explanation.
2. **FINANCIALS:** Kay Chenny began with the balance sheet, explained line items, differentiated between operating/CIP and how each number tied into the actual vs. budget report and A/R aging summary. Board requested that the general ledger be submitted per meeting for additional backup/detail on the budget line items.
 - a. Pursuant to Declarations (Article III, Section 3) board has the right to exercise the restriction of delinquent owner's right to vote at the annual meeting. Board would like Linda to begin notifying owners beginning with 3rd & 4th quarter statements, post on newsletter and website. Linda will also be working up a new proxy and voting document with watermarks for preventing any falsification or copies. Board feels this is necessary for refinancing or new owners seeking loans because it is required that no more than 10% of dues owed are delinquent. Gina made a motion to restrict voting rights on anyone who is 90 days past due on assessment payments by November 30th of every year. Chad 2nd the motion. All in favor 4:0.
3. **BID PROJECTS:** Board established bidding procedures. 3 bids for all work being done above and beyond regular maintenance or emergency situations. Board requests at least one bid from trusted contractor and 2 more to gain insight, knowledge of procedures/issues. Bids will be compared on scope of work and competitive companies. Linda will bid out each job listed below by next meeting.
 - a. **Housing of gas meters:** Housings of the gas meters to prevent weather damage was brought to boards attention previously but was not completed due to lack of funds in the budget. Source Gas imposed a fine of \$300 for non-compliance. Buildings A, B, C, D, E, F, O, P and Q are affected. M&J Corp has been hired to do this work for \$300/building. Once the project is outlined and date for completion is set, Linda will try to get fine lifted.
 - b. **Rotting columns:** Buildings L and N deck columns are rotting at base due to sprinkler system. M&J Corp suggested cutting columns, replacing effected section and then wrapping with metal to avoid future erosion. Linda will get bids to see if other ideas or procedures would be a better solution.
 - c. **Decks & railings:** Project needs to be done by June 2013 so will need to begin this summer to show insurance company we are complying with their request. Board chose 1st rendering to present to ownership that is similar to pool fencing. 2nd rendering will be emailed to board for approval. Linda will get 3 bids for removal, material and install by next meeting. Board will determine by next meeting the following items
 - i. Payment plans and completion time frame
 - ii. Will everyone be required to have the same deck or will majority rule
 - iii. Deadline for ownership to vote
 - iv. Process for collecting funds from ownership
4. **OLD BUSINESS:**
 - a. **Review & Audit:** Pursuant to Colorado Senate Bill SB 05-100(SB 100) requires financial records of the HOA to be audited or reviewed at least once every two years; an audit is only required if the HOA has annual revenues or expenditures of over \$250,000, or at least one-third of the Owners request an audit.
 - i. Linda researched the following firms: George Crowder, Phillips & Associates, Stephanie Novosad, and Gary Atkinson. Each was unable to perform this task and referred Linda to

the same firm: McMahan & Associates. Linda will research larger firms for at least one other bid.

- ii. Board will review expenditures and budget at July meeting to determine if it is possible to proceed prior to meeting or hire this year to preform 2012 taxes with audit following. Total for both review and tax return is \$4750.

- b. **ADA Accessibility:** Board was advised by law firm Hindman & Sanchez that the association must permit owner, Brian Topping L101, to make necessary modifications to entrance of building but the cost of the project is the owner's responsibility. Brian is required to submit design and contractor name, etc. for approval.
- c. **Re-vegetation of berm:** John Cahill, ERWSD, has requested Cole Jorgenson, Stanek Constructors to assess the reseeding of the berm in the entrance of The Reserve. If reseeding does take place, due to lack of irrigation in the berm area, growth of vegetation will be subject to Mother Nature.
- d. **Completion of pool:** Pipe & faucet on SW corner of pool was installed. Original pump from 1995 quit working. Linda found bigger & better pump that was 5 years old from As You Wish Pool & Spa in Glenwood for \$100 saving the association \$600 for a new pump from MCP&S. M&J Corp installed day after pool opening. Painting of pool will be slotted for fall due to timeframe of opening day.

5. **NEW BUSINESS:**

- a. **Water restrictions:** Town has sent out notices for watering schedule. Fines will apply for any outside watering outside of set schedule. Linda will post schedule and or official document for ownership.
- b. **Irrigation:** Sandy from Bold Management (Miller Creek) brought to our attention that for the past 7 years The Reserve was supposed to be watering of berm adjacent to Miller Creek. Original agreement was The Reserve was to water this berm in exchange for the space used for Building A parking. After investigation, there was a kink in the line and low pressure of the irrigation system in front of Building A. Pristine Irrigation fixed kink and suggested the following for our irrigation system over a 5 year plan.
 - i. Replace main filter with farm filter to prevent clogging issues that occurred last year.
 - ii. Install booster pumps to help system by Buildings D & E plus a 2nd booster pump to push water through to Buildings A, B and C.
 - iii. Replacement of heads in front of Building A for new sod and berm.Due to extremely low water table this year, timing on going to ERW&S for new pump is best tabled for later date. Board will discuss this issue further at next meeting once town has updated water restrictions to see if this is something to consider this year or in 2013.

6. The meeting was adjourned at 10:00pm. Next meeting is scheduled for Monday, July 16, 2012.