

**THE RESERVE ON THE EAGLE RIVER HOMEOWNER ASSOCIATION
BOARD OF DIRECTORS MEETING
JANUARY 20, 2014**

The Board of Directors meeting was held on Monday, January 20, 2014 at The Reserve Club House. In attendance were:

Present

Jess Frieze-Vice President
Janet El-Bitar
Scott Ashburn
Lauren Immel
Linda Guerrette-Property Manager

Absent

Matt Lydens-President
Regina Pickle-Secretary
Peter Lord

Owners Present:

C302, M201, Q103-Tim Sullivan

Motion to open meeting

Jess made a motion to open the meeting. Janet seconded the motion. Motion carried unanimously. The meeting was called to order at 6:34 p.m. In the absence of the President Matt Lydens, Vice President Jess Frieze conducted the meeting. In the absence of the Secretary Regina Pickle, Lauren Immel recorded the minutes.

Lauren took attendance and noted that a quorum was present. Jess announced that Peter Lord had resigned earlier in the day via a text message. Peter's service was acknowledged and his resignation was accepted, effective immediately. With a board seat vacated discussion ensued about replacement. Jess favored filling the position, and shared the vote count from Director election at December's annual meeting. Three open director seats were filled by Scott, Lauren and Matt. The next highest vote count was for Tim Sullivan. Jess made a motion that the seat be filled by Tim. Lauren seconded the motion. Motion carried: All in favor: 4. Scott dissented. Tim Sullivan became a Director effective immediately, and joined the meeting.

Approval of Meeting Minutes – Annual Meeting December 2013

Discussion held. Scott made a motion to approve the annual meeting minutes. Janet seconded the motion. Motion carried unanimously.

Jess pointed out that, procedurally, December 2013 annual meeting minutes are approved at the following year's annual meeting. He asked if anyone had noted any errors or omissions in December 2013 minutes. The consensus was that the minutes looked accurate. This was not for approval or disapproval, simply preparation for the December 2014 meeting.

Financial Report

Review of Financials

Documents were distributed in advance and discussion held on the following items:

- The Aging A/R Summary in the board packet was dated 12/23/13, and per this document, Jess asked about line item 302 in the Actual vs. Budget Income Statement, EOY 2013. The line states -\$14,857. In the EOY A/R Aging Summary the amount >90 days is \$22,418.81. Linda explained that the A/R > 90 days for the railing assessment was backed out of line 302, but was not certain if line 305 had been adjusted, which would mean the income for 2013 is overstated. Discussion held. Linda said she would speak with the bookkeeper, Kay Cheney, and ask her to attend the February BOD meeting to explain the accounting methods used in the financial statements.
- Janet asked if Building A was assessed for railings, Jess responded affirmatively.
- Tim pointed out the difference between delinquencies and A/R. Subsequent discussion developed around perceived due dates for dues and actual due dates. The Declarations state that the due date is the first of the month, and that dues are late after the 10th of each month. Some owners have been paying for the quarter at the end of stated quarter. For February BOD meeting, Linda will ask Kay to present the bookkeeping process regarding dues paid quarterly vs. monthly, and how the due date is reflected in the Aging A/R reports.

Scott made a motion to approve the financials with exceptions noted. Tim seconded the motion. Motion carried. All in favor: 4. Lauren abstained.

Jess suggested a separate orientation and planning meeting for the board prior to February meeting to help new members better understand the financials.

Colorado Statute HB1276

This 2014 State statute relates to collection of unpaid HOA dues. The Reserve attorney drafted a Resolution to be consistent with new statute. Discussion held. Tim asked about process for review of delinquent accounts. Linda reported accounts are reviewed monthly, and that accounts which are behind are in their appropriate stage toward resolution. Jess asked for a written monthly report for breakdown of delinquent A/R status for all with >\$1500 outstanding. Linda will create said report for the February BOD meeting. Tim offered that the collection agency may already have a standard report for same. Delinquency notification was discussed. Janet suggested first contact be via certified mail. Tim stated that certified mail and US mail should be used for collections documentation. Linda will adopt this process immediately.

In the Resolution there is flexibility to stipulate late fees and interest. Linda indicated that we must sign the resolution at this meeting to maintain continuity with current lawsuits. Janet expressed concern about committing to a resolution with "blanks" in it. Scott asked if the resolution could be amended if needed. Linda responded affirmatively, and an action item was created for the Board to review the resolution and amend if needed.

Jess made a motion to approve collection policy as drafted by The Reserve attorney. Lauren seconded the motion. Motion carried unanimously.

Manager's Report

Lauren asked if there was a written report. There is not. She asked that going forward that a manager's report be submitted in advance of BOD meetings. Report can then be included as an attachment to minutes. Linda will do so beginning with February BOD meeting.

- **Snow and Ice.** Linda reported expense with elimination of ice dams forming at Building Q gutters, \$200-800 per incident. Short-term and long-term solutions are indicated. Short-term recommendation is heat tape installation, powered by owner electricity, with marginal electrical expense reimbursed to owner. BOD authorized up to \$3,000 for immediate heat tape installation. Linda will provide the owner with written notice for use of electricity. Long-term solution TBD.
- **Aging property.** Linda observed that the doors to buildings are approaching the end of their useful lives; lighting needs to be addressed; trees encroaching on buildings, as well as other deferred maintenance items that are not included in the master plan. Discussion held regarding several items relative to aging property. Action to address same will be tabled until next meeting.
- **Parking Stickers.** Linda will distribute numbered parking stickers by Thursday, January 23, 2014 with enforcement of same beginning January 31, 2014. Linda will report on this topic again at February BOD meeting.
- **Tenant issues.** With more tenant-occupied units, Linda noted that landlord-centered issues are increasingly consuming the Manager's time. Discussion held. Scott asked that Linda summarize landlord-tenant concerns that affect Manager's time, for presentation at February BOD meeting.

Old Business

- **Railing/Post expense.** Linda reported that to date HOA has paid \$11,000 for six (6) posts. Vendor (A4S) has not billed HOA for remaining eight (8) posts. Scott asked for clarification of posts as limited common element. Linda stated that they are not. Tim asked if there was an alternate method to replace posts. Jess suggested that it be a separate meeting topic under Planning. Lauren suggested an objective party evaluate posts. Scott asked if rotted posts would qualify for an insurance claim. Janet asked if the post expense was in the budget; Linda responded affirmatively. Linda stated A4S has inspected all of the posts. Scott offered to inspect as well. Discussion held.

Consensus was that objective party should inspect posts, followed by competitive bidding for replacement of same. Linda reported that owners of units with a bedroom balcony have been notified that they will be assessed for posts on same.

- **Building A Construction.** Written update from Manager included in board packet, and attached herewith as a part of the minutes. No questions from BOD. Target completion is on schedule for end of April.
- **Bike accident.** No further communication has been received from the rider.

New Business

- **H102 Railing.** Shawn Smith, owner of tenant-occupied H102, disputed assessment for first floor railing, and was heard in-person. Owner and Manager spoke by phone but remember outcome differently: Owner does not want railing; Manager understood that existing railing was to be replaced. Linda stated that The Reserve attorney indicated that the HOA is within its rights to collect, because of sufficient notice. Several options for resolution were discussed, but none adopted. Owner will investigate options prior to February meeting and will propose a resolution.
- **Land Design/Irrigation.** Linda suggested the following high-level timeline for implementation of project:
 - Distribute, complete, and aggregate responses to questionnaire from landscape architect to BOD members to solicit "wish list";
 - Linda will forward Jess's email with his input from a prior period;
 - Linda stated there is not a survey of the property on file at the county; directors will access Google Earth for reference;
 - Distribute proposed contract with landscape architect (Scott, Ceres Landscape Architecture) prior to February BOD meeting
 - Execute contract in February 2014
 - Drawings by April 1, 2014
 - Incorporate feedback; re-draw in April; approve by 4/30/14
 - Begin irrigation installation in May 2015
 - BOD to determine and select project funding options by May 2014
 - Ballpark project expense is \$250,000. Goal to reduce water expense by one-half.

Discussion held, and will resume at next meeting.

- **Election of Officers.** Jess asked for nominations for the role of President. Scott noted Matt's willingness to serve as president per his email of that day, and made a motion to re-elect Matt as President. Jess asked if there was a second. Discussion held. The motion was

not seconded. Scott indicated a preference for delaying elections until entire board was present. Discussion held. Janet made a motion that Jess be nominated for President. Lauren seconded the motion. Jess accepted the nomination. Motion carried. All in favor: 4. Scott dissented.

Jess asked for nominations for Vice President. Jess made a motion to nominate Janet. Tim seconded the motion. Janet accepted the nomination. Motion carried. All in favor: 4. Scott dissented.

Jess indicated that Regina was interested in the role of Secretary. Jess made a motion to nominate Regina. Lauren seconded the motion. Motion carried. All in favor: 4. Scott dissented.

Jess noted that the Bylaws stipulate election of a Treasurer. Discussion held. Jess made a motion to nominate Tim as Treasurer. Lauren seconded the motion. Tim accepted the nomination. Motion carried. All in favor: 4. Scott dissented.

Jess discussed the need for a special meeting for new director orientation and planning for 2014. Jess will schedule meeting to be held prior to regular February BOD meeting. There was discussion after elections about team-building, meeting length, attendance, and director obligations. It was determined that it would be a good topic for special orientation/planning meeting.

Motion to Adjoin Meeting

Lauren made motion to adjoin the meeting. Scott seconded the motion. Motion carried unanimously. Meeting adjoined at 9:49 p.m.