

**The Reserve on the Eagle River Condominium Association
2014 Annual Meeting Minutes**

Monday, December 1, 2014, at 6:30PM MT at the
Reserve Clubhouse
34999 US Highway 6, Edwards Colorado

ATTENDANCE: The following Directors were present:

- Scott Ashburn
- Jess Frieze
- Marilee Horan
- Lauren Immel
- Tim Sullivan

Other members in attendance were:

- See attached list

ALSO PRESENT: Dan McNeill, Managing Agent, Kay Cheney, Bookkeeper, Jennie Lewis of McNeill Property Management and Sara Thurston McNeill, Secretary to the Meeting

- I. Roll Call. With 68 of 131 unit owners represented either in person or by proxy, a quorum was established (accordingly to the by-laws, a quorum constitutes one-third of the membership or 44 units represented either in person or by proxy). Dan welcomed all to the meeting and read off all of the proxies received prior to the meeting, and Jess Frieze, President called the meeting to order shortly after 6:30PM.
- II. Review and Approval of the Minutes of 2013 Annual Meeting. These minutes were previously distributed to all owners for review and posted on the website: www.thereserveontheeagleriver.com. There being no suggested changes, there was a MOTION: TO APPROVE THE MINUTES OF THE 2013 ANNUAL MEETING OF THE RESERVE ON THE EAGLE RIVER CONDOMINIUM ASSOCIATION. The motion was seconded and carried unanimously.
- III. Financial Report. Kay Cheney of Intermountain Bookkeeping, prepared the current financial reports (as of October 31, 2014) and Jess Frieze presented them to the membership.

According to the Balance Sheet, the association has \$53,904.46 in the regular checking account and \$111,405.12 in the liquid asset replacement account. The balance on the roof loan to Guerrero's Roofing is \$83,513.

The Profit and Loss Statement reveals that the association has total income of \$344,054 through October 2014; this compares to budgeted income of \$345,578 at this point in the year (the difference is primarily due to lower than anticipated finance charges). Operating Expenses total \$300,561. This compares with budgeted expenses of \$361,666 at this point in the year; therefore, the association is \$61,105 under budget on Operating Expenses. Cost savings have been garnered in the line items of Common Repair, Accounting, Management Fee, Insurance, Water & Sewer, Paint Buildings and Siding Replacement & Repair. Overruns have been experienced in the line items of Legal, Pool (Gas) and Pool (Supplies and Maintenance). Jess noted that some landscaping invoices have not yet been expensed.

The 2014 beginning balance in the Replacement Reserve Account was \$59,688.95. Current year funding totals \$80,612.25. 2014 Capital Expenditures total \$63,881.86, the majority of which is for the roofing contract loan payback to Guerrero's Roofing at the rate of \$5,000.00 per month until all the roof work loan is fully paid in 2016. Asphalt crack sealing and patching was completed for the cost of \$11,721.86. The ending balance in the Replacement Reserve Account as of October 31, 2014, is \$76,418.94.

Jess commented that the association is in a much better position in terms of accounts receivable than it has been in recent years. Some large delinquent accounts were turned over to Hindman-Sanchez and collections have been forthcoming.

Dan then reviewed the approved 2015 Operating Budget with the membership. No dues increase is planned for the coming year. The association was able to trim about \$12,000 in annual operating expenses for the coming year. This savings will be contributed to reserves, for a total annual reserve allocation of \$108,687. Dan noted that the association is currently contributing about 19% of its annual operating budget to reserves, and once the roof loan is fully paid, savings can then be built back up to cover other capital projects, such as the implementation of the different phases of the Long Term Landscaping Plan (and re-working of the irrigation system). Management distributed a Budget Explanation Sheet that details the components of each line item.

Also distributed was a Dues Comparison. This compares the regular, monthly assessments at the Reserve (on a per square foot basis) to other, similar associations, such as Par 6 Condominiums, Homestead Meadow Condominiums, Mountain Stream Condominiums, Riverwalk Crystal and River Pines. The dues at The Reserve are within the same range of the other associations. Dan noted

that Par 6 and Homestead Meadow have recently undergone significant special assessments. This is NOT the case with The Reserve.

Dan asked for questions and comments regarding the 2015 Budget. None were forthcoming.

IV. Manager's Report. Dan McNeill, managing agent reported that since McNeill Property Management was hired in June 2014, many projects have been completed including:

- The painting (and partial siding replacement) of 3 buildings
- The jetting and camera inspection of about 25 problem drain lines
- Gutter cleaning, heat tape inspections and roof inspections
- Crack-sealing of the asphalt with some infra-red patching
- Exterior light repairs
- Carpets cleaned in all common hallways and the Clubhouse
- Windows cleaned in all common hallways and the Clubhouse
- Common hallways were inventoried for light fixture replacement, painting and carpet replacement
- A new speed bump was installed on the east end of the complex, just east of the stop sign at the 3-way intersection

Each spring during the Spring Walk Through, management meets on site with the Board of Directors and any interested owners to walk the common areas of the property. A Projects List is then compiled and circulated to all owners for comments and additions. Projects are then rated according to priority (with fire / life / safety issues given top consideration) and budget constraints.

A committee has been formed to compile the Capital Spending Plan. The Plan identifies all of the common components that the association is responsible to replace, and then estimates the useful remaining life of each element along with a cost for its replacement. The Board and management will use the Plan as a tool to plan and budget for future capital projects. Marilee Horan is the chairperson of the Capital Spending Plan Committee. She reported that the members have been compiling bids for various projects and will meet after the first of year to put together a draft for the Board's review.

Management distributed the Insurance Claims Procedure sheet to all. All insurance claims must go through management. The association's carrier is Neil-Garing Insurance, with guaranteed building replacement underwritten by CAU. Owners with specific questions can call 970-945-9111 and speak with Susan. Each owner should have their condo owner's insurance agent contact the association's carrier to ensure that there are no gaps in coverage. Every owner needs to insure their own contents, possessions and UPGRADES to developer-installed finishes (including, but not limited to wood floors, granite counters and

faux painting). Management recommends that every owner consider adding loss assessment their policy in conjunction with the project in the event that they are required to pay the insurance deductible for the association or damages result in loss of rental income.

Management prepared and distributed a Risk Management Checklist. This was emailed to all owners in November. It is also posted on the website. Owners are asked to follow the guidelines in the checklist in order to avoid costly damage and insurance claims. It also includes suggestions for water and energy conservation, and information about the carbon monoxide detector laws in Colorado.

The Rules and Regulations were distributed to all present and are also posted on the website. **Code enforcement issues regarding parking, noise, pets, clutter and other nuisance issues can be directed to MPM's full time code enforcement officer, Jennie Lewis at 970-904-0519 or to jennie@mcneillinc.com. If a resident would like to make an anonymous report of a code violation, they can do so by calling or emailing Jennie. The sender should indicate the location of and nature of the violation. Photos are very useful when identifying code violations. All residents are reminded that no solid fuel burning grills (such as charcoal or wood) are permitted.**

Management distributed the Contact List for all owners. The List includes the address and phone number of the office, phone numbers and email addresses for the Maintenance Manager (Mike Skellion), Accountant (Kay Cheney), Code Enforcement Officer (Jennie Lewis) and the website information for the homeowners association. Owners are asked to keep this information handy and to give it to their tenants if they rent their unit.

- V. **Board of Director Elections.** The current Board consists of Scott Ashburn, Janet El-Bitar, Jess Frieze, Marilee Horan, Lauren Immel, Matt Lydens and Tim Sullivan. Janet, Jess, Marilee and Tim all have terms expiring at the Annual Meeting. Declared candidates for the open Board positions are Deb Forsline, Jess Frieze, Linda Guerrette, Marilee Horan, Peter Lord and Brian Woodell. Management distributed "bios" submitted by each candidate along with a Ballot and the approved 2015 Budget to all owners on November 14, 2014. Ballots were returned by mail, fax, email and in person at the Annual Meeting. Kay Cheney tallied all of the returned ballots and it was determined that the four candidates that received the most votes were Deb Forsline, Jess Frieze, Marilee Horan and Peter Lord. The membership and management thanked Janet El-Bitar and Tim Sullivan for their dedication and service to their fellow homeowners at The Reserve, and welcomed Deb and Peter to the Board. Management thanked all the candidates for "stepping up" and offering to volunteer.

VI. Other Business. Mr. Kirkwood voiced his concern about the safety of the recently installed speed bump, just east of the three-way intersection. Management responded that the Board members carefully considered its placement and installation for many weeks prior to actually moving ahead with the project. The intent of the speed bump is to get motorists to stop at the stop sign in front of Building C.

Lauren Immel thanked all of the homeowners for their patience during the management turn-over She remarked that she is looking forward to a positive and successful year in 2015.

VII. New Business. There was no new business to discuss.

VIII. Adjournment. There being no further business to come before the membership, the meeting adjourned at approximately 7:20PM.

Respectfully submitted,

Secretary to the Meeting

MEMBERS IN ATTENDANCE:

Kirkwood	A-102
Desmone	B-104
Lodge	B-302
Wodlinger	C-101
Harrison-Kofka	C-102
Woodell	C-302
Markoff-Beran	D-101
Dowling	D-201
Blakslee	D-203
Green-Bennett	D-204
Harvey	E-101
Dudar-Ferraro	E-102
Luling	E-202
Lord	F-102
Ferrari	F-202
Desmone-Bracken	F-204
Young	F-302
Forsline	G-201
Pickle	G-203
Sloniker	I-201
Guerrette	I-203
Riley	J-102
Vondrell	K-204
Glotzer	L-303
Viditz-Ward	M-102
Thayer	M-201
Cummings	O-103
Shiao	O-104
Bryant-Rives	P-204
Smith	Q-104
Schneiter	Q-201
Peterson	Q-204

MEMBERS REPRESENTED BY PROXY:

Luark	B-102
MacDonald	B-201
Chadwick	B-203
K2F Investments	B-303
Gans	C-104
K2F Investments	C-201
Pearman-Dillon	C-203
Mello	D-102
Hotz	D-104
Erikson	F-103

Abraham	F-201
El-Bitar	G-101
Benzi-Bacolla	G-103
El-Bitar	H-101
Cochran	I-102
Cavaliere	I-103
Bareis	I-204
Drabant	J-201
Seehafer	J-202
Roach	K-303
Bates	L-102
Jacarusso	L-103
Nilsson-Murphy	L-104
Pelchat	L-201
Gillie	N-302
Mohr	N-304
Markin	O-302
Hunt	P-104
Foster	P-202
Vallee	Q-102

Subject to Approval