

**The Reserve on the Eagle River Condominium Association  
2017 Annual Meeting Minutes**

Friday, December 1, 2017, at 6:30PM MT at the  
Reserve Clubhouse  
34999 US Highway 6, Edwards Colorado

ATTENDANCE: The following Directors were present:

- Deb Forsline
- Linda Guerrette
- Marilee Horan
- Brian Woodell

The following Directors were absent:

- Jess Frieze

Other members in attendance were:

- See attached list

ALSO PRESENT: Dan McNeill, Managing Agent, Mariah Raiche of McNeill Property Management and Sara Thurston McNeill, Secretary to the Meeting

- I. Roll Call. With 47 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 Deb Forsline, President called the meeting to order at approximately 6:35PM. Those present at the meeting took turns introducing themselves to the membership.
- II. Review and Approval of the Minutes of 2016 Annual Meeting. These minutes were previously distributed to all owners for review and posted on the website: [www.thereserveontheeagleriver.com](http://www.thereserveontheeagleriver.com). There being no suggested changes, there was a MOTION: TO APPROVE THE MINUTES OF THE 2016 ANNUAL MEETING OF THE RESERVE ON THE EAGLE RIVER CONDOMINIUM ASSOCIATION. The motion was seconded and carried unanimously.
- III. President's Address. Deb Forsline then addressed the membership. She gave the following report:

The Reserve is a unique community with many assets and future challenges. Deb outlined the physical assets, including private access to the Eagle River, expansive manicured grounds with a new irrigation system, and 7.6 acres of undeveloped land that is highly desirable and its proximity to local amenities.

Community assets include a vibrant real estate market, new engaged owners, committed long time owners and a great location. Cooperative assets include a Board of Directors that works well with the McNeill Property Management team, occasional attendance at Board meetings by homeowners, a fiscally-responsible Capital Reserve Spending Plan and budget, and progress toward finishing the Governing Documents Revision Project.

Future challenges include how to maintain and enforce private access to the Eagle River, care for the aging drain and sewer line system and how to deal with the 7.6 acres of undeveloped common land on the northern side of the property. Deb outlined one option for the land that the Board is currently investigating: the purchase and installation of a solar array. The initial large investment (\$350,000 +/-) would provide for The Reserve's common element electricity needs with the option of being expanded, in phases, for individuals at The Reserve and in the larger community to purchase panels for their own electricity needs. If the details of this idea could be worked out, it could give The Reserve the opportunity to retain ownership of undeveloped common land and generate income in the future. When asked for a straw poll (show of hands) for those that support the continued investigation of the solar energy project, eleven of the fifteen homeowners present were in favor.

Deb concluded her report by citing some community challenges, such as how to engage more owners and residents in The Reserve community, including serving time on the Board and how to provide secure storage options for bicycles and other seasonal and recreational equipment. In the coming year, the Board will be facing the completion of the Rules and Regulations portion of the Governing Documents Revision Project and the compilation of Architectural Guidelines for window and door replacements, as well as, hard surface flooring installation.

IV. Financial Report. Kay Cheney of Intermountain Bookkeeping, prepared the current financial reports (as of October 31, 2017) and Dan McNeill presented them to the membership.

According to the Balance Sheet, ten months through the year, the association has \$38,347.32 in the regular checking account and \$187,788.06 in the liquid asset replacement account. Assets, liabilities and equity total \$271,561.72 including \$29,523.06 in prepaid insurance premiums and \$9162.27 in accounts receivable.

The Profit and Loss Statement reveals that the association has incurred operating expenses of \$377,869 so far this year, compared to budgeted expenses of \$358,650. Common Repair & Maintenance, Snow Removal, Paint Buildings, Plumbing and Insurance Claim are over budget. Fire/Life/Safety, Lawn Care, Janitorial, and Water & Sewer are under budget. All other line items are tracking at or under budget at this point in the year. Net income is <\$27,427.50>.

The 2017 beginning balance in the Replacement Reserve Account was \$125,323.17. 2017 Funding totals \$96,700 from regular assessments and \$55,851 was added from the Irrigation Special Assessment. 2017 capital expenses total \$167,609 including \$9989 for new gutters, \$114,877 for the Irrigation System Replacement Project, \$10,491 for parking lot striping and trailer re-assignment, \$10,133 for exterior lighting work, \$6964 for the Governing Documents Revision Project (including a new survey), \$7207 for tree removal, \$1020 in landscaping upgrades and \$5199 for the Deck Post Replacement Project. The ending balance in the Replacement Reserve Account is \$136,125.69. There is an additional \$75,516.45 in working capital reserves.

Dan then reviewed the approved 2018 Operating Budget with the membership. By moving painting to the capital plan, the association was able to save money on regular operating expenses. Operating Assessment Income will total \$403,100 and an additional \$130,438 will be contributed to Reserves. No dues increase is planned for the coming year. Dues will remain at:

\$316.85 per month for small two bedroom units  
\$345.19 per month for large two bedroom units  
\$446.98 per month for three bedroom units

Management distributed an updated Dues Comparison. This compares the regular, monthly assessments at the Reserve (on a per square foot basis) to other, similar associations. Management also prepared and distributed a Budget Explanation Sheet that details the components of each line item.

- V. Manager's Report. Dan McNeill then referred to the 2017 Projects List, compiled during the Spring Walk Through and circulated to all owners for comments and additions. Projects are then prioritized (with fire / life / safety issues given top consideration) and are completed during the summer and fall months according to budget constraints. At this point, the List is now substantially complete.

Dan reviewed the Reserve Study with the membership. This long term capital plan is a tool that the Board and management use to plan and budget for future capital projects. The Study identifies every element that the association is responsible to repair and replace (Component List), assigns a useful remaining life to each element and its estimates its year of replacement, along with replacement costs for each element. Capital projects under consideration for 2018 include the installation of entryway gardens and around Buildings C and D, installation of a stone monument sign at the entry, front entry door replacement (as needed, cyclically), deck support post and joist replacement, continued replacement of landscape lighting, gutter and heat tape additions, the painting of the Clubhouse and two other buildings (with partial siding replacement, as needed), and the anticipated completion of the Governing Documents Revision Project.

Management distributed the Insurance Claims Procedure sheet to all. All insurance claims must go through management. The association's carrier is Assured Partners, with guaranteed building replacement underwritten by CAU. 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 coverage** to 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.

The Insurance and Maintenance Chart from the Amended & Restated Declaration was distributed to all. Every owner should be sure to give this chart to their insurance agent to make sure their HO-6 policy complies with the Declaration. The Declaration calls for each owner to go to "bare walls" coverage. In this manner, all cabinetry, appliances, floor coverings, wall finishes, light fixtures and plumbing fixtures **MUST BE COVERED UNDER EACH HOMEOWNERS POLICY.**

Management distributed the updated Risk Management Checklist. 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. **Residents are asked to contact management immediately whenever a slow drain or drain back up occurs;** a clean out will be scheduled on that line. None of the fire alarms are connected to a central system. Therefore, any time a resident hears a smoke alarm go off, they must call 911 to report the alarm. The fire district will then investigate immediately.

All owners are reminded that the Parking Rules & Regulations are now in full force and effect; one permit per legal bedroom now the standard. Fees for trailer permits (\$25 per month) will begin on January 1, 2018.

**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](mailto:jennie@mcneillinc.com). Photos are very useful when identifying code violations.**

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.

VI. Committee Reports. Deb Forsline reported on the progress of the Governing Documents Revision Committee. The Amended & Restated Declaration has been approved and will be recorded. The Board has reviewed the first draft of the Amended & Restated Bylaws and sent proposed changes back to legal counsel. This document should be adopted at the next regular meeting of the Board on January 15, 2018. The Board will then tackle the Rules & Regulations and the Design Review Guidelines (for any proposed changes to the structures' exteriors), including window and door replacement specifications.

Linda Guerrette then reported on the progress of the Landscape Committee. The Irrigation System Replacement Project is now complete. The contractor also spread new gravel along the path between the buildings and the river. The Landscape Entry Project will be undertaken in the spring of 2018. The latter includes garden beds and berms around Buildings C and D, including the planting of trees, shrubs, grasses and some flowers. Signage will be incorporated using engraved boulders.

VII. Board of Director Elections. The current Board consists of Deb Forsline, Jess Frieze, Linda Guerrette, Marilee Horan and Brian Woodell. Susan Ferrari was elected to the Board last year, but resigned early when she sold her home at The Reserve. Andrew Abraham resigned in October. Brian and Linda have terms that expire at the Annual Meeting. Linda Guerrette and Christine Riker are declared candidates and Erik Goodling also offered to serve. After brief discussion, there was a MOTION: TO RE-ELECT LINDA GUERRETTE AND TO ELECT CHRISTINE RIKER AND ERIK GOODLING TO THE BOARD. The motion was duly seconded and carried unanimously. The membership and management thanked Brian Woodell for his many years of service on the Board and in the best interest of all of the owners at The Reserve.

Officers will be elected at the next regular Board of Directors Meeting, scheduled for Monday, January 15, 2018, at 6:30PM.

VIII. Old / New Business. There was no old or new business to discuss.

IX. Adjournment. There being no further business to come before the membership, the meeting adjourned at approximately 7:45PM.

Respectfully submitted,

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Secretary to the Meeting

MEMBERS IN ATTENDANCE:

Terrazas	B-103
Chadwick	B-203
Blakslee	D-203
Aronson	E-102
Karatchobanov	F-202
Pickle	G-203
Cochran	I-102
Sloniker	I-201
Conlon	I-204
Bro	K-102
Jacarusso	L-103
Riker	L-202
White—Hubbard	M-101
Shiao	O-104
Schneider	Q-201

MEMBERS REPRESENTED BY PROXY:

Luark	B-102
Scott—Dubrow	B-204
K2F Investments	B-303
Gans	C-104
K2F Investments	C-201
Beran—Markoff	D-101
Dowling	D-201
Erikson	F-103
Abraham	F-201
Graf	G-102
Schmitt	G-104
Mothershed	G-303
Denise	J-101
Ackerman	K-101
Fickling	K-104
Snyder	K-203
Murphy—Nilsson	L-104
Pelchat	L-201
Frieze	N-101
Gillie	N-302
Mohr	N-304
Adamson	O-203
Hunt	P-104
Laney	P-303
Gordon	Q-101
Brock	Q-202
Peterson	Q-204