

The Reserve on the Eagle River
Board Meeting Minutes
Tuesday, February 16, 2016, at 6:30 PM
The Reserve Clubhouse

BOARD MEMBERS PRESENT: Andrew Abraham, Scott Ashburn, Deb Forsline, Jess Frieze, Linda Guerrette, Marilee Horan and Brian Woodell

BOARD MEMBERS NOT PRESENT: Jim Little

ALSO PRESENT: Alex Thrasher of McNeill Property Management, Secretary to the Meeting

- I. Roll Call. With seven of eight Board members present, a quorum was established. Deb Forsline welcomed all to the meeting and called it to order shortly after 6:30PM.

- II. Review and Approval of the Minutes of the January 18, 2016, Board of Directors Meeting. These minutes were drafted and circulated to all Board members for review via email. There being no suggested changes, there was a MOTION: TO APPROVE THE MINUTES OF THE JANURAY 18, 2016, BOARD OF DIRECTORS MEETING AS PRESENTED. The motion was seconded and carried unanimously.

- III. Homeowner Forum. Although no homeowners attending the meeting, the Board discussed various ways to inform residents about water conservation measures in an effort to decrease this very large expense. The Water & Sewer line item accounts for almost 29% of the annual operating budget at The Reserve. Andrew Abraham suggested that flyers from the Eagle River Water & Sanitation District be posted in the common hallways.

- IV. Reserve Study Presentation. Rick Agett of Agett Construction Management was hired by the Association to prepare a Reserve Spending Plan. Rick explained that a professional reserve study is used by the Board and management as a tool to plan and budget for capital projects. All of the common elements that the association is responsible to repair and replace are described in the study, and then a useful remaining life will be estimated for each element. Rick distributed the draft of the study to the Board members for review. He also explained that the Board can prioritize projects based on their opinions, as homeowners, and make changes based on their preferences. Paving, roofing, siding and the bridge are

four largest items to be prioritized. Rick pointed out that the association has 131 owners to share in the cost of the replacement and repair of these elements.

The Board reviewed the Study and discussed some proposed changes recommendations with Rick. He will prepare a report on a useful life expectancy of all of the components and forward to the Board for review. The Board thanked Rick for his report and he excused himself from the meeting.

V. Financial Review. Kay Cheney, bookkeeper for the association, prepared the current financial reports (as of January 31, 2016) and Deb Forsline presented them to the Board.

According to the Balance Sheet, the association currently \$54,242.30 in the regular checking account and \$121,586.04 in the liquid asset replacement account. The balance on the roof loan to Guerrero's Roofing is \$8513.

The Profit and Loss Statement reveals that the association has operating expenses of \$45,440 for the first month of the year. This compares with budgeted expenses of \$69,917. The association is running at or under budget in most categories, except for Water & Sewer.

The 2016 beginning balance in the Replacement Reserve Account was \$107,305.28. Funding totals \$6360 and 2016 capital expenses total \$9954.70 and include \$5000 to Guerrero's Roofing, \$2234.70 for smoke detector replacement and \$2720 for the irrigation system design. The ending balance in the Replacement Reserve Account is \$103,710.58.

As of January 12, 2016, accounts over 90 days past due total <\$349.92>. Currently, there are three delinquent accounts of concern: one has been turned over to legal counsel for collections, one has committed to a payment plan to get caught up within six months and the third has been sent a demand letter per the Collections Policy.

There was a MOTION: to approve the January 2016 Financial Reports. The motion was seconded and carried unanimously.

VI. Manager's Report. Dan McNeill could not attend the meeting due to road closures in Glenwood Canyon, therefore the maintenance report was reviewed by Deb Forsline. The Rules and Regulation report was provided to all Board members and it was noted a Jeep was scheduled to be towed from the property on February 15th.

Several owners have contacted management about ice buildup in the parking lot area. The Board requested that management contact the plowing company for

additional services to removed slush and ice from parking lot area. There was a suggestion to be more proactive on ice dam removal from roof eaves to prevent leaks.

VII. Committee Reports. Deb Forsline, expressed her disappointment that it took so many months to receive the first draft of the Amended & Restated Declaration. Marilee suggested that the Board would benefit from developing some kind of Mission Statement that could be agreed upon and used to guide group decisions pertaining to the Amended & Restated Declaration. After some discussion, it was decided that Board members would submit mission or belief statements to be consolidated into a Mission Statement.

The Board agreed that at least one prolonged work session would be necessary to finalize content and language revisions to the draft A&R Declaration. Proposed dates will be circulated to Board members after all 12 sections of the draft are reviewed, outside of meeting time, by Directors. The Board would like to protect time usage and the integrity of our Board Meetings.

VIII. Other Business. The Board reviewed the bids garnered by management for lawn care, painting, irrigation and pool services. Proposals for weekly lawn care included bids from All Valley Lawn Care, Chard's Yards, Rocky Mountain Custom Landscapes and Avalanche Property Maintenance. After review and discussion, there was a MOTION: TO AWARD THE 2016 CONTRACT FOR LAWEN CARE TO ALL VALLEY. The motion was seconded and carried unanimously.

The irrigation bids were reviewed and after some discussion, there was a MOTION: TO AWARD THE IRRIGATION SYSTEM REPAIR CONTRACT TO ALL VALLEY LAWN CARE. The motion was seconded and carried unanimously. Marilee commented that in the past there were issues with All Valley's timely response to irrigation issues and that Avalanche has a much better response time. It was suggested that management notify the contractor of any problems immediately and keep the Board apprised.

The exterior painting proposals were reviewed next. It was noted that \$10,000 for partial siding replacement may be low, but that the association has some siding left over from last year. After a brief discussion, there was a MOTION: TO AWARD THE CONTRACT TO THE HAPPY PAINTER FOR THE EXTERIOR PAINTING OF THREE BUILDINGS IN 2016. The motion was seconded and carried unanimously. The Board discussed possibly using three coats of paint on all south-facing sides.

Lastly, the pool care bids were reviewed. The Board confirmed that Avalanche tested and cleaned the pool three times per week in 2015 and that a resident

assisted with daily pool opening and closing operations. There was a MOTION: TO TABLE A DECISION ON THE 2016 POOL CARE CONTRACT UNTIL DISCUSSED WITH DAN McNEILL. The motion was seconded and carried unanimously.

Since the water & sewer line item was over budget last month, there was a suggestion to do an audit to find out which buildings had the highest usage.

The Board discussed the Clubhouse Rental Policy asked management to ensure that any deficiencies are noted during the pre-party inspection with the resident who is renting the Clubhouse. The Board is considering hiring Green Practices to conduct a thorough spring and fall cleaning of the Clubhouse. In addition, management was directed to get the cost for the replacement of the electric baseboard heaters in the Clubhouse.

IX. Adjournment. There being no further business to come before the Board, the meeting adjourned at approximately 8:40PM.

Respectfully submitted,

Secretary to the Meeting