

The Reserve on the Eagle River  
Board Meeting Minutes  
Monday, July 17, 2017, at 6:30 PM  
The Reserve Clubhouse

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

NOT PRESENT: Andrew Abraham

ALSO PRESENT: Kevin (tenant of Brian and Corrine Ackerman, Unit K-101) and Sara Thurston McNeill of McNeill Property Management

HOMEOWNERS PRESENT: Brian Forsline (Unit G-201)

I. Roll Call. With five of six Board members present, a quorum was established. Deb Forsline, President, called the meeting to order shortly after 6:30PM.

II. Review and Approval of the Minutes of the June 19, 2017, Board of Directors Meeting. These minutes were drafted and circulated to all Board members for review and comment via email prior to the meeting. Some suggested changes were incorporated and then re-circulated to the Board. There being no further suggested changes, there was a MOTION: TO APPROVE THE MINUTES OF THE JUNE 19, 2017, BOARD OF DIRECTORS MEETING AS PRESENTED. The motion was seconded and approved unanimously.

III. Homeowner Forum. Kevin, along with his two friends and horseshoe teammates, Aaron and Todd addressed the Board and asked for permission to keep playing horseshoes at the Horseshoe Pit on Thursday evenings. Kevin explained that all of his teammates are his invitees and that he is the responsible “point person” for any gatherings at the Horseshoe Pit on Thursdays (and some other days, when additional practices are required).

After some discussion and clarification, there was Board consensus to permit the play to continue so long as Kevin (or another resident of The Reserve) is present, no dogs are permitted off leash and the area is left clean. It was noted that this group of horseshoe enthusiasts has been playing and practicing regularly at The Reserve since 1997. In total, there have been very few complaints. The players have regularly maintained and upgraded the area. All residents are always welcome to join.

IV. Financial Review. Kay Cheney, bookkeeper for the association, prepared the current financial reports (as of June 30, 2017) and Sara McNeill presented them to the Board.

According to the Balance Sheet, six months through the year, the association has \$92,362.79 in the regular checking account and \$220,992.87 in the liquid asset replacement account. Assets, liabilities and equity total \$313,355.66 including \$3717.30 in prepaid insurance premiums and \$23,830.26 in accounts receivable. Accounts receivable as of July 10th, however, had been reduced to only \$3606.47 for regular dues over 90 days. Management sent email reminders to two owners, three other accounts have since been paid in full and one owner will be put on a payment plan for their irrigation special assessment.

The Profit and Loss Statement reveals that the association has incurred operating expenses of \$186,934 so far this year, compared to budgeted expenses of \$206,750. Snow Removal, Electric and Insurance Claim are over budget. Common Repair & Maintenance, Janitorial, Pool Gas, Pool Supplies & Maintenance and Water & Sewer are under budget. All other line items are tracking at or under budget half way through the year. Net income is \$23,291.

Jess noted that both Electric and Water & Sewer are tracking below the amounts paid for this same time period in 2016.

The 2017 beginning balance in the Replacement Reserve Account was \$125,323.17. 2017 Funding totals \$58,009.94 from regular assessments and \$35,621 was added from the Irrigation Special Assessment. 2017 capital expenses total \$75,263, including \$3892 for new gutters, \$52,015.11 for the Irrigation System Replacement Project, \$10,326 for parking lot striping and trailer re-assignment, \$1519 for exterior lighting work, \$4616 for the Governing Documents Revision Project (including a new survey) and \$2800 for the Deck Post Replacement Project. The ending balance in the Replacement Reserve Account is \$170,415.37. There is an additional \$73,076.62 in working capital reserves.

There was a MOTION: TO APPROVE THE JUNE 2017 FINANCIAL REPORTS. The motion was duly seconded and carried unanimously.

V. Manager's Report. Sara McNeill reported on the following items:

- Painting of Building K and Building O will begin on July 27<sup>th</sup>. Gutters and heat tapes are scheduled for installation on these buildings prior to painting. Partial siding and trim replacement is occurring on Building O right now.
- Management has garnered a detailed proposal from Top Notch Log Works for support post replacement. The bid is within the amounts budgeted in the

Reserve Study. Management will garner two more bids for this work prior to Board approval. Based upon the current work load of construction companies and subcontractors in the area, this work may have to be tabled until 2018.

- The Irrigation System Replacement Project is somewhat behind schedule due to staffing challenges. The contractor is currently working around Building M and has several more weeks of work to accomplish before the project is done. The completed zones are now on, but are able to use only two of the three water taps, so coverage is not full yet.
- Management is garnering a proposal for security cameras at the pool and clubhouse from Summit Security for the Board's review.
- Many small stones have been unearthed during the trenching associated with the irrigation project, and have caused damage to several vehicles when the lawn mowers come through.
- The "test case" lighting project on Building C is still in process. The walkway light is in and wired, however, the light above the door on the building had to be sent back and replaced because the wrong model was shipped by the manufacturer. Both should be up and running later this week. The light on the easternmost trash enclosure is installed and working.
- The pressure reducing valve in the pool mechanical room had to be replaced last week by Colorado West Plumbing and Heating. This equipment is now up to code.

Mike Skellion reported that a leak into the ceiling of the master bedroom in Unit K-102 was recently detected. The problem was traced to an improperly sealed dryer vent. Management removed all the dryer vents on the building and reinstalled them with new caulking. The ceiling's drywall has been repaired.

Management is garnering bids for heat tape replacement in various areas throughout the complex where the existing heat tape has failed. Sara noted that the estimated useful life of high quality heat tape is about seven years, on average.

Management is putting together a plan for the evaluation of each building entry door. Hinges, latches, closers and surface condition of each door will be noted in a spreadsheet and an estimate for repairs and painting will be compiled for the Board's review.

The contractor who provides bi-monthly cleaning services of all the interior hallways has requested a rate increase. Currently, the association is paying \$500 per month for this service, and Green Practices will begin charging \$700 per month, beginning on August 1<sup>st</sup>. The rate is currently \$25 per hour, and the new rate will go to \$30 per hour. Sara noted that Avalanche Property Maintenance bills out housekeeping services at \$32 per hour. There was consensus to approve the Green Practices rate increase, beginning on August 1, 2017. Management was directed to get comparable bids for the Board's review for the upcoming year's budget.

A large cottonwood on backside of Building K fell into the building and had to be cut down and removed immediately. Another cottonwood tree in front of Building J started leaning towards the parking lot and had to be taken out. This could be related to the trenching associated with irrigation project thus weakening the shallow root structure of these types of trees. Jess brought to the attention of the Board the fact that another, large juniper tree recently fell down near the river, across from Building O. He is meeting on site with Mike Skellion tomorrow to determine the best course of action to remove it.

Jennie Lewis, Code Enforcement Officer, sent the Board a report of recent code enforcement efforts. The Board discussed how best to handle the trailers that are parked in the Clubhouse guest parking area. After detailed discussion, there was a MOTION: TO MOVE THREE OF THE FIVE TRAILERS TO THE PARKING AREA IN THE BACK LOT JUST EAST OF THE BOULDERS THAT DEFINE THE CURRENT CLUBHOUSE GUEST PARKING AREA. The motion was seconded and it failed with four Directors voting AGAINST the motion and one voting FOR.

There was another MOTION: TO MOVE THE OTHER TWO TRAILERS TO THE AREA IN THE WESTERN BACK LOT, WEST OF THE WESTERNMOST TRASH ENCLOSURE. The motion was seconded and carried unanimously.

Management was directed to step up enforcement of the currently parking rules. Residents ARE NOT PERMITTED TO HAVE MORE THAN ONE TRAILER on site, and after a written warning, fines will be levied and towing will occur at the trailer owner's expense. No items may be stored around or behind trailers at any time. Any residents that fail to comply with the parking rules are subject to losing their permit to park a trailer at The Reserve.

Management was directed to get the cost to install posts, a chain and a lock at the entrance to the driveway to the pool and clubhouse.

VI. Committee Reports. Deb (Governing Documents Revision Committee Chair) reported that now that at least 67% of the membership has approved the Amended & Restated Declaration, legal counsel is in the process of identifying all of the first mortgage-holders. The title company will provide a comprehensive ownership and encumbrances report at an estimated cost of \$700. The notices have been published in local newspapers. Final adoption of the A&R Declaration is estimated for the end of the 2017.

VII. Old / New Business. The Board discussed how to handle the pool opening and closing duties while the homeowners tasked with these duties are out of town. Jess and Marilee will be able to assist with these duties.

Linda requested that the Board consider how best to deal with the pile of tree and shrub debris on the north side of the property's common land. The fire protection district declined to use the pile as a practice burn, and the material is too variable for a chipping machine to address successfully. Linda suggested that the fire department be contacted once again to see if they have any interest in burning the material in the fall. Management is not willing to seek a permit to burn the material since it sits relatively close to various buildings and other improvements.

VIII. Adjournment. There being no further business to come before the Board, the meeting adjourned at approximately 8:25PM.

Respectfully submitted,

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Secretary to the Meeting