

The Reserve on the Eagle River
Board Meeting Minutes
Monday, August 21, 2017, at 6:30 PM
The Reserve Clubhouse

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

NOT PRESENT: Andrew Abraham and Deb Forsline

ALSO PRESENT: Dan McNeill, Managing Agent and Sara Thurston McNeill of McNeill Property Management

HOMEOWNERS PRESENT: none

- I. Roll Call. With four of six Board members present, a quorum was established. Brian Woodell, Vice President, called the meeting to order shortly after 6:30PM.

- II. Review and Approval of the Minutes of the July 17, 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. After one final change is incorporated, there was a MOTION: TO APPROVE THE MINUTES OF THE JULY 17, 2017, BOARD OF DIRECTORS MEETING AS DISCUSSED. The motion was seconded and approved unanimously.

- III. Homeowner Forum. No homeowners attended the meeting.

- IV. Financial Review. Kay Cheney, bookkeeper for the association, prepared the current financial reports (as of July 31, 2017) and Dan McNeill presented them to the Board.

According to the Balance Sheet, seven months through the year, the association has \$83,693.92 in the regular checking account and \$230,678.50 in the liquid asset replacement account. Assets, liabilities and equity total \$373,168.55 including \$39,918.80 in prepaid insurance premiums and \$18,877.63 in accounts receivable. Accounts receivable as of August 18th, however, had been reduced to <\$343.55> for regular dues over 90 days. Management sent email reminders to four owners, and all have responded. The Board discussed the possibility of

amending the Collections Policy to provide for stiffer penalties for homeowners who are habitually late in paying their assessments.

The Profit and Loss Statement reveals that the association has incurred operating expenses of \$252,035 so far this year, compared to budgeted expenses of \$268,225. Common Repair & Maintenance, Snow Removal, Plumbing and Insurance Claim are over budget. Janitorial and Water & Sewer are under budget. All other line items are tracking at or under budget a little more than half way through the year. Net income is <\$6904>.

The 2017 beginning balance in the Replacement Reserve Account was \$125,323.17. 2017 Funding totals \$67,690 from regular assessments and \$40,515 was added from the Irrigation Special Assessment. 2017 capital expenses total \$77,244.11, 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), \$2076 for tree removal and \$2800 for the Deck Post Replacement Project. The ending balance in the Replacement Reserve Account is \$156,284.06. There is an additional \$73,252.66 in working capital reserves.

The first draft of the proposed operating budget for 2018 was included in the Board packets and Dan asked that the Board members review it after the meeting. The Board will have a budget work session with Dan prior to the September Board meeting.

V. Manager's Report. Mike Skellion, Maintenance Manager, reported on the following items via email prior to the meeting:

- The Irrigation System Replacement Project has been completed. The new system seems to be working well with all of the grounds very green. The contractor is still finishing up the seeding of some of the recently trenched areas. A walk through with the contractor was done last week, and he has small list of punch list items to address.
- Gutter bids have been sent to the Board for review
- All of the light posts were repainted last week, creating a clean, crisp look in the parking lots. The last two numbers were painted in spots for trailer parking.
- The pool area and mechanical systems are all looking good and in working condition.
- Jay Livran of LHC Construction has inspected some rotten deck joists on the front side of Building K. He will replace the rotten deck joists and flooring.
- The exterior painting of Building O should begin soon.

The 2017 Project List was updated and given to each Board member in their packet.

Dan was recently contacted by owner of Unit M-202. During his replacement of rotten decking, the joists that run underneath and support the front side deck were identified as rotten. Since these deck supports are actually cantilevered beams that run underneath his subfloor management is unclear as to whether the cost for deck supports should be paid for by the owner or if it is an HOA expense. Since cantilevered joists are expensive to replace, the owner and Dan will discuss other decks support options. Management is getting a legal opinion from Kerry Wallace on the responsibility for the maintenance and replacement for this front-side deck.

Dan reviewed the updated Reserve Study with the Board, focusing on the remaining capital projects under consideration for 2017, including gutter additions and heat tape installation / replacement, tree removal, the installation of solar, motion-detector lights on each trash enclosure and the replacement of the broken chairs at the pool (with like-for-like white resin lounge chairs). After detailed discussion, there was a MOTION: TO APPROVE THE REMOVAL ALL OF THE COTTONWOOD TREES IN THE LANDSCAPING ISLAND ACROSS FROM BUILDING C, PRUNE THE COTTONWOOD TREES BEHND BUILDINGS P AND Q AND REMOVE THE DEAD ASPEN TREES IN FRONT OF BUILDING H AT A COST NOT TO EXCEED \$3500. The motion was seconded and carried unanimously.

There was a MOTION TO MOVE FORWARD WITH THE DRAIN LINE CLEAN OUT AT UNIT N-102 AT A COST NOT TO EXCEED \$1000. That motion was seconded and approved unanimously.

There was consensus to retain \$7000 from the final payment to the contractor on the Irrigation System Replacement Project until the punch list is complete. Management was directed to try to sell the clocks and heads from the old system on Craigslist.

Dan will get some further clarification on the gutter and heat tape bids and forward to the Board for an email vote. There was a suggestion to look into the possibility of installing solar panels to defray the cost of running the heat tapes.

Management will forward an email to all owners from the Board of Directors that focuses on community involvement to cut down on “up and above” operating costs, such as pet waste pick up, pest control and extra trash pick-ups.

Dan and the Board reviewed the painting schedule. There was consensus to paint Buildings B, E and the Clubhouse, along with all of the trash enclosures in 2018, pending a final decision to be made during the 2018 Spring Walk Through; Building C will be painted in 2019.

Management was asked to notify all owners that it is their responsibility to ensure that their dryers are vented to the outside of the building. This will prevent the build-up of moisture in attic spaces and interior walls. Dryer vents should be cleaned every 2 to 3 years to help prevent fires.

A third bid for deck support post replacement will be garnered and the Board will award the contract, targeting this project in 2018.

- VI. Old / New Business. Dan noted that all the trailer spots available at The Reserve are now occupied. Management has a wait list for homeowners and tenants. All future requests for trailer storage are to be addressed to Dan McNeill (dan@mcneillinc.com) and not go through the parking committee. On site weekly code inspections continue by management, and the time and day of week is subject to change. Management has the right to lock, boot, or tow a trailer that is illegally parked at The Reserve.

Kerry Wallace, legal advisor, delivered an opinion letter regarding a limited common element storage closet in Building F. According to the plat map, the closet belongs to the owner of F-101 and is not shared amongst all of the owners in the that building.

- VIII. Adjournment. There being no further business to come before the Board, the meeting adjourned at approximately 8:05PM.

Respectfully submitted,

Secretary to the Meeting