

The Reserve on the Eagle River
Board Meeting Minutes
Monday, October 15, 2018 at 6:30PM
Reserve Clubhouse

BOARD MEMBERS PRESENT IN PERSON: Deb Forsline, Jess Frieze, Linda Guerrette and Marilee Horan

BOARD MEMBERS NOT PRESENT: Christine Riker

ALSO PRESENT IN PERSON: Dan McNeill, Managing Agent and Sara Thurston McNeill, Secretary to the Meeting

HOMEOWNERS PRESENT IN PERSON: Jeff Bennett (D-204) and Steve Wodlinger (Unit C-101)

- I. Roll Call. With four of five Board Members present, a quorum was established. Dan McNeill called the meeting to order shortly after 6:30PM.

- II. Review and Approval of the Minutes of September 17, 2018, Board of Directors Meeting. These minutes were drafted by management and circulated to the Board prior to the meeting. There being no suggested changes, there was a MOTION: TO APPROVE THE MINUTES OF THE SEPTEMBER 17, 2018, BOARD OF DIRECTORS MEETING AS PRESENTED. The motion was duly seconded and carried unanimously.

- III. Homeowner Forum: Steve Wodlinger attended the meeting to report that even with the added speed bump in the parking area in front of his building, cars continue to speed through to avoid the stop sign on the other side of the landscaped island. He requested that a third speed bump be installed in the parking area in front of Building A so the speed bumps extend completely across the parking lot.

If the third bump fails to slow down traffic, the Board may consider closing off access to the parking area from the west end of Building C by creating a landscaped peninsula with trees in it. Owners who witness speeders at The Reserve are encouraged to copy down license plate numbers and call the Eagle County Sheriff.

Jeff Bennett asked the Board if they were planning to decide whether or not to allow the storage of “pop up” or collapsible campers at The Reserve. Deb Forsline responded that management had drafted some proposed language to modify the Rules, and that the Board would vote on the issue later in the meeting.

IV. Financial Review and 2019 Budget Presentation. Kay Cheney, bookkeeper, prepared the September 30, 2018, financial reports and Dan McNeill presented them to the Board. According to the Balance Sheet, the association has \$57,944.76 in the regular checking account and \$169,525.29 in the liquid asset replacement account. Assets, liabilities and equity total \$269,706.31 including \$34,099.18 in prepaid insurance premiums and \$1396.07 in accounts receivable. The balance in the Replacement Reserve Account is \$90,021.70. Dan noted that there are still some capital projects to be expensed this year, including the replacement of the Clubhouse windows and the installation of the gutters on the buildings that were painted this year.

Dan reviewed the list of owners who are in arrears with the Board. Of the five accounts of concern, two accounts have been turned over to legal counsel for collections, a third homeowner is on payment plan, a fourth owner recently paid in full and email reminders have been sent to a fifth owner.

The Profit and Loss Statement reveals that nine months through the year, the association has total income of \$309,559 (with budgeted income of \$303,750) and has incurred total operating expenses of \$306,060 (with budgeted expenses of \$321,333). Net income equals \$3499 (with a budgeted deficit of \$17,583 at this point in the year). Dan reviewed each budget category with the Board. The greatest savings have been achieved in Snow Removal and Water & Sewer.

2018 capital expenses total \$173,908 and include \$1301 for new gutters, \$795 in expenses related to the solar energy project, \$7675 for the irrigation system, \$700 for the governing documents revision project, \$1040 for tree removal and landscaping and \$170,902 for the Deck Post Replacement Project.

The Board then reviewed the proposed 2019 Budget. No significant increases are expected in any operating expenses. There is no increase in management or accounting fees; \$5000 is budgeted for wildfire mitigation; a slight increase in janitorial expenses are planned for more interior hallway carpet cleaning.

The Reserve Study calls for a 10% increase in the capital contribution in the coming year in order to incrementally fund reserves without the need for a special assessment. Walkway lighting, painting with partial siding replacement (followed by gutter additions) on several buildings, the entry garden landscaping project and the replacement of exterior common doors are under consideration for 2019 (a total of over \$177,000 in capital expenses).

After detailed discussion and consideration, there was a MOTION: TO APPROVE THE 2019 BUDGET AS DISCUSSED INCLUDING A 10% DUES INCREASE FOR THE COMING YEAR, WITH THE ENTIRE INCREASE GOING TO RESERVES. The motion was duly seconded and carried unanimously. Operating

Assessments will total \$394,335 and Reserve Assessments will total \$192,560. The approved 2019 Budget is hereto attached and incorporated into these minutes.

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

- Gutters will be installed on Buildings B, C, and E next week.
- Gutter cleaning will occur next week. Heat tapes will be tested and then turned on just prior to snowfall later this fall. Chimneys of wood burning fireplaces will be inspected and cleaned as needed (owners will be billed back for any required cleaning)
- Final leaf raking will occur in the next couple of weeks. Some lower tree branches were recently pruned.
- The drain line jetting project is now complete.
- There was recently an alarm issue at Building H. Residents are reminded that there is no community-wide, hard-wired alarm system at The Reserve. If a building's fire alarm signals, residents are asked to call 911.

Management prepared a proposed change in the Rules & Regulations to allow pop up campers at The Reserve, to be parked in a designated trailer spot (at the regular monthly fee) in the closed, collapsed state. The language was reviewed by the Board. After discussion, there was a MOTION: TO APPROVE THE PROPOSED LANGUAGE TO ALLOW POP UP CAMPERS. The motion was seconded and a vote was taken. Two Directors for AGAINST the motion, one Director voted FOR the motion and a fourth Director ABSTAINED from voting. The motion failed. Pop up campers continue to be prohibited at The Reserve.

VI. Old / New Business. Deb reported on the progress of Solar Energy Project. The investor and Holy Cross Energy are still working out the details of their contract. The Project is still pending. An update from Kevin Morse of Lever Energy Capital will be presented to the membership at the upcoming Annual Meeting.

The 2018 Annual Meeting is scheduled for Monday, December 3, 2018, at 6:30PM in the Clubhouse. Marilee, Deb and Jess all have terms that expire at the Annual Meeting. Management was directed to circulate a self-nomination form to every owner, asking for volunteers to serve on the Board. Terms are two-years each.

Management presented a proposed Reserve Study Policy to the Board for review. Of the nine state-required responsible governance policies, the Association, currently has eight in place and had been missing the Reserve Study Policy. After review, there was a MOTION: TO APPROVE THE RESERVE STUDY POLICY

AS PRESENTED, ALONG WITH THE UPDATED FORMATS OF THE ALTERNATIVE DISPUTE RESOLUTION, INVESTMENT OF RESERVES AND THE ADOPTION AND AMENDMENT OF POLICIES PROCEDURES AND RULES POLICIES. The motion was duly seconded and carried unanimously. Management will work to update the website with all of the current Responsible Governance Policies.

- VII. Adjournment. There being no further business to come before the Board, the meeting adjourned at approximately 7:35pm.

Respectfully submitted,

Secretary to the Meeting