

The Reserve on the Eagle River
Board Meeting Minutes
Monday, November 16, 2015, at 6:30 PM
The Reserve Clubhouse

BOARD MEMBERS PRESENT: Scott Ashburn, Jess Frieze, Deb Forsline and Marilee Horan

MEMBERS NOT PRESENT: Lauren Immel

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

OTHER MEMBERS PRESENT: Desmond (B-104 and F-204), (Forsline (G-201), Guerrette (I-203), Mohr (N-304) and Woodell (C-302)

- I. Roll Call. With four of five Board members present, a quorum was established. Jess Frieze welcomed all to the meeting and called it to order shortly after 6:30PM.

- II. Review and Approval of the Minutes of the October 19, 2015, Board of Directors Meeting. These minutes were drafted and circulated to all Board members for review via email. Several changes were incorporated and then they were re-circulated to the Board. There being no further suggested changes, there was a MOTION: TO APPROVE THE MINUTES OF THE OCTOBER 19, 2015, BOARD OF DIRECTORS MEETING AS PRESENTED. The motion was seconded and carried unanimously.

- III. MOTION: TO CHANGE THE SIZE OF THE BOARD FROM FIVE DIRECTORS TO EIGHT DIRECTORS EFFECTIVE JANUARY 1, 2016. This motion was seconded and approved with three Directors voting FOR the motion and one Director voting AGAINST.

- IV. Homeowner Forum. The floor was opened to the homeowners that attended to the meeting. Linda Guerrette asked who is being retained for snow removal at The Reserve for the coming winter season. Dan responded that management garnered three comparable proposals and presented them to the Board via email correspondence. They included: Premier Landscaping (\$10,500), Jason & Jason (\$12,750) and Avalanche Property Maintenance and Services (\$13,000). There was a MOTION: TO AWARD THE 2015-1016 SNOW REMOVAL

CONTRACT TO PREMIER LANDSCAPING. They will plow and shovel walkways when there is three inches of accumulation. It was duly noted that residents will need to assist in walkway snow shoveling in order to help avoid the build-up of ice whenever less than three inches of snow accumulates. Shovels are provided in the common area closet of each building and snow melt buckets will be provided for use in the iciest areas.

Linda then asked if a contractor had been retained for roof snow shoveling yet. Dan responded that no contract for these services has been signed yet; management hopes to avoid any roof shoveling for the first part of the winter, but will garner at least three proposals for the Board's review. Roof snow removal is done on an hourly basis instead of a bid price. Care will be taken to move snow away from the buildings once it has been removed from roofs to prevent damage to siding and moisture infiltration as the temperatures warm up. It was duly noted that the warranty remaining on some of the roofs is expiring this year and on other roofs it is expiring in 2016. Therefore, it was suggested that a roof snow removal proposal be garnered from Guerrero's Roofing to try and protect any remaining warranties.

Management was asked to send a reminder to all residents to continue to pick up pet waste immediately after it is deposited through the winter months to avoid mass quantities of waste from accumulating in the snow.

Laurel Mohr extended her sincere thanks to the Board and management for all of the proactive communications she has been receiving, including the Governing Documents Committee updates, the fall newsletter, the Risk Management Checklist and the monthly Board Meeting Minutes. She also reported that she recently caught a non-resident trying to dispose of trash in one of the dumpsters; when she heeded management's suggestion to take a photo of any code violations, the potential offender fled before dumping his trash.

- V. Financial Review. Kay Cheney, bookkeeper for the association, prepared the current financial reports (as of October 31, 2015) and Jess Frieze presented them to the Board.

According to the Balance Sheet, the association has \$46,338.26 in the regular checking account and \$128,265.71 in the liquid asset replacement account. The balance on the roof loan to Guerrero's Roofing is \$23,513.

The Profit and Loss Statement reveals that the association has total income of \$334,077 through October 31, 2015. Operating Expenses for the first ten months of the year total \$357,622. This compares with budgeted expenses of \$350,587; therefore the association is \$7035 over budget. Cost overruns have been experienced in the Land Design, Insurance Claims, Snow Plow, Snow Roof, Paint Hallways, Common Repair and Maintenance, Water & Sewer, and Common

Electric line items. Savings have been garnered in the Lawn Care, Irrigation, Tree Spraying, Fire/Life/Safety, Accounting, Legal, Office Expense/Board Meetings, Trash Removal, Plumbing (although drain clean outs still need to be completed and expensed), Paint Buildings, Siding Replacement & Repair and General Common Improvements Line items. Jess estimated that at the end of 2015, the association will be about \$1500 over budget on operating expenses. The biggest overage is in the Water & Sewer Line item which accounts for almost 1/3 of the annual operating budget. Jess commented that a new irrigation system should help the association save future costs for water, even as rates continue to increase.

The 2015 beginning balance in the Replacement Reserve Account was \$92,468.26. Current year funding through Replacement Reserve Assessments totals \$90,568.80. 2015 Capital Expenditures so far total \$69,715.81, \$50,000 of which is for the roofing contract loan payback to Guerrero's Roofing at the rate of \$5,000.00 per month. The other capital expenses include alarm panel work (\$4514), Governing Documents Revision work (\$1457), pool drain work (\$2351), work on the gravel walkways (\$1626), bridge work (\$3229), new pool pump (\$2506.85), lighting repairs (\$1751) and tree removal (\$4032). The balance in the Replacement Reserve Account as of October 31, 2015, is \$113,321.25.

Accounts over 90 days past due total <\$411.72>. Currently, seven owners are over 60 days past due on their assessments; three of these owners owe the association more than \$1000. Management is enforcing the Collections Policy by sending demand letter to all delinquent owners and turning over any accounts to legal counsel for collections if payment plans are not adhered to.

VI. Manager's Report. Dan McNeill touched on the following recent maintenance activities:

- The updated 2015 Projects List is now substantially complete; all of the items were not able to be addressed within current budget constraints, including some touch up painting
- Roof inspections were done during the chimney inspections; several repairs were done by Guerrero's Roofing in a responsive manner
- All gutters and roof valleys have been cleaned
- Heat tapes will be turned on later this week
- Concrete walkway work has been tabled until the spring of 2016
- About \$6000 in gutter additions, gutter repairs and heat tape replacement is now complete
- Some smoke alarms were replaced during recent inspections
- Tri-County recently inspected all fire extinguishers and re-charged them as needed
- Eagle County Fire Protection District recently informed management that a new Knox Box will need to be installed on site with working keys to every unit at The Reserve. Dan estimates that this will cost about \$750.

Any time a fire alarm goes off at The Reserve, residents must call 911 so that the fire department can investigate the cause. There is no central alarm system at The Reserve.

The condition of all decks and deck posts will be inventoried. Any owner who needs to replace rotten deck boards will be notified by management. Management will provide the names and contact information of local contractors who can replace decking on behalf of owners; deck board replacement is an individual owner responsibility at The Reserve, per the current Declaration.

VI. Committee Reports. Rick Agett, reserve specialist is meeting on site with Jess Frieze tomorrow. Rick will be present at the Annual Meeting and plans to provide the membership with a power point presentation on the pending Reserve Study / Capital Improvement Plan.

Kerry Wallace, legal counsel will also attend the Annual Meeting to give the membership an overview of the Governing Documents Revision Project and to explain the benefits of the adoption of the Colorado Interest Ownership Act.

Management drafted and distributed a revised Conflicts of Interest Policy for the Board's review. Although this Policy (as drafted) is a bit more comprehensive than the Policy already in place for The Reserve, Deb Forsline pointed out that legal counsel will need to revise it in order to be in compliance with the other Responsible Governance Policies of the association and the proposed Amended & Restated Declaration, once it has been reviewed and adopted.

VII. New Business. There was no new business to discuss.

VIII. Adjournment. There being no further business to come before the Board, the meeting adjourned at approximately 7:20PM.

Respectfully submitted,

Secretary to the Meeting