

RANCH MEADOW CONDOMINIUMS ASSOCIATION
Board of Directors' Meeting Summary
November 1, 2007

REPORTS

- I. Treasurer's Report – Gordon Slack, Treasurer
- II. Committee Reports
 - 1. Architectural Review Committee: Chuck Coffey, Chair
 - 2. Landscape Committee – Eric Waples, Chair
 - 3. Ranch Meadow Website – Bob Nagle, Chair
 - 4. Welcoming Committee – Marcia Logan, Chair
 - 5. Report on Reserve Conservation Easements, Eric Waples
- III. Manager's Report: Susan Albern and Gene Whannel

OLD BUSINESS

- IV. Motion passed at the February 2, 2006, Board meeting establishing an Insurance Reserve Fund of \$10,000. (This has not been done; we need to take action to (1) implement the fund, or (2) rescind the motion and delete such a fund.)
- V. Reflective Numbers for Units (Report and further recommendations)
- VI. Sidewalk at 1515-H Raven Court (Progress Report) and other maintenance projects.
- VII. Snow Removal Contract
- VIII. Crack Seal

NEW BUSINESS

- IX. Owner Appeal regarding "warning" issued by Gene Whannel for tethering of dog in general common elements.
- X. Suggestion on Failed Regulators on Water System
- XI. Amendment to Policy on Investment of Reserve Funds
- XII. Discussion on Deck Maintenance to explore the need to amend P.16.2006: Section 1 related to decks: specification needs to be included in the policy as to who pays for painting decks.
- XIII. Master Insurance Policy for Ranch Meadow Association: Susan Albern (begin discussion needed for review mandated by the Declaration each year before renewing or signing for a new policy).

RANCH MEADOW CONDOMINIUMS ASSOCIATION
Board of Directors' Meeting
7:15pm, November 1, 2007, Hix Meeting Room, US Bank
Estes Park, Colorado

Board Members Present: Suzy Blackhurst, Chuck Coffey, Rebecca Conley, Bob Nagle, Marlan Nelson, Mary Lou O'Neil, Gordon Slack, and Eric Waples

Excused: Marcia Logan

For Association Management of Estes Valley: Susan Alber, and Gene Whannel.

Owners Present: There were 11 owners present, including Dale and Brenda Fredrick, Bill Murphy, Sonja Murphy, Susan Harris, and Daryl and Barbara Lay.

WORK SESSION: The Work Session preceding the regular meeting was called to order by Marlan Nelson, President, at 6:45 p.m. The primary items of discussion were the Master Insurance Policy, potential insurance claims, and an appeal regarding a dog tethered on the general common elements.

Renewal of Master Insurance Policy: The President appointed an insurance committee chaired by Chuck Coffey. Members will be Mary Lou O'Neil, Gordon Slack, and Suzy Blackhurst. A preliminary report will be produced by mid-December. Any changes to the policy would need to be out to the owners for review prior to board adopting the new policy. Committee will look into what has been spent on roofing and other potential insurance claims in making the determination of whether to change policies.

Investment of Reserve Funds: Last year putting together a separate account for Insurance Deductible reserves was discussed. The President appointed a committee to review the Investment of Reserve Funds. Chair will be Gordon Slack. Members will be Mary Lou O'Neil, Chuck Coffey, and Suzy Blackhurst.

Potential Insurance Claims: The claims at 1550-D and 1437-C are both water related. A decision on how to deal with the claims will be made during the open session.

Appeal of Dog Tethered on General Common Elements: The rules and warning were distributed to the board members prior to the meeting. The owner will be present at the open session to discuss the warning.

RANCH MEADOW CONDOMINIUMS ASSOCIATION
Board of Directors' Regular Meeting
7:15 p.m., November 1, 2007, Hix Meeting Room, US Bank
Estes Park, Colorado

The President called the meeting to order at 7:15 p.m. Eight of the nine board members were present; a quorum was established. 11 owners were present.

Approval of Agenda: A motion was made to approve the agenda with movement of the Owner Appeal regarding the "warning" for tethering a dog in the general common elements to after the Open Forum. The motion was seconded by Ms. Blackhurst. The motion carried.

Open Forum: Board members introduced themselves for owners who had not attended a meeting before. No other issues in open forum. Moved to item #1 in new business.

Owner Appeal regarding "warning" issued by Gene Whannel for tethering of dog in general common elements. (Appeal to be heard with Board action on a motion to sustain or overrule the "warning." The owner appeal is regarding a warning issued by the Management Company. The warning was for a dog tethered in the General Common Elements (GCE.)

The procedure for the hearing can be found on the Ranch Meadow HOA Policies, section 9.2006. A quorum is present for the hearing. There is no fine involved in the warning, so explaining fines is not needed. A warning is issued for first time violations. After all testimony the board can make a decision in the open meeting or take the matter under advisement and make a decision in the executive session.

History: The warning was issued in July 2007. The warning is summarized as follows: "It was noticed that your dog is leashed to a stake that is in the General Common Elements of the Association. The Association's governing documents do not allow the use of the GCE in this manner." The owner acknowledged the warning within seven-days and made a request to appeal the case. Mr. Nelson called owner to inform Mr. and Mrs. Lay that the next time the board would be meeting was November 1, 2007 and that the appeal would be heard then. Mr. Nelson sent the Lays a copy of the Ranch Meadow Policy pertaining to the issue.

Mr. Nelson opened the floor to Mr. and Mrs. Lay. The Lay's have owned their unit for about 5 ½ years and have tried to be good neighbors. The complaint was a bit of a shock. Mr. Lay has spoken with Mr. Whannel and Mr. Nelson about the complaint, but still is not clear on how the complaint originated. Mr. Nelson stated that the policy says that possible violations are reported to the management company. Owners are not identified by name as it pits the owner against owner. Ms. Blackhurst shared with Mr. Lay that the board does not know who reported the violation either.

Mr. Lay explained where his unit is at the end of 1590 and when his dog is tethered it is at the end of the unit. Mr. Lay acknowledges that he has reviewed the covenants and does not think that the town ordinance limits the length of a tether. Mr. Lay spoke with town animal control Officer Hart and Officer Hart did not think that where the dog is tethered is in violation of any town ordinances.

Mr. Slack spoke to the city ordinance that allows for a six-foot tether. If a dog is tethered in/near the garage where the roaming room is strictly on the pad in front of the garage, there is no problem. If the dog has unsupervised access to the GCE, then that is a violation of the policy.

Mr. Waples spoke to not wanting to set precedence about allowing private use of common area. His second concern is about having a dog in the GCE and if the dog attacks someone who is walking in the GCE, then the association is potentially liable.

Mr. Lay re-confirmed with the board that if his dog is tethered on a six-foot tether on the pad in front of his garage, he would not be in violation of any policies.

Motion by Ms. Blackhurst that the Board uphold the warning issued by Gene Whannel. The motion was seconded by Mr. Nagles. Mr. Coffey confirmed with Mr. Lay that Mr. Lay acknowledge that the dog has been tethered in the GCE. The motion carried by secret ballot with the 7 voting members voting to uphold the warning..

Presentation of the Minutes for August 2, 2007, Board Meeting: Mr. Coffey moved to approve the minutes. The motion was seconded by Mr. Nagle. The motion carried.

REPORTS

Treasurer's Report – Gordon Slack, Treasurer: Overall the finances are in good order. The water expenses may be off due to timing of the billing. Overall expenses are about \$5K over budget, mainly due to the snow removal costs earlier this year. (Snow removal was \$4,680.)

Actual 2007 income as of October has been \$222,760 which is a \$6,140 decrease from the same time-frame in 2006. The total expenses have been \$143,909, which is a \$1,622 decrease from 2006. Landscaping and Snow Removal expenses have had the biggest change from 2006. In 2007, \$22,585 has been spent, which is an increase of \$6,290.

The reserve account distribution and yields were reviewed. There are no major reserve expenses planned for 2008.

Motion by Mr. Slack: Between now and the meeting in February, transfer \$100,000 from the Advantage Bank Money Market into two CDs with a bank other than Horizon: (1) \$50,000 CD with a 12-month term and (1) \$50,000 CD with a 18-month or 24-month term. The motion was seconded by Ms. Blackhurst. The motion carried.

Committee Reports

Architectural Review Committee: Chuck Coffey, Chair: Things have been fairly quiet. There has been one request to put in stairs. An owner at 1510 has requested to paint her steps. Mr. Nelson brought to Mr. Coffey's attention that some owners have mentioned that painting redwood is not a good idea. It is better if it is stained. No discussion on this item occurred.

Landscape Committee: Eric Waples, Chair: A few more cottonwoods have had to be removed. The sprinkler systems are all now blown out. The elk did the "final mowing," which has saved the Association some money. This savings can go towards the extra expenses that the sprinkler systems are requiring. The sprinkler systems are starting to deteriorate. The drip systems are OK.

Ranch Meadow Website: Bob Nagle, Chair: The website is up-to-date. Mr. Nagle is currently the chair, but Ms. Conley will be taking over.

Welcoming Committee: Marcia Logan, Chair: Mr. Nelson reported on Ms. Logan's behalf. A "thank you" was extended to Bob and Linda Nagle for all of their help with social events.

The Welcome Booklet will be updated in 2008 to bring it current with various policy changes.

There are two new owners: 1447-D and 1590-D. There are two new tenants on either 1-year or 2-year leases. Three or four condos have sales pending.

Report on Reserve Conservation Easements: Eric Waples: There is not a common area in The Reserve. The approx. 36-acre open area in the middle and northern edge is a conservation easement. The conservation easement does not allow for any public access. The Town may be giving the Conservation Easement to The Reserve HOA. The Town's explanation was that the town does not want to maintain / enforce the laws.

Mr. Waples has requested that RMCA be notified when the Town will be reviewing whether the conservation easement will be turned over to The Reserve. The agenda for Development Committee meeting is finalized the Monday before the meeting. The Committee meets the first Thursday of every month. The Committee met today and will meet again in December. The town has indicated that this may be considered in the December meeting. There are no sidewalks in the Reserve. There is a 60-foot public easement, which means there is approx. 16-feet on either side of the road that is public access. The signs that were recently posted indicating that the public must stay on the roads are incorrect.

Motion by Mr. Slack that either Mr. Waples or Mr. Nelson write a letter to the Community Development Committee expressing the Ranch Meadow HOA concerns about the Conservation easement being given to the Reserve HOA. The motion carried. *Ms. Blackhurst recused herself from the vote.*

President's Update: Marlan Nelson, President: Mr. Nelson would like to express deep appreciation to Bob and Linda Nagle for all of their involvement in the community. There was a standing ovation to thank them for all of the help.

Manager's Report: Susan Albern and Gene Whannel

Roofs: Atlas was scheduled to come up on Wednesday, but they were snowed out. There are 5 units that reported shingles on the ground or could see spots missing shingles. Atlas will be here on Monday, provided the weather cooperates, to do the repairs. Atlas will be updating proposals for some roofs. Atlas was here last month and have done about \$3,000 of work. Based on the current proposals there is approximately another \$6,000 worth of work left to do based on proposals.

Mowing: The mowers broke two (2) windows this year. One (1) garage window has been fixed. One (1) door window was broken and is in the process of being repaired. The mowers do pay for these damages.

Parking Violations: Over the summer Mr. Whannel only noticed 3 people parked in the turn around areas with visitor's cards. There were no parking violations this summer.

Year End Letters and Payment Envelopes will be going out. For people on ACH the dues increase will be done automatically.

Crack Seal: If Flat Coat is not up here within the next 2-weeks, then will move on to another vendor.

Sidewalk at 1515-H: The sidewalk has been smoothed out. No one has heard anything further from the owners.

OLD BUSINESS

Insurance Reserve Fund: Motion passed at the February 2, 2006, Board meeting establishing an Insurance Reserve Fund of \$10,000. (This has not been done; we need to take action to (1) implement the fund, or (2) rescind the motion and delete such a fund.)

A motion was made by Ms. Blackhurst to postpone a decision on establishing an Insurance Reserve Fund until after the Insurance Committee meets and returns with a decision. The motion was seconded by Mr. Coffey. The motion carried unanimously.

Mr. Slack asked Ms. Albern to add a line item to the Income Statement to track insurance expenses. The Board will need to start budgeting for insurance specific items.

Reflective Numbers for Units: No Report

Sidewalk at 1515-H Raven Court (Progress Report) and other maintenance projects: Ms. Albern indicated that all items were addressed during Manager's Report

Snow Removal Contract: *Susan Albern and Gene Whannel:* Alpine Gardens has opened an office in Estes Park, but won't do snow removal unless they have landscape contract as well. The Board recently signed a long-term contract for the mowing, so Alpine Gardens is not an option for snow removal. Ms. Albern and Mr. Whannel have called all snow removal contractors north of Denver and have had virtually no response. The current contractor has given Mr. Whannel a verbal response that he will be the snow removal this year, but there is not anything in writing yet. Mr. Whannel will continue to pursue getting a written contract.

Crack Seal: Ms. Albern indicated that all items were addressed during Manager's Report.

NEW BUSINESS

Resignation of Bob Nagle from the Board and Seeking Volunteer to fill out his term: Mr. Nagle has submitted his letter of resignation. A new person is needed to fill Mr. Nagle's term which expires in 2008. Sonja Murphy has volunteered.

Motion by Ms. Blackhurst to accept Mr. Nagle's resignation with regrets. Motion seconded by Mr. Waples, reluctantly. The motion carried.

Motion by Mr. Slack to nominate Sonja Murphy as the new member of the board. Motion seconded by Mr. Coffey. The motion carried.

Suggestion on Failed Regulators on Water System, *Gordon Slack:* The regulators that are installed are supposed to be good regulators. When the regulator fails, the pressure backs-up into the water heater and three units (1555, 1550, and 1535) have had water regulators fail. Regulators are outside of the condos. A pressure release valve could be added to the regulators. Mr. Slack will continue to research the options and will bring a motion to the board meeting in February.

Amendment to Policy on Investment of Reserve Funds, *Gordon Slack:* Amendment was distributed to owners via newsletter and has been sent to board.

AAA values are usually insured for the par-value of the bond. The principal investment is not at risk. Example: If buy a \$10,000 bond for \$10,200 then would be insured up to \$10,000.

Currently reserves are spread between several insurance investments.

Motion from Gordon to submit investment amendment with modification to item 3: Insured AAA- or AA-rated State of Municipal Bonds

Blackhurst moves to approve investment amendment, deleting item 5. Slack seconds. Motion carries. Investment Amendment as approved, with changes noted:

P18.2006: Reserve Funds Investment (Senate Bill 100.2.1; updated to conform with Senate Bill 689 [2006]).*

All liquid and non-liquid Reserve Fund Investment shall be maintained in an account or accounts separate from the Association's operating account or accounts.

The Reserve Funds will be invested in the following types of accounts:

1. Insured interest bearing liquid bank accounts, Certificates of Deposit
2. Treasury Bills, Notes or Bonds backed by the U.S. Treasury
3. **Insured** AAA- or AA-rated State or Municipal Bonds ~~or bond funds which invest in only AAA- or AA-rated Municipal Bonds.~~
4. Any other type of insured investment appropriate for non-profit entities
5. ~~Uninsured money market funds not to exceed 20 percent of the total Reserve assets.~~
6. No more than \$100,000 shall be invested in any one financial institution.

* *The remainder of P18.2006: Reserve Funds Investments is unchanged from the original version approved in 2006.*

Discussion on Deck Maintenance to explore the need to amend P.16.2006: Section 1 related to decks: specification needs to be included in the policy as to who pays for painting decks. This item will be

discussed in February. Maintenance Committee will review and prepare a recommendation for a policy clarification

Master Insurance Policy for Ranch Meadow Association: Susan Albern: A committee has been formed: Chuck Coffey as Chair. Mary Lou O'Neil, Gordon Slack, and Suzie Blackhurst as members. The Master Insurance Policy renews in February 2008 and must be reviewed before it can be renewed. In mid-December the committee will have a preliminary report and, if needed, a final report in mid-January. This issue has come up because there have been numerous misunderstandings about what is covered by Master Insurance Policy and what the declarations require.

Insurance Claims: There are 2 claims for water damage: 1 because of a broken water heater; 1 because of a dishwasher leak.

Motion by Mr. Slack to not file a claim for the two occurrences of damages at 1550-D and 1437-C. Instead, the board will pay up to \$10,000 of the damages out of the reserves. With the advice and cooperation of the Management Company in selecting the repairer. Motion by Slack. Seconded by Ms. Murphy. Discussion on the motion followed during with Mr. Slack withdrew his motion because the total amounts for the repairs is unknown. Ms. Murphy withdrew her second.

1550-D: Based on the adjuster, it should be about \$4,500 for repairs to the floor.

1437-C: Not yet sure what the costs will be. State Farm has issued a check for \$3,200, but this does not include Service Master charges. The Unit was built in 1997.

The board is considering paying for these rather than having the insurance pay for them in order to avoid insurance rates going up.

Motion by Mr. Slack to submit both claims to Traveler's Insurance. Motion seconded by Mr. Waples. The motion carried.

Executive Session: No Executive Session was needed. Two people are more than 1-month past due on HOA dues. One of these people says the check is in the mail.

Adjournment: Mr. Slack motioned to adjourn the meeting.

MINUTES taken and written by Rebecca Conley in the absence of Marcia Logan, Secretary.