

**PEAKS AT REDLANDS MESA HOA
BOARD OF DIRECTORS MEETING**

November 9, 2019

Directors Present:

Kevin Young, Forrest Ramsel, David Hinson

Directors Absent:

Rhonda Hummel

The Peaks at Redlands Mesa HOA Board met briefly on Saturday afternoon November 9, 2019.

The meeting was called to discuss and accept Mark Shoberg's proposal for Bray HOA Management to manage and handle the accounting of The Peaks HOA beginning on January 1, 2020.

On Wednesday, November 6th, the board met with Mr. Shoberg at the Bray office to explore the possibility of Bray managing our HOA. Shoberg sent the HOA management proposal on November 7, 2019.

The Peaks HOA will notify Bray that the proposal was accepted and begin the transition on December 1, 2019.

After deciding to accept the proposal, the meeting was adjourned.

Submitted by: David Hinson, Secretary

**PEAKS AT REDLANDS MESA HOA
BOARD OF DIRECTORS MEETING**

November 4, 2019

Directors Present:

Kevin Young, Forrest Ramsel, David Hinson

The Peaks at Redlands Mesa HOA met on Monday, November 4, 2019. Meeting was called to order by Kevin Young at 1:00 PM.

Kevin Young -Builder's Report

Building B – A claim has been filed with the insurance company of Colorado Stucco and Stone.

Broken piece of concrete west of Building D will be repaired by the end of November.

The parking lot on the north side of Building E is scheduled to be completed by November 18th.

The HOA will be sealing the asphalt to concrete joints on existing parking lots and driveways before December 1st.

Forrest Ramsel requested Board Approval of the following resolutions:

Capitalization Policy -

Accounting for Bad Debts -

Assessments Receivable Policy -

Annual Budget – Clairfying the budget will contain three parts, Operating, Reserve & Master Association Budget guidelines.

HOA Treasurer Authorization -

Record Retention Policy -

There was a discussion of obtaining a D&O insurance policy. Kevin will obtain bids for future board consideration.

David Hinson provided board with proposed clarifications changes to the CC&R s. for consideration.

Forrest Ramsel reported on the October xx, 2019 meeting with the CSD accounting firm where there was a mutual parting of ways.

Kevin is setting up meetings with potential property management companies to handle accounting / collection functions.

Forrest Ramsel will present the Board of Directors with a proposed budget for Board review at the December meeting. The budget will be voted on and accepted at the Annual Homeowners Meeting to be held in early 2020.

Meeting was adjourned at 3:00 PM

Submitted by: David Hinson, Secretary

The Peaks at Redlands Mesa HOA

Resolution of the Board of Directors

The Board of Directors hereby authorize Forrest L. Ramsel, Treasure of The Peaks at Redlands Mesa HOA, the rights and authorization to sign checks, open and have access to accounts and to act on behalf of the HOA at the Bank of The San Juans, Grand Junction, Colorado.

ATTEST:

The Peaks at Redlands Mesa

Kevin Young, Declarant

Date: November 4, 2019



David Hinson, Secretary

Date: November 4, 2019



**MINUTES OF THE SPECIAL MEETING
OF THE MEMBERS OF THE
PEAKS AT REDLANDS MESA HOMEOWNERS ASSOCIATION**

A special meeting of the Members of the Peaks at Redlands Mesa Homeowners Association, a Colorado non-profit corporation (the "Association"), was held pursuant to Article IV, Section 2 of the Bylaws of the Association, C.R.S. §7-127-102 and C.R.S. §38-33.3-308(1) on May 8, 2019, at 2325 W. Ridges Blvd., Grand Junction, Colorado 81507.

The meeting was properly noticed and called to order soon after 7:00 PM. A quorum of the Members representing 17 of the 24 units in the Association was present at the meeting in person or by proxy as provided in C.R.S. §38-33.3-309. Those attending included the individuals indicated on the attached check-in sheet, incorporated by this reference, and Kevin Young, the representative of The Peaks, LLC, owner of 12 lots recently platted in phase 2.

The sole matter appearing on the agenda was for the Members to consider and vote to elect one (1) member of the Association's Board of Directors pursuant to Section 3.3 of the Declaration of Covenants, Conditions, and Restrictions of The Peaks at Redlands Mesa, recorded at Reception No. 2792723 in the records of the Mesa County Clerk and Recorder (the "Clerk"), as amended (the "Declaration"). Before considering that matter, however, the Members first heard a short presentation from Mr. Young regarding his professional background, the history of the development of the community, and the future outlook for further development of the full project. In particular, the project was initially developed on a 4 year time frame, but there were delays early in construction of the first building that created some delays. Phase 2 is presently being constructed with anticipated completion of construction and closing of sales to third party purchasers expected to take place over the summer and early fall. Mr. Young reported that The Peaks, LLC recently changed its marketing strategies and engaged a new broker to help increase interest in the project.

Thereafter, the floor was opened to a general discussion of any issues the Members wanted to raise. This discussion included: the potential need for regulations from the Association regarding drone flight in the community, parking regulation, especially as concerns owners in the community with more cars than can be parked in the garages of the units, security issues and the use of owner cameras and video door bells, and a request for additional information regarding financial reserves established by the Association to defray the cost of anticipated future replacement of commonly maintained components of the community. All of these matters were noted and further discussion of how they should be addressed was reserved for a future meeting of the Board of Directors to be called in the future. Relatedly, Mr. Young announced the prior appointment of Ronda Hummel and David Hinson to the Board of Directors pursuant to Section 3.3 the Declaration.

Next, the Members considered the election appearing on the agenda. Forrest Ramsel and Brian Williams were initially nominated from the floor to serve as director. A discussion ensued regarding the obligation to conduct the vote by secret ballot in the event that the election was contested, whereupon, Mr. Williams withdrew himself from the slate of candidates. A vote was then taken by show of hands among the Members present, other than The Peaks, LLC, and Mr. Ramsel was elected to serve as a member of the Association's Board of Directors, with the term of office to be until the next annual meeting of the Members and thereafter until his successor has been elected and qualifies, by a vote of 7 in favor and 0 against.

Next, the Members raised issues with the exterior insulation and finish system or stucco applied on the upper portion of one of the buildings. A crack has been observed in the parapet wall, and other owners reported seeing signs of water intrusion on the interior walls beneath the crack. Mr. Young reported that The Peaks, LLC, was aware of the issue and had identified a defect in the initial installation of the stucco system by the subcontractor responsible for the work as the cause of the issue. Mr. Young reported that counsel for The Peaks, LLC, would be following up with the subcontractor to address the issue.

The Members then raised concerns about the gutters installed on the units, including the absence of downspout extensions, the use of a three-sided design in the upper portions of the gutter system, noisy drainage through the system, and concerns about water draining too near to the foundations of the buildings. Mr. Young encouraged the Members to review the plans for the construction, indicated that the construction of the gutter systems was done as described in those plans, and mentioned that the plans were stamped by an engineer. However, if there were issues with the system, Mr. Young invited any concerned owner to contact him to talk through the matter.

A Member asked about future Board of Directors' meetings. It was stated that future Board of Directors' meetings will be published and open to Members.

There being no further business to come before the Members, the meeting was adjourned.

DATED effective the 9th day of May, 2019.



David Hinson, Secretary

The Peaks at Redlands Mesa

Resolution of the Board of Directors

Capitalization Policy for Association-Purchased Assets

General Information

Capitalized assets are depreciated over their estimated useful lives in accordance with The Peaks at Redlands Mesa HOA formally adopted fixed-asset capitalization policy.

Capitalization is the recognition on the balance sheet of The Peaks at Redlands Mesa HOA property and equipment. The capitalization policy sets guidelines regarding what assets are appropriate for capitalization and at what dollar amount the assets should be capitalized.

Property that should be considered for capitalization are those assets having the following criteria:

- a) The Peaks at Redlands Mesa HOA has clear title or other evidence of ownership.
- b) The Peaks at Redlands Mesa HOA can dispose of the property for cash.
- c) The property is used by The Peaks at Redlands Mesa HOA to generate cash from nonmember sources.
- d) The Peaks at Redlands Mesa HOA has title to real property that can be sold.

Such assets that have the above properties and are in excess of \$5,000 should be identified as Fixed Assets and should be recorded as depreciable capitalized items.

Property that is capitalized should be presented in the operating fund and depreciated over the estimated useful life of the asset on a straight-line basis.

ATTEST:

The Peaks at Redlands Mesa

Kevin Young, Declarant

Date: November 4, 2019

David Hinson, Secretary

Date: November 4, 2019

The Peaks at Redlands Mesa

Resolution of the Board of Directors

CAPITALIZATION POLICY

Resolved, all purchases of personal property less than \$5,000 shall be expensed. All expensed personal property shall be considered for inclusion in the reserve study as a component.

ATTEST:

The Peaks at Redlands Mesa

Kevin Young, Declarant



Date: November 4, 2019



David Hinson, Secretary

Date: November 4, 2019

The Peaks at Redlands Mesa

Resolution of the Board of Directors

Annual Budget

General Information

Annually, the Association should prepare and adopt an operating and reserve budget for the ensuing fiscal year. This annual budget is the basis for establishing annual regular member assessments to cover operating expenses and contributions to the replacement reserve fund. The annual budget is a financial action plan, and it should be realistic.

To prepare an operating and reserve budget each year:

Operating budget: The operating budget is based on estimated expenses required for the ongoing upkeep and maintenance of the Association such as utilities, maintenance (including stucco repair, driveway crack sealing, building and window washing), taxes and insurance. It is also prudent to factor in a contingency or emergency budget line item of around 5% to 10% of all other operating expenses for unexpected operating costs. Each operating budget line item should be supported by a written narrative explaining in detail how the amount was computed.

Reserve budget: The Association's reserve budget should be based on its reserve study. The reserve study should be updated every five (5) years or depending on state statute. Accordingly, the cost of the study will be included in the Operating budget in the year the study is undertaken.

Master Association: Obtain the true amount from the Master association for the ensuing fiscal year.

The total assessment includes the operating budget plus the required contribution to reserves, divided by the number of member-occupied-units at the time of the budget presentation to members.

ATTEST:

The Peaks at Redlands Mesa

Kevin Young, Declarant

Date: November 4, 2019



David Hinson, Secretary

Date: November 4, 2019

The Peaks at Redlands Mesa

DUTIES AND ROLE OF THE ASSOCIATION TREASURER

Most bylaws outline the duties of the Treasurer. Please refer to your bylaws and familiarize yourself with the duties of your Association. These duties generally include but are not limited to:

- Keeping and maintaining a complete set of financial records.
- Depositing funds in the name of the Association in Board approved depositories.
- Overseeing payment of all bills, included proper expense classification.
- Taking responsibility for the identification, implementation, and on-going monitoring of internal controls.
- Prepare an annual budget.
- Overseeing insurance coverage.
- Overseeing investment of funds.
- Billing assessments and collecting on delinquent accounts.
- Overseeing the replacement reserve program.
- Filing all federal, state, and local tax returns in a timely manner.
- Reviewing monthly financial statements.
- Reviewing monthly bank reconciliations.
- Interviewing major contractors.
- Communicating financial information to the Board and, if appropriate, the membership.
- Implementing and monitoring safeguards to protect the Association's assets.
- Preparing and implementing the operation and reserve budgets.
- Monitoring the annual preparation of financial statements by an independent CPA as well as preparation of year-end tax returns, including other appropriate tax and corporate filings.
- Overseeing an annual compilation, review or audit by a CPA.
- Working with an outside CPA to evaluate the system of internal controls.

A handwritten signature in blue ink, consisting of a stylized 'W' followed by a large, sweeping flourish that extends to the right.