

2019 ANNUAL MEETING MINUTES

Wine Valley Estates Homeowners Association

November 14, 2018 | 5:28 p.m. at 640 Belford Ave | Meeting called to order by Mark Shoberg, Bray HOA

In Attendance

Mark Shoberg
Ali White

Katherine Reed
Laura Hutchins

Notice of Quorum Achieved

With two proxies received and seven Unit Owners present, it was announced that quorum had been achieved.

Introductions

Mark Shoberg introduced himself as the HOA Manager for Bray Property Management. Ali White was introduced as one of the Assistant HOA Managers. Kat Reed introduced herself as the President and Laura Hutchins was introduced as the Treasurer. Crystal Woolen was also on the Board but was not present at the meeting. She was introduced in absentia as the Secretary.

Discussion on Upcoming Projects

Mark Shoberg opened the discussion by mentioning the Association's Cistern. The price quoted by a contacted vendor was roughly \$1,800.00 to clean it out. Unfortunately, the HOA does not currently have the money to pay that cost. It was suggested that a group of volunteers from the community could get together and clean out the silt/debris.

A community member proposed to have the cistern cleaned out every two years instead of once per year. After much discussion, the community decided that would not be in the Association's best interest. If the cistern was not regularly cleaned out, it could result in significant wear on the piping as well as the pump(s). Mark Shoberg recommended a company in the Valley called Hydrovac that could perform the clean out.

A long-term project proposed by the Board would allow for the lower common area to be xeriscaped. Currently, they are keeping the weeds down but there was no landscaping installed on that area before the Association was turned over to the Owners. The Board would like to eventually fix that issue, but it is not a high-priority for the upcoming year.

Budget

Mark Shoberg opened discussion on the Annual Budget by explaining the financial situation of the Association.

The previous budget that was sent out the homeowners in the packet had an error with the landscaping contract. The error was pointed out by the Board and corrected by Savannah Kohagen (the other Assistant Manager; not present at the meeting) before the meeting was held. The previous budgeted number quoted the Association paying a total of \$6,690.00 for landscaping services to US Lawns. However, the contract signed between the Association and US Lawns was for a term limit of eight months, not twelve months as previously written. Therefore, the cost for landscaping actual numbers was \$5,060.00 for the 2018 year.

Because the Association did not have a good relationship with US Lawns, they had bid out the 2019 landscaping year to several companies. One of the more optimistic bids was provided by WD Yards. They were willing to work on both the Association's landscaping *and* irrigation. In total, they were going to: mow/trim, maintain weed area(s), cut down weeds, trim bushes/trees, all irrigation needs, fertilize and weed control five times per year. The bid was a lot less than what the Association had been paying US Lawns for more services provided.

Laura Hutchins suggested paying the Association's insurance once or twice per year in order to save a little bit of money.

The cost of the insurance was discussed. Laura Hutchins mentioned that she had a receipt for insurance totaling \$379.94 for Westfield Insurance Company. However, the actual number mentioned in the budget stated the cost for insurance was \$750.00 for the year.

Following the meeting, Ali White looked into the suggested discrepancy. The Association has a total of three insurance policies. Two are through United States Liability Insurance Company (one for Fidelity/Crime and the other for D&O), and a third policy through Westfield Insurance (General Liability). The Fidelity/Crime and D&O policies were paid through the year; the General Liability is paid per month.

The proposed budget offered an increase in monthly dues from \$38.10 per month to \$50.00 per month. A suggestion was posed to begin the year at \$50.00 per month increase but, in June, up the total amount of dues to \$60.00 per month in order to help build up more money in Reserves.

A vote was taken to increase dues to \$50.00 per month in January and then increase in June to \$60.00 per month.

Motion: Katherine Reed

Second: Laura Hutchins

With two votes in favor and five against, the motion failed.

A vote was taken to increase dues to \$50.00 per month for the 2019 year.

With five votes in favor and two against, the motion passed. The dues will increase beginning January 1, 2019.

Delinquency Rate (budget subsection)

The delinquency rate was discussed. Prior to the meeting, Ali White had made a spreadsheet of all homeowners who were behind on paying their dues. The number of homeowners who were delinquent were found to be 31.25% of the community and owing roughly \$1,800.00.

There was a question from a member of the community on what was being done in order to contact the delinquent owners. Mark Shoberg relayed that we are sending letters, asking for payment plans to be submitted, and sending unit owners to collections who are 120 days or more past due. Mark Shoberg also relayed that, per Colorado Law, the HOA has a Mandatory Super Lien on homes delinquent within Homeowner Associations.

Mark Shoberg then suggested that the Board is able to approach the delinquent homeowners in order to speak with them about the outstanding debt. He further suggested that a partial forgiveness for the debt owed to the Association could be proposed to the delinquent homeowners. Because the Association needs a clean out of the cistern, the Board could reach out to those homeowners and suggest they “work off their debt” to clean out the community’s cistern. This suggestion was approved by the attending homeowners, as well as the Board of Directors.

Elections

Kat Reed called for a motion to reelect Crystal Woolen to the Board in absentia. Laura Hutchins seconded the motion. With all votes in favor, she was reelected to the Board as Secretary.

Laura Hutchins called for a motion to reelect Kat Reed to the Board. Kris Martsof seconded the motion. With all votes in favor, she was reelected to the Board as President.

Kat Reed called for a motion to reelect Laura Hutchins to the Board. Lewis Hutchins seconded the motion. With all votes in favor, she was reelected to the Board as Vice-President

Adjournment

With no further business to discuss, Mark Shoberg called for a motion to adjourn the meeting. The 2019 Annual Meeting was adjourned at 6:14 p.m.

Signature

Date

DRAFT