

# PALMER SUBDIVISION HOA

## Palmer Subdivision HOA Budget Ratification Meeting Minutes

Date: May 31, 2024

Time: 5:00 PM

Location: Fruita Rec Center, Peach Room

### **Attendees:**

Via Zoom: Jeremiah McGuire, Karen and Kevin Sauer, James and Christina Howery, Kendra Oester

In Person: Lindsey Grannis, Andy Martsolf, Christian Sabia, Tyrone and Patricia Denkins, Mario Lara, Wyatt Vidmar, Adriana Morales, Taylor and Renee Knight, Karen Martsolf, Angela and Batten Acree

### **Agenda:**

#### 1. Call to Order

- Time: 5:08 PM

- Call to Order: Conducted by Andy Martsolf-Treasurer

#### 2. Roll Call of Board Members

-Zoom: Jeremiah McGuire (President- In Person: Lindsey Grannis (Secretary), Andy Martsolf (Treasurer)

#### 3. Presentation of Budget

- Presenter: Andy Martsolf, Treasurer

Discussion

**Bank Charges and Fees:** Costs associated with the business checking account. Calculated at \$25 per month for 6 months

**Common Area Maintenance and Supplies:** Starting point for the annual budget since no data or history was provided. Covers startup of the irrigation system with any issues and replacement parts. (timers, sensors etc.) and any seasonal maintenance if parts need to be replaced.

**Electricity:** Electricity was hard to estimate with lack of data. As more homes are built and on irrigation the electric bill will increase. Will reevaluate once more data is available. This budget line is calculated using \$300/month for an anticipated 8-month water season with \$100 buffer.

**Federal Tax:** Uncertainty about needing a federal tax ID. Included line item in the event of future tax liability

**Insurance:** Colorado law requires General Liability and Property Insurance. These



claims against common area property of the subdivision. While homes are being built there's more liability and thus higher premiums. Directors' and officers' insurance protects board members from claims made against them while serving on a board of directors. Property insurance covers damage to common HOA property. The current quote is for General Liability and Property at \$1477/year and Directors and Officers at \$1,009/year. This is expected to come down as more homes are built. Most insurance companies want to see 75-100% built

**Landscaping Services:** Estimate from SavAtree for weed abatement and tree and shrub maintenance and upkeep.

-Lindsey Grannis pointed out the HOA common property on south side J road and north side J 2/10 has been neglected for the most part. Weeds have been growing, multiple trees are dead, irrigation drip lines need to be fixed or capped. The hope is landscaping services can come down once the common areas are updated and taken care of this year. The board will reevaluate at the end of the season. SavAtree was selected because they would handle the weed and tree maintenance.

-Jeremiah McGuire mentioned the hourly rate on the estimate was IF the HOA needed to enlist SavAtree to remove the dead trees/pull t-posts. The \$95/hr rate is not included in the total.

-Lindsey Grannis noted that Declarant mentioned replacing trees. There is a formal letter going out to get confirmation of this and the pump replacement

-The board selected SavAtree since they could provide both and all services if needed vs. hiring multiple companies

**Professional Fees and Services:** Board is considering review of CCR's and other legal documents to be reviewed by an attorney. Concerns were about incomplete HOA documents and the need for legal review. The HOA requires articles of incorporation, bylaws, and registration with the Division of Real Estate. These documents were not executed by the Declarant when the HOA was formed.

-It was asked if the Board had asked other HOA's how they got established.

-The Board is working through the growing pains of a new HOA and working diligently to collect as much data as possible.

-A list of other HOA's fees was discussed. There are variables between start up fees vs. future/current dues as well as costs associated with whether the HOA has a common irrigation pump.

-The hope is annual dues will come down as the HOA becomes more established and more homes are built.

**Office Expenses:** Office supplies, room rental costs, and meeting expenses.

**Association Water Fees:** Prorated for 2024. = \$714. Was paid by the declarant. Includes ditch maintenance fee of \$150. These rates may change from year to year

**Startup and Winterization of the Pump:** Services provided by Mark Green, who installed the pump and entire subdivision irrigation. His ongoing service is essential for major issues as well as the start up and shut down of the HOA irrigation pump. The board got a few quotes, and this was the most cost effective. His knowledge of the Subdivision irrigation is invaluable.

**Annual Operating Contingency:** Covers potential shortfalls if a lot fails to pay.



**Reserve Contribution:** Based on the cost and lifespan of the irrigation pump. Year one of a four-year schedule to have reserve funds sufficient to replace the pump station. This does not include the perimeter fence, cluster mailboxes or below ground irrigation lines which will need to be considered moving forward.

4. Budget Vote-14

Method: Paper ballot and email (for Zoom attendees)

Outcome: 6 no, 9 yes, 11 non-responses

Result: Budget ratified

5. Updates on Working Priorities

The Board is working on drafting and adopting Bylaws, ACC, and Irrigation Rules and Policies.

Development and review in progress.

Clarification Requests: Letter to the declarant regarding pumps, trees, and documents.

6. Open Forum

Discussion: No additional comments from members.

7. Next Meeting

Annual HOA meetings will be set for the 4<sup>th</sup> Thursday of October

Date: October 27, 2024

Time: 7:00 PM (subject to confirmation)

8. Adjournment

Motion to Adjourn: Andy Martsolf

Seconded: Lindsey Grannis

6:40pm: Meeting adjourned.

Minutes Submitted By: Lindsey Grannis, Secretary

  
Approved By: Jeremiah McGuire, President

