

Arapahoe Ridge Homeowners Association
Board of Directors Meeting
January 18, 2005
MINUTES

I. CALL TO ORDER

The meeting was called to order at 4:25pm. Board members present: Ed Perkins, Diana Walley, and Shelley Burke. Michele Hudak represented Four Star Realty and Property Management, Inc. Please note that all decisions by the Board listed below are presumed unanimous unless otherwise noted.

II. HOMEOWNER FORUM

2647 Betts: The owner of this unit did not attend and did not send in a letter outlining his payment plan request as promised. A motion was made by Shelley to pursue garnishment of wages through the Association's attorney. The motion passed.

III. APPROVAL OF PREVIOUS MINUTES

The minutes from the December 14, 2004 meeting were reviewed and approved.

IV. FINANCIAL REVIEW

Michele presented the December financials. It was noted that, due to the lack of a 12 month budget by previous management, seasonal fluctuations were not represented and this may be the cause for the disparity in line items such as utility expenses, which was noted to be \$539.82 under budget for the month to date, but \$3469.11 over budget for the year to date. It is hoped that the creation of a 12 month budget will help resolve such disparity in the 2005 budget. As of December 31, 2004, it was noted that the Association was \$8644.41 under budget for expenses. It was requested that the reserve transfer budget for 2004 be added as negative income to give the Board a better financial picture.

- A. Reserve Account and CD's: It was noted that the Association currently has \$517,406.71 in their reserve accounts and that the Word Savings CD's had matured and been cashed out and deposited temporarily in the Money Market Reserve account with Bank One. It was also noted that the Wells Fargo CD was expected to be cashed out within the next few days and deposited into the Money Market Reserve account with Bank One. Due to the constraints of FDIC insurance, Ed moved that deposits be made as follows to reduce risk for the Association:
- i. \$100,000 deposited into Colorado Business Bank money market account
 - ii. \$100,000 deposited into 1st Bank money market account
 - iii. \$100,000 deposited into Heritage Bank money market account

The remainder of the funds deposited into the Bank One money market account are to remain in place until such time as an informed decision can be made based upon the pending reserve study. The motion carried. Shelley was asked to research investment options with the help of Ben O'Brien and make a recommendation to the Board at the February meeting.

Ed moved to accept the Treasurer's Report. The motion carried.

- B. Delinquency Issues:

- i. Collection fees and Management Contract: Michele reviewed the Four Star Fee Disclosure for office expenses and tasks not included in the management contract.
- ii. Units eligible for Lien filing / Turn over to Attorney: Due to the transition from the 45-90-lien to the 30-60-90-120-lien policies, which took effect on January 1, 2005, the Board discussed how best to proceed with units on key dates in this transition. Michele submitted a report listing the units over \$240 delinquent as well as the list of units who had reached the 60- and 90-day past due marks as of December 31, 2004. It was agreed that the units that received lien-warning letters at their 60-day mark would receive another lien warning letter at the 90-day mark and from that point forward continue with the new policy. Ed moved that liens would not be filed for the units at the 90-day delinquent mark, but a letter would be sent explaining that a lien had not been filed but will be filed if payment was not received by the 120-day mark at a cost to the homeowner of \$75. The motion carried.

Diana moved that the attorney be instructed to take the next step forward in collection efforts for 2952 Dickens and, if multiple options were available, that the attorney make a recommendation on the best path to take for this unit. The motion carried. Shelley moved that the late fee charged to 1755 Holeman for their July 2004 dues (which have not been paid) remain in place. The motion carried. Finally, Michele also provided an update to the Board on the two units in foreclosure by the first mortgagee along with a flow chart outlining this foreclosure process.

- iii. Late Fee Waiver Requests: Michele provided a list of all phone calls that had been received regarding late fee waiver requests and the Board reviewed written requests for late fee waivers. It was agreed to waive the late fee for 3106 Stevens Circle. It was agreed that the late fee waiver would not be granted to 2785 Odell as they have experienced multiple infractions with late payments and are currently overdue in their assessments by a partial payment. Ed moved that a letter be sent thanking them for their efforts, but outlining their delinquency history and specifying that the late fees are below the parameters outlined in the Covenants, and requesting payment of the account. The motion carried.

V. ASSOCIATION BUSINESS

- A. Reserve Study: It was reported that Bradley Property Consultants visited the community within the past week and are expected to submit a revised reserve study within the next week. It was also reported that, in brief conversation, BPC expressed that the current reserve funds are likely to be more than adequate given their historical knowledge about the Association. The study will be mailed to all Board members upon receipt.
- B. Pool Maintenance/Lifeguard Proposals: Michele provided the Board with a draft of the pool maintenance specifications that will be sent to potential bidders and noted that Tani Owens and Shaun Reilly have offered input in the specifications to ensure that they accurately reflect the requirements and expectations of the

Association. Updates will continue to be furnished as this process moves forward.

- C. RV Parking Discussion: This item was tabled to February.
- D. Covenant Issue: Barking Dogs: The Board reviewed a letter from a homeowner regarding excessive noise from barking dogs and reviewed the corresponding Covenant Article 3.11 along with the City ordinance. Michele also reported on conversations with this owner and others regarding police response. Ed moved that the owners be encouraged to pursue their rights per the Town of Erie municipal code. Michele will contact the Town to inquire as to whether homeowners can obtain copies of citations, and the complaining owners will be asked to submit the copies regarding the offending unit to the Association. Those citations will be sent to the DRC per Article 3.11 and, if the DRC finds sufficient reason to determine the offending dog to be causing an “unreasonable amount of noise,” Covenant violation procedures will begin. The motion carried.

VI. REVIEW INVOICES/SIGN CHECKS

The Board reviewed the invoices and signed the checks.

VII. ADJOURNMENT/NEXT MEETING DATE

The meeting was adjourned at 6:20pm and the next meeting is scheduled for either February 15th or the 17th at 4:25pm with the specific date to be confirmed.