

Arapahoe Ridge Homeowners Association

Board of Directors Meeting

July 10, 2006

MINUTES

I. CALL TO ORDER

The regular meeting of the Board of Directors was called to order at 7:00 p.m. at 1750 Powell Street. Board members in attendance were Monica Kash, Bill Barnett and Diana Walley. Community Association Manager Gwen Rohrer was present representing Hammersmith Management.

II. OPEN FORUM

Homeowners Troy and Carolyn Gardella were in attendance to discuss their delinquent account with the Board. The Board previously credited their account \$225 related to a charge on their account applied in error. The Gardellas asked that the difference of \$45 for late fees be credited to their account as well. Hammersmith Management agreed to credit the late fees at management's expense if they were willing to bring the account current immediately. The Gardellas agreed and wrote a check to Arapahoe Ridge in the amount of \$195.

Homeowner Scott Salzman was in attendance to inquire about whether or not the homeowners at 2615 Freeman Court have filed an appeal to their DRC denial. In addition, Scott volunteered his time to the Association to head up a project to install a basketball court in the common area, if the Board decides to move forward with said project.

III. APPROVAL OF MINUTES

The Board reviewed the minutes of the June Board of Directors meeting. A motion was made and seconded to approve the minutes from the June 12, 2006 Board of Directors meeting with the following amendments: Under Financials, the CD purchased at Colorado Business Bank was a 16-month CD, not 7-month. Under New Business, item D; add the information about use of the spigot outside the clubhouse. The motion carried unanimously.

IV. FINANCIALS

A. Financial Statements – The financial statements for the period ending June 30, 2006 were reviewed. As of month end, the US Bank operating account had a balance of \$115,853.70. The total assets for the community were \$707,776.66.

Bill Barnett provided the Board with a Treasurer's report. He indicated that he has concerns about the account at Edward Jones. Bill stated that the account is a non-deposit investment account and the funds are not FDIC insured. The Board asked Bill to contact Edward Jones directly to confirm his suspicions, as they were told differently at their initial meeting with Edward Jones. Bill agreed to contact Edward Jones and report on his findings at the next Board meeting.

Bill reported that the Association currently has in excess of \$100,000 in the operating and reserve accounts combined at US Bank and noted that the funds in excess of \$100,000 are not FDIC insured. Bill recommended opening a 2nd operating account at a different bank and moving funds. Bill agreed to research banks regarding the 2nd operating account and will make recommendations to the Board at the next Board meeting.

Bill made a motion to open a 1-year CD at Horizon Bank with an interest rate of approximately 5.6% by moving funds from the Heritage Money Market account. In addition, funds in the amount of \$50,000 will be transferred from the US Bank reserve account to the Heritage Money Market account. The motion was seconded and unanimously approved by the Board.

The Board signed the signature cards for the Colorado Community Bank CD.

- B. Aging Report – Delinquencies reflect a month-end balance of \$7,112.56.
- C. Review Invoices/Sign Checks – Invoices were reviewed and checks signed.

V. UNFINISHED BUSINESS

2005 Survey – Due to a lack of time during regularly scheduled Board meetings, the Board agreed to schedule a working session for Board members to attend to discuss the 2005 Survey results. Action items outlined in the working session will be discussed at the next Board of Directors meeting.

VI. NEW BUSINESS

A. Sun & Shade Bids – The Board reviewed two (2) proposals from Sun & Shade. One (1) to remove the existing mulch around the clubhouse and replace with gorilla hair redwood mulch and one (1) to make irrigation adjustments to the common area behind 3224 Billington. A motion was made and seconded to approve the two (2) proposals below. The motion carried unanimously.

1. Removal of the old mulch around the pool house and installation of new redwood mulch in the existing beds. This will match the mulch we are installing inside the fence.
Materials: fabric (50.00), 16 yards redwood mulch (920.00), labor (500.00).
Total:.....\$1470.00

2. The house at 3224 Billington has water running under their fence when the sprinklers in the rock bed south of their property come on. The rock bed behind their house has pop up sprinklers and they spray too much water into the bed, which causes the extra to flow into the back yard. We had a similar problem on the west side of Beasley at Ron Brown’s residence. If we change the pop up zone to a drip zone we will be able to eliminate 80% of the extra water. We did this conversion on the west side of Beasley and it seems to have eliminated the run off.
Total:.....\$1300.00

B. State Farm Insurance Claim on Clubhouse Repairs – Hammersmith Management contacted State Farm regarding damage to the clubhouse last winter. State Farm indicated that the Association could make a claim, however the insurance will only cover costs related to the repairs of the damage the furnace made and no actual costs directly related to the furnace. Actual repair cost was \$879.20 and costs associated with the furnace were \$1,357.91. The policy deductible is \$500. By filing a claim it will save the Association approximately \$379.20, however it will be the second claim against the policy in one (1) year and may cause a rate increase at renewal. A motion was made and seconded to not make a claim against the insurance policy. The motion carried unanimously.

C. State Farm Insurance Renewal – The Association’s insurance policy is due for renewal on August 13, 2006. The renewal quote from State Farm is \$5,853, an increase of \$127 or 2.2%. A motion was made and seconded to renew the insurance policy through State Farm. The Motion carried unanimously.

D. Executive Session – The Board entered into executive session at 8:44 p.m. to discuss the lawsuit filed against Arapahoe Ridge by Scott Salzman. The Board exited executive session at 9:08 p.m.

VII. CORRESPONDENCE & REPORTS

The Board reviewed the Design Review Committee report and minutes from their June meeting. The Board asked Hammersmith Management to obtain the details surrounding the new paint palette created by the committee. In addition, the Board agreed to designate a non-voting Board liaison to attend Design Review Committee meetings. Board member Diana Walley agreed to act as the Board liaison.

IX. ADJOURNMENT

The meeting was adjourned at 10:00 p.m. The next meeting has been scheduled for August 14, 2006 at 7:00 pm at the Arapahoe Ridge Clubhouse.