

BEAVER VILLAGE ASSOCIATION #1
BOARD OF DIRECTOR'S MEETING

Friday, July 24, 2009 6:30 pm
Beaver Village Lodge

Call to Order: Vonnie Thomas called the meeting to order at 6:30 pm.

Present: Vonnie Thomas, Mark Correll, Jim Swanson, Property Manager Mark Johnson and Minutes Recorder Janene Johnson. Member Phuong Cronin and Jack Klinges were absent.

Minutes: Minutes of the meeting held on April 11, 2009 were reviewed. Mark Correll made corrections to the minutes and the minutes will be sent to the Board members. A motion was made to approve the minutes as amended by Mark Correll and seconded by Jim Swanson. The motion carried by unanimous vote.

Financial Report: Property Manager Mark Johnson reviewed the financial statements dated June 30, 2009 with the board members. He mentioned that he is in the process of moving all accounts to Grand Mountain Bank and the appropriate signature cards have been obtained.

Mark went on to discuss the current Accounts Receivable for the Homeowner dues. There are two homeowners that are substantially in arrears. One of those homeowners has been in contact with Mark Johnson and mentioned that they are in the process of trying to sell the unit and all past due accounts will be brought current. The problem is that the market has not been going well and sales are not occurring. Vonnie requested to move on with the financial report and further discussion on this issue will take place at a later time.

The Board members reviewed the quarterly income statement, specifically looking at the extremely low Electric use and the low line item of Major Maintenance. Mark mentioned that the audit on the heat tape, and subsequent unplugging of the tape in early spring saved a substantial amount of money. The tape will be put on again in early to mid November.

Vonnie questioned what happened on the Common Area Maintenance line and Mark stated that it is the tree removal cost. The cost of tree removal needs to be removed from this line item and put into Forest Management. Jim Swanson questioned the Trash Removal line item and some of that represents a pure cost increase but also represents the timing on receiving the Recreation Center's reimbursement. Mark will follow up and get that reimbursement system corrected.

The discussion then turned to the Fifteen Year Plan. Vonnie Thomas mentioned that the biggest item in this discussion is to get the roof repair/replacement bids put on the Fifteen Year Plan. Vonnie mentioned that a roofer, whose name is believed to be Shawn Saville,

has put a bid in front of the Recreation Association Board for roofing work on the Clubhouse and Filings 2 and 3. Mark Correll will provide Mark Johnson with his contact information and they will see if they can receive a bid from him. Mark Correll is under the impression that the work will be phased in, either one building at a time or two at a time. Buildings 2 and 3 are in the most need of repair/replacement. Jim Swanson asked whether or not we've been given some timing on the life of the current roof. Vonnie requested for Mark to get the third bid from Mr. Saville and then the board can make their decision. Mark Correll and Jim Swanson said that with the lack of capital improvement funds, it might be a better idea to do one building at a time, even though Mark Johnson would prefer two at a time. Jim Swanson wanted to revisit the asphalt shingles vs. metal roof and wants to make sure we get a bid for both. Mark Correll requested for Mark to get a bid on getting a solution for how to get the snow to avoid sitting against the chimney.

Mark Correll requested that Mark expand the time line of the Fifteen Year Plan to go past 2016. That will be ready for review at the January, 2010 Board meeting.

Mark Johnson went on to discuss the paint bid that he received for the painting of Buildings 3 and 4. Since these buildings receive such direct sunlight, spraying the buildings is not an option for the long term. Mark read the bid that he received. The bid he received was \$13,000 for both buildings and the bid seemed to be presented as a quality job. The budgeted amount for painting all four buildings is \$22,000. The Board members feel that this additional work may be warranted, for the upkeep and value of the buildings. This work would be done sometime in June, 2010. Discussion ensued as to when the buildings were last painted. Jim pointed out that the last time the buildings were painted, all four of them were done at the same time for a total cost of \$40,000.

Mark Correll questioned the 2008 and 2009 assessment contributions in the Fifteen Year Plan. Mark Johnson explained that the Operating Fund was running a deficit and the funds were transferred from the Capital Reserve Fund. A discussion ensued as to how the CPA makes these adjustments between the Operating Funds and the Capital Reserve Fund. At the end of the discussion, the Board decided that they would pursue the process of setting aside funds and obtaining bids for the painting of Buildings 3 and 4 and the replacement on the roof of Building 2.

Vonnie asked for any further discussion on The Balance Sheet, Income Statement and Fifteen Year Plan. There was no further discussion on the financials.

Reserve Policy: Mark Johnson gave the background on the legislation that was passed in 2009 that now requires homeowner's associations to state their policy on reserves. Mark has prepared a draft policy to be reviewed by the Board members. The draft policy simply endorses what the Board of Director's is already doing. Mark mentioned that he has added this information into the General Membership packets for the meeting scheduled for July 24, 2009. Mark Correll brought up some questions regarding the policy and what was passed at the state level. Jim asked what the deadline is for adopting such a policy and Mark Johnson stated August of 2010. Vonnie Thomas will address this

issue with the homeowners at the meeting but it is ultimately a Board decision. Mark Johnson was directed to provide all Board members with this draft policy and the members will not be asked to take immediate action to implement this policy.

New Business:

- a. **Collection Policy:** Mark Johnson requested that the discussion turn to the two homeowner accounts that are extremely delinquent. Letters have been sent, first requesting payment and then the threat of filing liens. The first situation, for discussion purposes, will be called Homeowner A. Homeowner A is currently paying \$500 per month with a promise to pay a lump sum of \$5,000 by the end of 2009. Mark Correll questioned the validity of that promise. Mark Johnson gave a detailed account of placing a lien on the property and what the possible results are of that process. Mark Correll requested for Mark to get legal advice about whether or not the Board has the ability to lock out a homeowner of their unit for non-payment of dues. Mark Correll also asked for a legal advice on the term "Statutory Lien" as regards the dues and especially in the case of a foreclosure. He would also like legal advice on whether or not we have to follow the Bylaws.

Mark Correll also requested more information regarding the situation where damage had been done by one homeowner's repairman that affected another homeowner. Mark Johnson said that the situation was in the process of being cleaned up and that the Board should not have been involved in the situation.

The second situation, with Homeowner B, was brought forward for discussion. No payments are being received at this point and the unit is being actively marketed for sale. The homeowner is being cooperative in working with the Board on possible solutions in the interim, before the unit sells.

In summary, Vonnie asked whether or not legal advice is warranted. Mark Johnson specifically requested for permission to discuss the lock-out provision and the following of the Bylaws issue. Following this discussion, Mark presented a draft Collection Policy for review. Vonnie requested that all Board members carefully review this policy and finalize the policy in January, 2010.

- b. **Building 3 Electrical:** A discussion on the current electrical issues with Building 3 was brought forward. Mark Johnson explained the background of why the main breaker boxes in each building and the main breaker boxes in each unit, need to be replaced. Mark Correll requested more information on whether or not this extensive electrical work needs to be completed. Mark Johnson gave a presentation on what started this conversation, which was unit specific. However, even though this work isn't necessary to the entire building, it is a time issue since the buildings are so old and the existing boxes are not URL rated. At least the Board has been given the information on what will need to be done in the future, even if it isn't going to be done in the near future.

- c. Mountain Pine Beetle: Mark Johnson reported on the current status of the Mountain Pine Beetle in Grand County. Approximately 100 trees were sprayed in Filing 1 and approximately 55 trees were removed. Most of the trees were behind Building 1 near the highway and behind Building 2.

Beaver Village Recreation Association: Mark Correll and Vonnie Thomas gave a presentation of the meeting that was held earlier in the day. Boiler problems at the Recreation Building seem to be the most pressing issue and will amount to an additional expense to all three filings. Mark Correll ran through the following items from the meeting. The noise in the interior of the pool area from the dehumidifier system was discussed, along with the roofing project. Kristy requested a two hour reduction in the Fall schedule for open hours, between Labor Day and the opening of the ski area. The road overlay (seal coat) project has been bid out and will be done by September or October. Filing 1's share is approximately \$4,500. Mark was also able to present Filing 1's views on the surcharge, change to the towel service and eliminating the white bus. Enforcement of the collection of the 2% surcharge to homeowners that rent their unit was discussed. Vonnie Thomas and Tom Cummins will work together to revise the contract that is currently in place with Kristy's company regarding the towels and the white bus. Mark also raised the water usage in the basement laundry and potentially installing a flow meter to ensure proper reimbursement. The only other issue was a possible fence to screen the outside boiler from Building 3. Finally, the proper licensing to maintain the pool and hot tubs has been obtained by the employee of the property manager.

Elections/Meetings: Vonnie brought the discussion forward for attempting to build the size of the Filing 1 Board of Director's back to a good size again. The floor will be open to nominations at the General Membership meeting and volunteers will be requested. Vonnie also mentioned that Filing 1 is hosting the General meeting at 3:00 pm.

Other Business: Mark Correll asked if anyone else is having trouble with their water pressure. Mark Johnson will research. Mark Correll asked if he was going to research self-regulating heat tape and Mark Johnson said that he could, but it's expensive and may not give the energy savings that would be wanted. The ongoing issue of window replacement will most likely be brought forward during the meeting and one specific homeowner will want the Board to re-survey the homeowners on their preferences. Mark Correll requested that, during the General Membership meeting, Mark Johnson bring up the legislative changes regarding the need for carbon monoxide detectors in each unit upon lease or sale. Mark Correll finally brought up the need for a discussion on internet pricing per unit as quoted by John Erwin. Mark Johnson said that he has seen other buildings in other HOA's where one individual will obtain the service and everyone sets up an informal agreement. Mark Correll brought up one last issue, and that is that the Fire Extinguisher box on Building 4, 3rd floor, is broken. Mark Johnson will research.

Next Meeting: The next meeting of the Board of Directors will be established upon receipt of notification from the Recreation Association's next meeting.

Adjourn: Mark Correll moved and Jim Swanson seconded the motion to adjourn. The meeting was adjourned at 9:35 pm.

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BEAVER VILLAGE ASSOCIATION #1
BOARD OF DIRECTORS MEETING

Saturday, July 24, 2009 12:10 pm
Beaver Village Clubhouse

Call to Order: Vonnie Thomas called the meeting to order at 12:10 pm.

Present: Vonnie Thomas, Mark Correll, Jim Swanson, Joe Fraser, Jon Lange, Stephen Tanberg and Property Manager Mark Johnson and Minutes Recorder Janene Johnson.

Appointment of Officers: Stephen Tanberg moved and Jon Lange seconded the motion that the following officers be appointed and approved.

President – Vonnie Thomas

Vice President –

Treasurer/Secretary – Jim Swanson

Board Member at Large – Mark Correll and Jack Klinges

Recreation Board Members – Mark Correll and Jack Klinges

Recreation Board Member at Large – Vonnie Thomas, Jim Swanson, Stephen Tanberg, Joe Fraser and Jon Lange

The motion carried by unanimous vote.

Other Business: Joe Fraser stated that he felt not enough valid information has been obtained, especially with respect to what the guarantee for the life of each type of window is for this altitude. Discussion ensued as to the pros and cons of all information that has been obtained to date. Vonnie stated that whatever the choice, clear directions for the property manager regarding what windows and/or contractor are allowed within Filing 1. Stephen Tanberg mentioned that he would feel very comfortable in allowing the property manager to choose the manufacturer of the particular window and that there would be no variation on that recommendation for each homeowner. Mark Johnson would then be able to recommend a short list of contractors. Mark Johnson was directed to talk to Dave McNicholas to establish the specifications and see if a price guarantee might be obtained. He will then bring that to another contractor to work on establishing that short list. Stephen Tanberg moved that Mark Johnson be directed to investigate and come up with a recommended manufacturer of vinyl windows and sliding doors and a list of recommended contractors with the pricing. Mark Correll seconded the motion. The vote carried by unanimous vote. Mark Johnson will send notification of all of the approved information with the next quarterly billing.

Adjourn: Vonnie Thomas adjourned the meeting at 12:50 pm.