

Back Country Cabins Homeowner's Association, Inc.

2014 Annual Meeting

Minutes of Meeting

The 2014 annual meeting of the membership of the Back Country Cabins Homeowner's Association, Inc. ("the HOA") took place on Saturday, November 8, 2014 at the First Bank located at 960 North Ten Mile Drive, Frisco, Colorado.

Attendees: Joel Pins – President, Back Country Cabins HOA
Mara Kaiser – Vice President, Back Country Cabins HOA
Sean Serell – Secretary/Treasurer, Back Country Cabins HOA
Nicole Ries-Pins – Owner, Back Country Cabins HOA
Andrea Barsch – Owner, Back Country Cabins HOA
Bonnie Cole – President, United Professional Management
Consuelo Redhorse – Bookkeeper, United Professional Management

TOPIC A. Roll call

- (1) Meeting called to order at 8:08am.
- (2) Owners from four units were present.
- (3) Proxies received from two units. Both granted their proxy to Joel Pins.
- (4) Pursuant to the Bylaws, the representation of 51% (4 units) is required to constitute a quorum. The owners noted above and the two proxies received have fulfilled said requirement.

TOPIC B. Statement of compliance with procedures for notice of meeting or waiver of notice – Notice waived, all owners present or represented by proxy.

TOPIC C. Reading of minutes

- (1) Bonnie read the 2013 annual meeting minutes
- (2) **Motion: Sean motioned to approve the 2013 annual meeting minutes as written. Andrea seconded. Approved unanimously.**

TOPIC D. Reports of officers –

- (1) No officer reports
- (2) Bonnie provided the following financial report:

Balance sheet (as of 11/7/14)	Assets	\$15,086.07
	Liabilities	\$82.50
	Equity	\$15,003.57
Income statement (Sept. 2014 YTD)	Total operating income	\$10,980.00
	Total operating expense	\$9,945.83
	Net operating income	\$1,034.17

TOPIC E. Reports of committees – No committees, no reports

TOPIC F. Election of Executive Board Members: Vice President

- (1) Bonnie read the officer requirements from the bylaws.
- (2) Most important task is attending the board meetings (in person or teleconference)
 - a. This year and next year are very important as the Board will be making decisions to keep the HOA safe and secure.
 - b. Representation from the middle and end units is important.
 - c. Considering the interests of the entire community is important.
- (3) Governing documents require a secret ballot vote.
- (4) Mara was re-elected for another 3-year term.

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TOPIC G. Unfinished business

At the 2012 annual meeting, the membership approved purchase of a picnic table with the cost to be covered by all owners. The picnic table was never purchased. Group decided to revisit in Spring 2015 and re-evaluate as new business.

TOPIC H. New business

(1) Landscaping

- a. Spring flower planters by June 30th
 - i. At the June 2012 board meeting, it was decided that all planters must be done by the end of June.
 - ii. Any type of plant is fine – flowers, small trees, herbs. No noxious weeds.
 - iii. **Motion: Sean made the motion to add the following verbiage to the HOA Rules and Regulations: "Flower boxes should be planted by June 30th. If not planted by July 15th, then they will be planted by a vendor chosen by the Board at the owner's expense."**
Joel seconded. Approved unanimously.
 - iv. **Motion: Sean made the motion to remove the restriction (included in the HOA Rules and Regulations) regarding plants located on decks, balconies, and patios; and allow up to three planters or hanging plants to be located on front porches, balconies, patios, or any other LCEs.**
Joel seconded. Approved unanimously.
- b. Dandelions/weeds in yards
 - i. Landscaping and weed removal is not included in the management contract between the HOA and UPM.
 - ii. Declarations state that yards are LCEs. Therefore they are the owners' responsibility and maintenance of LCEs is not an Association duty.
 - iii. The previous management company weed-whacked twice a year, and the group believes chemical applications were used.
 - iv. Summer 2014
 1. There were lots of dandelions.
 2. The HOA did not apply chemicals, however, the Town sprays in front.
 3. Noxious weeds in the back were pulled.
 4. Weeds were taken care of internally and the cost was charged to the association. Unit B owners charged \$15/hr to take care of weed removal. Bonnie notified all owners of this.
 - v. Plans for weed removal for next summer
 1. Attempt to set up a "community day" where owners will take care weed-whacking. There will be no fertilizing (ex. Round Up) this year.
 2. Bonnie will look into purchasing an electric/battery powered weed-whacker for the HOA. Sean also has a weed-whacker that he is willing to let the HOA use.
 3. Schedule two owners per month from July through September
 - a. #E and #F in July
 - b. #C and #D in August
 - c. #A and #B in September (Joel will coordinate taking care of #A's)
 4. If the "community day" does not work, Joel will take care of weed removal again. Bonnie is also fine doing weed-whacking.
 - vi. Weed removal guidelines
 1. Aside from weed-whacking, each owner will take care of their own dandelions. However, owners are not required to remove dandelions from their LCE.
 2. Owners may use chemical applications on their LCE.
 3. Landscape is to be kept up to "traditional Summit County vegetation" standards.
 4. Owners must remove noxious vegetation from their LCE.

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TOPIC H. New business (continued)

5. Will owners have the ability to ask the manager/association to take care of weed removal and bill them back?
 - c. Weeds between flagstone
 - i. Last summer, Bonnie pulled non-dandelion weeds from the flagstone and rock beds sporadically.
 - ii. Going forward, group decided to leave these weeds alone.
 - d. "Side lawns" left natural – Group decided that "side lawns" (East and West sides of the property) shall be left natural; however, noxious weeds shall be removed by owners and/or management at HOA expense.
- (2) Snow shoveling/plowing
- a. Reasonable time to take care of isolated incidents i.e. snow dumped on parking spaces
 - i. If it happens late at night, no one is available until morning
 - ii. Bonnie will speak with snow removal companies about this need
 - iii. Owners at Unit E often arrive late at night. If their parking spot is not available, Joel instructed them to send him a text and park in his spot.
 - iv. Andrea would like to have owner cell numbers in case she needs to use their space. Consuelo will review the Association Records Policy and create a form for owners to fill out which authorizes their information to be shared with the group.
 - b. Snow storage – shoveling and plowing
 - i. Snow storage on the property is very limited and causes problems.
 1. Snow removal from the property is very expensive. If there is no storage, the snow needs to be hauled away. Lack of on-property snow storage at Back Country Cabins is an issue for all snow removal vendors.
 2. Most snow storage issues come from the South side.
 - a. Currently, excess snow ends up in Unit E's parking spot.
 - b. As discussed at the March 2014 Board meeting, getting rid of the trash/recycling enclosure will provide some, though not much, snow storage on the property. Currently, only one side is being used. Trash would have to be kept in storage locker room and would need to be locked up.
 3. Group believes that someone is dumping snow on the property.
 4. May be necessary to use the Visitor Parking for additional snow storage.
 - ii. Aichholz snow removal contract for 2014-2015 Winter season
 1. Vendor does not want to honor the "original" snow removal contract in its entirety.
 - a. Believes the original contract was with the previous management company, not the HOA.
 - b. Does not want to include snow hauling from the property within the monthly contract rate.
 - i. Previous management allowed the vendor to store snow at a nearby property.
 - ii. The vendor is willing to haul snow for \$200/haul.
 - iii. Group does not know how often snow must be hauled. Joel cannot get this information from Aichholz.
 - c. Issues with snow removal and storage by the Town complicate the vendor's plowing job, according to Aichholz.
 2. Vendor does not do snow shoveling and does not have the right equipment to remove snow from Unit A's and Unit B's parking spaces.
 - iii. Snow removal bids from other vendors
 1. The only vendor who will do snow shoveling only (i.e. no plowing) charges \$40/hr and does not carry insurance.

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TOPIC H. New business (continued)

2. Bobby Cat has local snow storage and a snow blower and proposed several scenarios for the HOA:
 - a. Plow only services for \$250/mo from November 15th to April 15th. Vendor will haul snow as needed for approximately \$200 each time.
 - b. Plow and snow hauling for \$500/mo for monthly plowing including all snow hauling.
 - c. Shoveling at a "per trip" rate and snow removal from roofs and/or ice removal for an extra charge.
 3. Raptor Company proposed the following:
 - a. \$200/mo for five months of snow plowing
 - b. Shovel at \$35/hr
 - c. \$200/hr for snow removal from property (hauling)
 - iv. Plans for 2014-2015 Winter snow removal
 1. **Motion: Mara made the motion to terminate relationship with Aichholz. Sean seconded. Approved unanimously.**
 2. HOA needs to ensure that Aichholz will not do any snow removal for the 2014-2015 Winter season. Joel will sign and hand-deliver any required paperwork to Aichholz to terminate their services.
 3. Bonnie will contact Jere Lord with Snow Farmer and Walter (works with Pete and Joel) to see if they can offer the services the HOA is requesting (see below).
 4. HOA would like Bonnie to negotiate with vendors to reach \$400/mo for all-inclusive snow plowing and hauling (with shoveling services on the side), with the stipulation that snow removal occur at an early hour.
 5. HOA would like snow removal contract to start November 15th.
 6. HOA will require the snow removal vendor to carry at least general liability coverage.
 - c. Awnings and deck/roof shoveling
 - i. There is a need to periodically remove snow on the awnings, decks, roofs, and over the porches.
 - ii. If the snow is not removed from the awnings and roofs, it can pull off the heat tape and cause leaks.
 - iii. **Motion: Mara made the motion to include snow removal from the awnings as part of the HOA's snow removal contract that is paid by the Association. Joel seconded. Approved unanimously.**
 - iv. Owners are responsible for removing snow from their own decks.
 - d. Heat tape on awnings
 - i. Currently, there is no heat tape on the awnings (except #E) and ice is freezing in the gutter.
 - ii. There is the potential for ice damage in the gutters and sidewalks.
 - iii. Heat tape should be placed in the gutter, not the awning.
 - iv. Option to "zigzag" the heat tape was discussed, however group noted that heat tape is expensive to purchase and operate.
 - v. No decision was made regarding heat tape.
- (3) Solar panels
- a. Envoy is the monitoring system that translates the data and reports the information. It is located on the back side of the storage locker.
 - b. The HOA is currently downloading the data via Ethernet. To download the data, the Envoy must be physically removed once a month, and plugged in for approximately 24 hours.
 - c. The solar panels provide 100% of HOA's electricity and provide monthly savings.
 - d. The Envoy does have the ability to connect via Wi-Fi but it would have to tap into an owner's Wi-Fi. Group questioned privacy issues and determined to continue with the current set-up.

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TOPIC H. New business (continued)

- e. The panels have a 20 or 25 year warranty but the converter box is not under warranty. Currently, both items are in a good condition. Solar panels are the HOA's responsibility.
- (4) General property updates – addressed in other discussion topics
- (5) Mandatory policies – no discussion or questions
- (6) Past changes to Rules & Regulations including those the Board made this year – addressed in other discussion topics
- (7) HOA attorney – The HOA does not currently have an attorney on retainer. If the HOA would like to pursue retaining an attorney, the attorney could address declarations and governing documents language, snow removal contract, etc.
- (8) Insurance
 - a. HO6
 - i. HO6 insurance is commonly referred to as “contents insurance”
 - ii. If an owner's HO6 insurance is aligned with the Association's coverage, the insurer will pay the owner's deductible. Contact the Leslie Weiss American Family Insurance office to learn more about this.
 - iii. Owners who rent out their properties need a different type of insurance (not HO6). Contact your insurance agent for more information.
 - b. Owners to supply Declaration page for liability and contents coverage, and any sewer backup protection – Consuelo will request this information from owners.
 - c. Insurance appraisal – not discussed
 - d. Crime and terrorism addendum
 - i. Terrorism Addendum – Costs \$15/year. Group agreed to additional coverage. Bonnie will have someone sign the necessary paperwork on behalf of the HOA.
 - ii. Bonnie to gather more information about crime coverage.
- (9) Copy of rental leases
 - a. Bonnie needs copies of any rental leases; she will speak with Craig about this.
 - b. The Board must be notified of any short-term rentals (less than 30 days).
 - c. Group agreed that good communication regarding rentals is helpful for everyone – know who is supposed to be on the property, address trash issues, etc.
- (10) Reserve study – general discussion
 - a. Group had a general discussion of what a reserve study is, the information it contains, and how it will be used by the HOA.
 - b. The developer's warranty expired last year so the HOA is responsible for anything that happens to the property unless it's a manufacturer's warranty.
 - c. This is the first time the HOA has had a reserve study prepared.
 - d. The reserve study that Bonnie will be forwarding to the group is only a draft.
 - i. Consuelo will post the reserve study on the website.
 - ii. The HOA has 45 days from today to make any changes.
 - iii. Some of the components may not be the responsibility of the HOA to preserve and maintain (i.e. windows).
 - 1. Upon review of the governing documents, there appear to be some inconsistencies with regard to whether the owner or HOA is responsible for maintaining particular components (i.e. decks and windows).

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- 2. Group agrees the governing documents should be reviewed by an HOA attorney to determine who is responsible for these components. If necessary, changes can be made to the governing documents.
 - 3. There may be legal and/or insurance ramifications depending on whether a particular item is the responsibility of the owner or the HOA.
 - iv. There will be a Board meeting to discuss the reserve study prior to the "45 days" deadline.
 - v. All owners need to read the reserve study and submit questions within 15 days (November 22nd). Owners are encouraged to read and understand the declarations (and other governing documents). All these documents are available on the website.
- (11) Square footage issue - general discussion and vote on one of the three ways to move forward – email group before.
 - a. There is an inconsistency between what owners have been assessed and what is outlined in the governing documents.
 - b. See the "Dues Calculation" attachment which summarizes these differences.
 - i. The first box is based on the Plat Map
 - 1. Includes the area of the 1st floor and garage
 - 2. The Declarations provide for common expenses to be allocated to each unit based on the Plat Map.
 - ii. The second box is based on the SFLA ("Square foot living area") listed on the County Assessor's website.
 - 1. This calculation does not include garages
 - 2. Based on the information available on the Assessor's website, this sq ft combination was the closest to the current dues allocation.
 - iii. The third box is based on the current dues allocation prepared by Wildernest.
 - 1. This calculation is based on the MLS listing for the property. The connection between this marketing tool and the current dues allocation wasn't made until the October 31, 2014 board meeting.
 - 2. The dues were calculated on this allocation and these calculations were represented to owners when they purchased their property.
 - c. The HOA officers held a board meeting and addressed issues and questions regarding these inconsistencies.
 - i. The board came up with the following three solutions to bring to the vote at the annual meeting:
 - 1. Option 1: Use Plat Map
 - 2. Option 2: Use SFLA and include garage sq ft
 - 3. Option 3: Use SFLA and do not include garage sq ft
 - ii. The board motioned not to make any of these changes retroactive.
 - d. Group agrees that Option 1 is not the best option.
 - e. The group discussed the option of including or excluding the garage area in the dues allocation calculation.
 - i. Owners who purchased a home with a garage paid more for their home because of the garage.
 - ii. When purchasing their properties, owners understood that the HOA dues allocation did not include the sq ft of the garage.
 - iii. Why was the garage included in the dues allocation written into the Declarations? Was the garage included because of the additional maintenance costs associated with it?
 - iv. The group discussed "livable space"
 - 1. Was the original intent to include only "livable space"?
 - 2. Should the garage be considered "livable space?"

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- f. Owners presented two additional options:
 - i. Make no changes to the dues allocation and square footage calculations. The MLS listing will have to be attached to the declarations.
 - ii. Everyone pays the same amount
- g. Group discussed "What is fair?"
 - i. When owners purchased their properties, they considered the HOA dues amounts. Since purchase, everyone has seen an increase in monthly dues.
 - ii. No one compared the dues allocation as provided by the Declarations to representations made by the seller to the buyers.
 - iii. If the HOA dues amount and allocation had been represented clearly, buyers may not have made the same decision to purchase.
 - iv. Currently, only a small portion goes to reserve expenses but this will change based on the reserve study recommendations.
 - v. Owners understand that the HOA dues will increase, regardless of the dues allocation.
 - vi. Group is encouraged to decide "What is fair?" prior to reviewing any dues calculations.
- h. The square footage measurement of each unit is different when comparing the MLS, the County Assessor's information, and the architect's calculations.
 - i. If the group would like to have the units re-measured, the HOA will need to pay for this service.
 - ii. Bonnie has not researched what it would cost to re-measure the square footage of each of the units.
- i. If the group decides to go with any other option than Option 1, the HOA will need to pay for an attorney to amend the governing documents as necessary.
- j. No decisions were made regarding the square footage issue. The board will continue this discussion and make recommendations at the next board meeting.

(12) Budget

- a. A 2015 budget cannot be prepared until the reserve study is finalized and the square footage issues are resolved.
- b. Assessments will remain the same until the reserve study and square footage issues are resolved.

(13) Galena Inn

- a. Owners expressed concern about smokers and loitering at the Galena Inn.
- b. Joel will speak with the Galena Inn management/owners and see if they are willing to designate a smoking area away from HOA property and adhere to Quiet Hours.
- c. In the past, the Galena Inn has adequately addressed loitering issues brought to their attention by the HOA.

TOPIC I. Adjournment – Meeting adjourned at 2:04pm

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A

Dues Calculation per Plat Map					
Unit	Plat Map Sq Ft	Unit % of Total Sq Ft	Calculated Dues	Current Dues	Difference
A	666	17.64%	\$ 239	\$ 243	\$ (4)
B	610	16.15%	\$ 219	\$ 239	\$ (20)
C	390	10.33%	\$ 140	\$ 153	\$ (13)
D	484	12.82%	\$ 174	\$ 199	\$ (25)
E	828	21.93%	\$ 297	\$ 275	\$ 22
F	798	21.13%	\$ 287	\$ 247	\$ 40
TOTAL	3776	100.00%	\$ 1,356	\$ 1,356	\$ -

B

Dues Calculation on 1st & 2nd Floor, No Garage (Assessor)					
Unit	Assessor Sq Ft	Unit % of Total Sq Ft	Calculated Dues	Current Dues	Difference
A	1011	18.72%	\$ 254	\$ 243	\$ 11
B	989	18.31%	\$ 248	\$ 239	\$ 9
C	598	11.07%	\$ 150	\$ 153	\$ (3)
D	742	13.74%	\$ 186	\$ 199	\$ (13)
E	1076	19.93%	\$ 270	\$ 275	\$ (5)
F	984	18.22%	\$ 247	\$ 247	\$ 0
TOTAL	5400	100.00%	\$ 1,356	\$ 1,356	\$ (0)

C

Dues Calculation per WPM Sq Ft (Current)					
Unit	WPM Sq Ft	Unit % of Total Sq Ft	Calculated Dues	Current Dues	Difference
A	1030	17.92%	\$ 243	\$ 243	\$ (0)
B	1014	17.64%	\$ 239	\$ 239	\$ 0
C *	645	11.22%	\$ 153	\$ 153	\$ (0)
D	844	14.68%	\$ 199	\$ 199	\$ 0
E	1167	20.30%	\$ 275	\$ 275	\$ 0
F	1049	18.25%	\$ 247	\$ 247	\$ 0
TOTAL	5749	100.00%	\$ 1,356	\$ 1,356	\$ 0

* Dues rounded up \$1

Dues Comparisons								
Unit	A - Plat	B - 1st, 2nd, No Garage	C - Current	A - Plat	B - 1st, 2nd, No Garage	C - Current Dues	A vs. C - Current	B vs. C - Current
A	17.64%	18.72%	17.92%	\$ 239	\$ 254	\$ 243	\$ (4)	\$ 11
B	16.15%	18.31%	17.64%	\$ 219	\$ 248	\$ 239	\$ (20)	\$ 9
C	10.33%	11.07%	11.22%	\$ 140	\$ 150	\$ 153	\$ (13)	\$ (3)
D	12.82%	13.74%	14.68%	\$ 174	\$ 186	\$ 199	\$ (25)	\$ (13)
E	21.93%	19.93%	20.30%	\$ 297	\$ 270	\$ 275	\$ 22	\$ (5)
F	21.13%	18.22%	18.25%	\$ 287	\$ 247	\$ 247	\$ 40	\$ 0
TOTAL	100.00%	100.00%	100.00%	\$ 1,356	\$ 1,356	\$ 1,356	\$ -	\$ (0)