

Lodge at Riverbend Homeowners Association

Meeting of the Board of Directors

Minutes of the Executive Board of Directors of the Lodge at Riverbend Homeowners Association (LRB), held Thursday, October 28, 2010 by teleconference.

ATTENDANCE

Betty Boehnke– President
Karl Ossentjuk – Vice President/Treasurer
Jim Polsfut – Secretary

Representing Wildernest Property Management (WPM):
Bob Towne – Property Manager
Don Wagner – HOA Liaison

CALL TO ORDER AND QUORUM

Betty Boehnke called the meeting to order at 5:10 p.m. A quorum was established. Notice of the meeting was e-mailed to the Board on October 19, 2010.

APPROVAL OF MINUTES

RESOLUTION: UPON MOTION MADE BY KARL OSSENTJUK, DULY SECONDED BY JIM POLSFUT AND PASSED UNANIMOUSLY, THE MINUTES OF THE JUNE 26, 2010, BOARD MEETING WERE APPROVED AS WRITTEN.

RESOLUTION: UPON MOTION MADE BY JIM POLSFUT, DULY SECONDED BY KARL OSSENTJUK AND PASSED UNANIMOUSLY, THE MINUTES OF THE AUGUST 28, 2010, ANNUAL MEETING WERE APPROVED AS WRITTEN.

MANAGEMENT REPORT

Bob Towne reported on the following onsite issues:

- It has been a good summer with few issues.
- The hot tub leak into LRB104 has been fixed.
- There is a problem with the hot tub heater; a new heater has been ordered by Kaupas from the factory. Cost for the repair is estimated to be \$400-\$500.
- The Turner Morris roof inspection reported no problems or repairs needed.
- The garage is to be cleaned in the next few weeks.
- The boiler is to be serviced in the next few weeks.
- Thanks to everyone for the work day. Much was accomplished.
- The hot tub deck repairs still need to be done; in the process of getting estimates.
- The hallway carpets will be cleaned right before the holidays.

FINANCIALS

Don reviewed the September 31, 2010 financials as prepared by WPM. He noted the operating fund assets had increased to approximately \$15,000. This is in line with the recommended 2-3 months operating expenses WPM recommends HOAs maintain in their operating accounts. Total equity for the Lodge was \$41,631 as of September 31, 2010, and the operating accounts overall were at 96% of the year to date budgeted amounts. Elevator expenses were over budget due to inspection repairs. Utilities were also over budget. The monthly onsite maintenance report was also reviewed. The \$55/hr and \$77/hr categories are for light ballast replacements and after hours call outs. There were no expenses in these categories.

Changes requested at the annual owners meeting to the major component replacement reserve schedule were confirmed. This schedule still needs to be changed over to the WPM format, which will provide the Board an improved format in which to make changes. WPM still recommends a reserve study be performed and at a minimum recommends the Board consider seal coating, hot tub replacement, carpet, boiler replacements, hot water heaters and boiler room piping items to the schedule. Bob is the process of seeking bids for replacement on items such as hot water heaters, boiler replacement, et cetera. He will also help to research our prior reserve study to clarify the various categories.

The 2011 proposed budget and fiscal year change were then reviewed. No dues increase is proposed to balance the operating accounts with a net operating profit of \$1535.00 expected. The proposed budget is a January through September truncated budget year, if the Board decides to change the fiscal year to a seasonal October through September fiscal year. Advantages are The Creek at Frisco master association charge would come at the end of the fiscal year, and winter costs would occur in the first part of the budget year. The proposed budget includes expected outside vendor increases and savings, a management fee increase of 2%, and insurance costs based on changing the insurance carrier. Two significant changes from the previous budget format are utilities are split into their components, gas and electric, and all onsite hours are combined into a separate additional hours line item, rather than being charged to several accounts such as general building, grounds, and parking maintenance and snow removal-shoveling. Only material or outside vendor costs are proposed to be charged to those accounts. This allows the HOA to monitor and manage onsite personnel costs while combining all billable hours by WPM into a single line account.

RESOLUTION: UPON MOTION MADE BY JIM POLSFUT, DULY SECONDED BY KARL OSSENTJUK AND PASSED UNANIMOUSLY, THE FISCAL YEAR SHALL BE CHANGED TO OCTOBER THROUGH SEPTEMBER, AND THE PROPOSED TRUNCATED TRANSITION BUDGET ACCEPTED AS PRESENTED.

The Board approved budget will be sent to all owners for a ratification vote.

OLD BUSINESS

The Creek at Frisco – Karl reported briefly on The Creek meeting he attended. He requested they be sent an updated LRB roster, hopefully increasing attendance by LRB owners at next year's meeting.

NEW BUSINESS

Reserve account interest – The Board discussed short term CD investment of reserve funds to increase the rate of return compared to the minimal savings account return rate now being realized. Betty will talk to Alpine Bank to see what products are being offered. Online banking sites may also be researched.

Elevator future savings - Don explained to the Board if they are able to terminate their current elevator service contract with Thuysen-Krup and switch to the WPM group negotiated service contract with Otis the HOA will have significant future savings. The Board agreed and Betty will sign a termination letter effective November 1, 2011 with the current service company.

Onsite hours sheets - Betty questioned what happens to unused onsite hours included in the management agreement. Bob explained they are lost. This issue will be reviewed with a new management contract. WPM expects to propose a new contract with the start of the next full fiscal year.

HOA registration - Betty asked what WPM will do about the required January 1, 2011, HOA registration recently passed by the State of Colorado. Don replied the company is aware of the requirement, and is waiting for the State to set up the system.

Next Annual owners meeting – Scheduled for July 16, 2011, 9:00 a.m. on the LRB front porch.

ADJOURNMENT

The meeting adjourned at 6:15 p.m.

I hereby attest these minutes are a true and accurate account of the meeting thus held on June 26, 2010.

Signed: _____ As: _____

Dated: _____