

## **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 Saturday, June 26, 201 at 1:00 p.m.

### **ATTENDANCE**

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

Representing Wildernest Property Management (WPM):  
Bernadette Kromholz – General Manager  
Daniel Vlcek – Director Off-mountain Properties  
Bob Towne – Property Manager  
Don Wagner – HOA Liaison

### **CALL TO ORDER AND QUORUM**

Jim Polsfut called the meeting to order at 1:10 p.m. A quorum was established. Notice of the meeting was e-mailed to the Board on June 21, 2010.

### **APPROVAL OF MINUTES**

**RESOLUTION: UPON MOTION MADE BY KARL OSSENTJUK, DULY SECONDED BY BETTY BOEHNKE AND PASSED UNANIMOUSLY, THE MINUTES OF THE MAY 8, 2010, BOARD MEETING WERE APPROVED AS WRITTEN.**

### **INTRODUCTIONS**

Since this was the first meeting of Board with the new management company, all present introduced themselves. Each of the WPM representatives explained their roles within the company and what their relationship with the Lodge will be. Bernadette gave an overview of the WPM company structure and explained some of the benefits of the Lodge being managed by WPM. She also confirmed Bob will continue to be the onsite property manager.

WPM is owned by 4 partners. Gary Barr is the CEO. Tony Snyder is the contract negotiator. The company is providing training such as ESL classes and workshops for liaisons as one step towards improving customer service. Jim asked about response time of WPM. Bernadette replied that they are not perfect, but will be the first to admit an error. They believe their strength is in customer service. It Lodge members are not happy, they want to know about it. Jim express that he felt there was a lot of goodwill among the Board members, all were respectful of each other's views. Bob feels it is a good Board to deal with. Jim confirmed that our contract with the management company will remain the same for the time being. Betty stated that when the time comes to discuss a new contract, part of that discussion should be regarding performance by the management company.

The Board expressed their thanks to Mount Royal Properties and Rick Pyle for all of their hard work on behalf of the Lodge over the past years.

### **FINANCIALS**

Don briefly reviewed the May 31, 2010 financials as prepared by Mount Royal Properties. He noted the operating fund assets were only equal to approximately one month of operating expenses, while WPM recommends the operating account contain 2-3 months of operating expenses. The due to/due from on the balance sheet is a result of the operating account not having sufficient funds in past months to cover operating expenses. Total equity for the Lodge was \$31, 973.75 as of May 31, 2010, and the operating accounts overall were at 95.5% of the annual budgeted amounts. He also stated that WPM recommends the HOA have a reserve study done to make sure the HOA is planning for future reserve expenses. Bob felt this was not necessary. He cited instances of studies that were inaccurate and very expensive. Bob stated he would get budget numbers for painting, roofing, and boiler systems so the Board could, if they decide to, do a major maintenance schedule themselves. Finally accounts receivable appear to be in excellent shape with only \$70.00 past due.

A major expense for the Lodge is our assessment to The Creek is \$5525.00 per year. The Board discussed with WPM their relationship with the Creek and what services, primarily plowing and street maintenance were provided by them. WPM said they would review what documents are available for the Creek.

### **MANAGEMENT REPORT**

Mr. Towne reported on the following onsite issues:

- It was a good winter with no leaks or freezes.
- The hot tub ran well with no repairs needed and minimal maintenance issues.
- Plowing and shoveling went well; minor problems with windblown snow.
- The garage floor has been cleaned and the floor drains flushed.
- The sprinklers have been started; no line has been run to the front of the building this year.
- Carpeting will be cleaned the week after the 4<sup>th</sup> of July by WPM.
- The river is high, but there is no water in the elevator pit. The smell in the elevator may be attributed to high ground water.
- Bob suggested that the roof be inspected this year. He will contact Turner-Morris to complete the work. The roof does have a 15 year warranty. Bob estimates the cost will be a few hundred dollars. Jim inquired if having Turner Morris do the inspection would be a conflict of interest since they installed the roof. It was decided by all Board members that it would be appropriate to use them.

The 2009 tax returns were signed.

### **OLD BUSINESS**

*Annual meeting* – The AGM will be August 28, 2010 beginning at 8:00AM. Following the meeting, expected to be about 1 1/2 hours, there will be a work session of about 2 – 2 1/2 hours. The Board believes this session will enable owners to get to know one another as well as save money by doing some maintenance tasks on our own. Bob will be there to provide direction. Some tasks to be completed are sanding and re-staining deck railings, cleaning unit entry doors, touch up painting, and re-conditioning the hot tub lid. Following the work session, we all will gather for a BBQ lunch. Karl volunteered to order the BBQ and take RSVPs. Owners will be asked to provide a side dish and/or dessert. Betty will compose a letter to be sent to all owners to inform them of the new format for the meeting.

*Energy savings campaign* – The Board discussed various measures for saving energy within the HOA including bulk natural gas pricing, energy efficient light bulbs, and turning down thermostats. These measures should be on the Annual meeting agenda to be discussed with owners. Karl feels that we need to emphasize that we want to keep our expenses in line in order to avoid a special assessment. Don suggested turning down the temperature on the hot water heaters. Bob did not feel that this was a good idea. Bernadette informed the Board of an effort by WPM to re-claim approximately \$1400 from Xcel that was wrongly charged over the course of the last three years. The Lodge is exempt from state sales tax.

*Fence issue* – A fence was removed between the Lodge and the commercial property on Main Street leading to views of parked vehicles for owners on that side of the Lodge. Options for improving the view include reinstalling a fence and/or planting trees. Jim suggested that one alternative might be to assess the four units directly involved a certain amount and the other units a smaller amount, to cover the cost of the fence. The Board requested the developer of the commercial property be contacted to learn more about the fence removal and property line. The Board requested Bob contact the developer of the commercial property to determine ownership of the fence and the location of the property line. The Board also realizes the budget constraints involved in mitigating this unsightly view.

*Unit 204 options* – The Board discussed the 204 unit options. The options need to be discussed again with owners at the Annual meeting. Options include selling the unit, changing to a rental unit, parking space issues, and the need for a declaration change to pursue any modifications of the existing amenity.

## **NEW BUSINESS**

*Budget* - Don questioned whether it was time to do a reserve study. Big items possible coming up are the roof, boiler and painting the building. He recommended doing a reserve study. The Board is not in favor of this. He suggested we get bids for the boiler and from painters. Jim suggested that we also ask for their best estimate of when these projects will need to be completed. This will help in our long-term budgeting process. Bob will contact Turner-Morris to do a roof inspection, he will go up with them to do his own inspection as well. Betty would like to include all of this information in the AGM.

*The Creek* - Karl believes we are paying that HOA in a disproportionate amount. Each unit of the Lodge has one vote. He suggested that we look for opportunities to find a way to pay less. Are we subsidizing their HOA? There are approximately 20-22 properties making up this association. Bob informed us that

Mountain Systems is the manager of The Creek. He said that we could go to their Board meeting and request that we want to get bids for a new management contract. One suggestion was to explore the possibility of The Creek being managed by WPM.

*Flowers* -Jim brought up the flower beds on the property. It was decided that we should have flowers. Betty volunteered to purchase and plant flowers, with the assistance of her husband, Walt.

*Alpine Bank Signers* -Betty voiced concern about how the signature card signing for Alpine Bank was handled. It was confusing, different messages from different people, more signers from WPM than needed. Karl will complete the paper work needed, that will complete the process.

*URL* - Karl informed the board that, quite coincidentally, he discovered that an owner is using "The Lodge at Riverbend.com" as their private URL. The consensus was that we would try to find out who is using it and ask them if they would be willing to change it in order to preserve it for future use by the association.

*Agenda for AGM* - Jim asked that Don get together with him between July 15 - 28 in order to work on the agenda for the annual meeting. The letter going out to owners regarding the meeting needs to be in the mail by July 28.

*Lodge Taxes* - Jim signed the tax forms for the Lodge. They are now ready for mailing.

#### **ADJOURNMENT**

The meeting adjourned at 3:30 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:\_\_\_\_\_