

Homeowners Association Newsletter

July/August 2020 | Volume 19 No. 4

Save the Date

Sept 12, 2020
Shredding Truck

11am - 1pm

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WATER AEROBICS BEGINNING

Saturday, July 4th classes will
START @ 9:30am

Don't Forget your Water Noodles

Kathy Kaufman is the contact person. Let her know at 303-478-9956 if you are planning to attend.
(Maximum 15 people)

President's Message

Since our last newsletter, we have seen some signs of life returning to normal. The pool, spa and tennis courts were reopened with some restrictions. The clubhouse and



exercise room are opening, even as we speak. I appreciate the many thoughtful and courteous inquiries I received about reopening our amenities. It made me realize how popular they are and that many people imagine that my powers as HOA President are nearly dictatorial. Of course, they are not. We were just following the rule changes announced by our mayor and governor. Much like someone sitting at a traffic light waiting for the light to turn green, we were compelled to wait patiently. While the worst of the coronavirus may be over, for a while. It isn't completely over, so please be safe and stay well.

We've had several unfortunate dog attacks lately. By that I mean one dog attacking another dog without provocation. Since one attack was a near fatal event, it is a good time to provide some gentle reminders about our expectations for our canine neighbors. Stoney Brook does have a leash rule, requiring owners to have their dogs leashed whenever they are off their own property and on common grounds. However, having a dog on a leash is no guarantee of perfect behavior, it does give the owner some means to control a potentially dangerous situation. One thing our rules don't address is situations when the owner has trouble controlling their animal, even if it leashed. As someone who has owned many dogs, I recognize the importance of what I call good citizenship. That means both the owner and the dog need to be able to behave appropriately in an environment where there are lots of people and lots of dogs, like Stoney Brook. Interactions between humans and canines are commonplace in our compact community and they should be friendly, or at least civil. Thanks to all of you who have submitted questions through our new e-mail address

sbhoainfo@gmail.com. As you know, we created this email address to quickly respond to your questions about life here in Stoney Brook. This has led to a new feature on the website where we have reprinted and responded to these questions. We will continue to add to this feature as more questions come to us. You can find this on our website.

There was some discussion at the last board meeting about speeding. This is a good opportunity for us all to remember to watch our speed as we drive through Stoney Brook. Since we were on shut down, there were many extra deliveries, so many drivers not familiar with Stoney Brook were driving around the complex. One subtle point, owners are responsible for the behavior of their contractors. So please remind them to be careful about their speed in the complex.

We've had a few questions about Court #3, wondering what is going on. There has not been much activity of late. The committee expects to make a report to the board once we are back to meeting in person. That could happen as soon as July. Stay tuned for updates. Please have a look at the article regarding some proposed changes to our rules. They will be considered and possibly approved at the next board meeting. This is your chance to review the changes and make comments, if you'd like.

And to end with another comment about animals, we had a question about Canada Geese and what we can do to get them off our property. The answer is very little. Canada Geese are protected at both the state and federal level. If you research this question on the internet, they tell you to shoo the birds away, anything beyond that is likely illegal. However, it does give me a chance to remind everyone about our rule regarding the feeding of animals. Feeding of wild animals is forbidden, except for hummingbird feeders. If anyone has trouble distinguishing between a hummingbird and a Canada Goose, please let me know and I will assist you. Stay vigilant against the coronavirus.

NOTICE - PROPOSED REVISIONS TO THE FOLLOWING RULES

In compliance with Section 7.15 of the Stoney Brook Declaration of Covenants, we are notifying our residents that the following changes are being considered to our rules. At its next meeting on July 22, 2020, the board will consider the changes indicated below. Residents are free to make comments or to attend the board meeting.

Note: [a rule in brackets, is a current rule, offered for reference. No changes to these rules are suggested.]

- **An addition to rule 5**

Animals are not permitted on the tennis courts, in the pool or hot tub areas, or in the clubhouse, except for service animals.

[Clubhouse rule 8.6 No pets or animals are permitted in the Clubhouse or on the deck except as permitted by law.]

- **An addition to rule 14**

No glass containers are permitted in the pool or hot tub areas, on the deck or on the tennis

courts.
[Clubhouse rule 5.1 No alcoholic beverages may be served or consumed outside the Clubhouse and wooden deck area adjacent to the Clubhouse. Drinking in the parking area is expressly prohibited. No glass containers are permitted on the concrete deck surrounding the pool.]

- **Modification of rule 14**

Old: [There shall be no smoking within the Clubhouse, deck, and pool areas.]

Proposed: There shall be no smoking or vaping (tobacco or marijuana) within the Clubhouse, deck, pool, hot tub and tennis court areas.

[Clubhouse rule 8.3 No smoking is permitted in the Clubhouse, pool area, or within 15 feet of the clubhouse building. And 8.12 Marijuana use, in any form, is prohibited in all areas of the Clubhouse and Pool deck areas.]

Attention All Stoney Brook Homeowners: It is again time for all Owners to consider running for the Stoney Brook Board of Directors. Per the SBHOA bylaws (Article 5), the SBHOA Board of Directors consists of 9 Directors. The Directors are elected on a 3-year, rotating basis. The SBHOA Board is arranged so there are 3 Director positions open for election each year. Qualifications for the Board are listed in the Bylaws (5.2). Applications for Owners interested in applying for the Board can be found on the SBHOA web site under Documents or contact the SBHOA office for the form.

All applications should be returned to the SBHOA Office and should be received no later than Tuesday, December 8, 2020. The election will be held by ballot to all Owners prior to the January Annual Meeting, to be held during January, 2021. If applications are received after the deadline, but still in time to be included in the "ballot packet" mailing, they will be included. If applications are not received in time for "ballot packet" mailing, the applicants will be informed and will be encouraged to run as a "write-in" candidate.

The SBHOA Board is responsible for the governance of the affairs of the Association. Board members must have computer access and an ability to respond to emails and Zoom conferences. The Board of Directors' meetings take place at 6:30 PM at the Clubhouse on the fourth Wednesday of each month (unless a holiday interferes) or the meetings are held via Zoom. If you have any questions regarding serving on the Board or the election process, please contact any current Board member, one of the Stoney Brook Nominating Committee members (Donna DuHadway or Lois Bradbury), or plan to attend a Zoom conference regarding the Board, which will be held in September or October.



Our water consumption has been up significantly this year. We are already \$11,000 over budget in this one area. With the COVID-19 pandemic, it is easy to imagine that people are spending more time at home and perhaps doing more gardening. On top of that, our weather has been a bit hotter and drier than normal. (If there is a normal in Colorado.) These things we may have to live with.

One thing that homeowners can do to help is to check for leaky toilets. They can run up our bill and can waste a significant amount of water. The test for a leaky toilet is easy. Blue tablets for this purpose are available from the office and at the big box stores, in the plumbing section. Throw a tablet in the tank and if blue water appears in the bowl, it is time to have your toilet checked or replaced. Please consider a water-saving toilet if you need to replace one.

<https://www.consumerreports.org/products/toilet/ratings-overview/>

NOTES FROM THE STONEY BROOK OFFICE

No Hazardous Activities

With the extreme weather conditions in Colorado and the Fourth of July holiday approaching, please refer to Section 7.11 in the SBHOA covenants: *No activity shall be conducted on and no Improvement shall be constructed on any Property within the Community, which is or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon any Property within the Community and no open fires shall be lighted or permitted on any Property within the Community except in a contained barbeque unit while attended and in use for cooking.* Please note that this applies to any open flames including "Tiki Torches" and fireworks.

Denver Election Sign Codes

You may view the entire Sign Code (Section 59-536 DRMC) at www.Denvergov.org.

Election Signs {Section 59-537(9)}

- Election signs are limited to posting on private property not more than 90 days prior to the election for which the sign was designed. Election signs must be removed within 15 days after the election.
- Election signs cannot be placed on the public right of way. To be certain that you are not placing signs on the right of way, don't place them on the tree lawn and keep them at least 3 feet back from the sidewalk.
- Election signs are limited on residential property to one per candidate per street frontage. That is, if you have an interior lot, you may only have one sign for a particular candidate or issue. If you have a corner lot, you may have one sign facing each street per candidate or issue.
- Election signs are limited to be no larger than 8 square feet. They cannot flash, blink, fluctuate, or be animated.

(Note: Signs are not to be placed on common areas of Stoney Brook.)

PETS MUST BE ON LEASHES: Pets must not be allowed to roam free, and may not be left unattended in any common area to avoid any assessed fines. Owners must accompany their pet when it is outdoors and shall always keep dogs on a leash when outside walking through the community.

DOG WASTE: It has been noticed that pet owners do not always pick up after their dogs in the common area and at the Chateau. It is not our crews' responsibility to pick up dog waste or the paw waste bags. Please abide by the rule stating that defecation is to be removed immediately. The community is equipped with "Paw Pal



Dispensers" throughout common areas; supplying dog walkers with pickup bags should you forget to carry them yourselves. If you should notice one of these bag dispensers is empty, please contact the office. Please respect the comfort of other residents and pick up after your dogs. We thank you and appreciate your support.



Please Do NOT Feed the Ducks or Geese . The ducks and geese are beautiful animals and are often seen near the pond area in Stoney Brook. Their babies are especially endearing. However, these animals can cause potential health and other problems for homeowners in the area.

- These animals leave dropping that foul public and private lawns
- Geese can become aggressive to other animals and humans
- Geese can damage lawns
- Geese can cause noise

Wildlife: Please refer to Rule 6. ***The feeding of all wildlife is prohibited in the Community, except for hummingbird feeders.*** Please do not leave your garbage cans, food, pet food, etc. outside of your unit that can attract any wild animals.

The HOA will continue to follow the City of Denver regulations and guidelines for our amenities.

Pool/Hot Tub: The pool and hot tub are open 8:00 AM to 11:00 PM. For more information and to avoid shutting down the amenities, please refer to the pool and hot tub rules that are posted in these areas. You may want to check with the office to confirm your access card is activated properly. ***Lost card can be replaced for a \$10 fee.***

Pool/Tennis Gates: The code to enter these gates is 4601 - ***Please double check the gates are closed after entering and leaving the tennis courts and swimming pool areas.***

Pool Rope: ***Reminder, to avoid a fine please make certain the rope and beads are correctly positioned if removed or unhooked.***

Summer Work Orders: As we start into summer, work order requests are on the rise. Oliver Lynch, General Manager, supervises the staff and determines the priority of requests. Irrigation system repairs and maintenance take priority during the season. Side job requests from owners are also on the rise. Our crew often will take side jobs after hours. We will take a note for our staff members for side job requests, but we do not follow up on these personal requests for side jobs that do not involve maintenance of the common area grounds. **PLEASE DO NOT INTERRUPT OUR CREW TO DO MAINTENANCE WITHOUT WORK ORDERS DURING BUSINESS HOURS.**

Remaining 2020 Board Meeting Dates: July 22, August 26, September 23, October 28, November 18, December 16. All Board meetings begin at 6:30 PM.

A Message from ARC

First of all, the ARC Committee and Grounds Committee members hope all of you are doing well during these uncertain times.

In order to do any changes on the outside of your house, which includes windows, doors, deck changes, garage doors and landscaping among other items, the procedure to accomplish this is done with forms found on our Stoney Brook website. You will need to download the ARC application and Neighbors Consent form, plus a copy of your plot. Once completed these forms need to be sent to my email with a copy going to our office. Once I receive these required forms, I will send them out to the ARC Committee members for them to review them. The Committee members will either visit your home to review these forms or in some cases just vote on your project. Social distancing is required when or if we visit your home. Once I receive back the members' votes, I tally them up. If a majority of votes is in favor, the project is approved. If it's a larger project, you should get the contractor to give you his quote. Once you receive approval from me, you have 1 year to complete the project. If you make any changes in your project, you must redo the application and neighbors consent forms. Again, no work can start until it's approved, and I contact you.

The Committee has 45 days to approve or disapprove a project. Usually, we can get this done with 2 weeks.

A reminder that **ONLY** brown mulch can be used in landscaping projects.

If you have any questions, please contact me at jackiner@yahoo.com

Jack Kiner, Chairman of Architectural Review Committee

Safety Advisory Committee

Smart911

There is an excellent and safe app to download that is very helpful in a time of emergency. It's called Smart 911. Over 80% of 9-1-1 calls come from our mobile phones. When the 9-1-1 operators receive such a call, the call takers have very little information to help you-only a phone number and a very general sense of your location. This is a serious problem in an emergency when seconds count. If you or your loved ones have medical conditions, or if you are unable to speak, the solution is Smart911.

With this app on your phone you can provide 9-1-1 call takers and first responders critical information you want them to know in any kind of emergency.

When you call 9-1-1, your Smart911 Safety Profile displays on the 9-1-1 screen and the 9-1-1 call takers can view your addresses, medical information, description of pets and vehicles, and emergency contacts. You can provide as much information or as little as you like. This is a national service so you are visible to any participating 9-1-1 center nationwide.

Jack Kiner

Security and Safety Issues:

Walking on our streets

1. When walking on the streets, always walk facing traffic.
2. If you are walking your pet, make sure the pet is on a short length leash in case a vehicle comes around the corner and you need to react quickly.
3. When walking at night, be sure you have a visible light. Reflective vests are also a very good way of vehicles seeing you in the dark. These vests are available at many places including Harbor Freight (they cost approx. \$5.)

Slow down while driving through the neighborhood

With children out in full force during the warm days and evenings, it is advisable to slow down when driving through the community. Please be extra aware of what is going on around you and be prepared to stop suddenly if a child runs into the road. Parents/Grandparents should remind their children of their surroundings and use safety precautions.

Be Responsible, Report Suspicious Activity: Please do not hesitate to contact the Non-



Spotlight on Richard Miano

by Ann Kochenberger

It was the incentive of free tennis club membership that motivated Dick Miano to consider living in Stoney Brook. There were no trees, and very few units, but a private tennis club sat right in the area of where our courts and pool now sit motivated him to take a look. That was back in 1976 and this gives Dick the distinction of the resident who has lived here the longest.

This is a man who, despite now being 83, has never slowed down. When the gym he frequented was temporarily closed because of COVID-19, rather than brood about it at home, he purchased a bike that he rides around the area and beyond. He also skis, loves to hike and sail. Deep sea fishing is also something Dick enjoys. He is no amateur sailor, having won first place in the 30 foot class upon completing the Double Ender 23 Mile Regatta from Seattle to Port Townsend, Washington.

Travel is another thing he loves. Not one to stay home, he has run marathons in China and sailed throughout the Galapagos Islands. I could mention the countries Dick has visited but doing so would take up too much space in this article. Let's just say that there are many in both western and eastern Europe as well as trips to Russia and Alaska where he fished from float planes in the Land of 10,000 Smokes.

Anyone who has talked to Dick for more than a minute knows his passion for politics. (Yes, I am exaggerating!) This works well for those in agreement but not so much for those who are not.

Born in Arlington, MA during World War II, Dick attended several prestigious universities where he studied aeronautical engineering Boston University, management communication at Northwestern and accounting at The Wharton School as well as Executive Management at the University of Denver. All of that in addition to much formal education throughout his manufacturing career makes Dick a very well educated man.

Memberships in many professional organizations have provided opportunities for friendship as well as plenty of volunteer work. He was president of the Colorado Power Council in 1988 and a corporate member of Building Industry Consulting as well as other organizations and also served on the executive board of the Vail Racquet Club for several years. And I must not fail to mention that he was the chairman of the Colorado Telecom Steering Committee to elect Bush and Cheney.

He has not neglected Stoney Brook having served as a board member and on the long range planning committee.

Dick has loved living in Stoney Brook where he has the opportunity to continue long time friendships as well as make new ones. Give him a wave if you see him riding his new bike around the property or hitting tennis balls on one of our courts.

NEW RESIDENT FEATURE

Karen and Joe Palaoro ~ lived in west Lakewood for 35 years not far from Red Rocks Park. We raised three children and have two grandchildren, all of whom live nearby. We are retired. Family tidbit: Joe's great-grandparents homesteaded in Evergreen in the 1880's. We moved to Stoney Brook for one-level living, the beautiful trees and relaxing water features. We will not miss the harsh weather of the foothills.

Kate and Chris Dunn ~ Kate and Chris Dunn have lived in Denver for 12 years and are happy to have found Stoney Brook. Originally from the Burlington, Vermont area they lived in Truckee, CA for three years prior to moving to Denver in 2008. We are still working, running a small landscape architecture and planning firm www.dunnandkiley.com that specializes in the design of communities and ski resort base villages. We have two daughters, Rosie and Molly, who live in Cortez and Rockford, IL respectively. We really love our new home and community. We look forward to attending future social events and getting to know some of our neighbors.

Minutes of the Meetings of the Board of Directors

May 20, 2020

Amended by the Board – June 24, 2020

Directors Present: Stan Trout, John Cowan, Uli Kappus, Craig Weber, Jack Kiner, Ron Branish, Andy Klatskin, Kerry Santambrogio and Bill Letson

Others Present: Angela Miller, Office Manager

Others Absent: Oliver Lynch, General Manager

Homeowners Present: Mark Winski (Unit 428), Laura Goff & Jerry Gordon (Unit 323), Trina Shanks (Unit 311), Vincent DiBiase (Unit 380), Richard Schoenmaker (Unit 31), Larry Harper (Unit 340), EJ & Lisa Kartsen (Unit 442), Jennifer Hilger (Unit 417) and John Vondras (Unit 436)

Call to Order: Mr. Trout called the meeting to order at 6:30 p.m. with a quorum established.

Homeowners Comments: Mr. and Mrs. Kartsen requested the speed bump near their unit be removed. Mr. Trout will do a poll of the surrounding neighbors to determine if the majority have no objections of removing the speed bump. Due to the extra traffic (contractors and/or delivery services) in the community, the next newsletter will mention a reminder of the speeding rules and for owners to let their contractors be aware of the speed limit as well. Mr. Kartsen mentioned if the association is concerned of speeding through out the community, then more speed bumps should be in place. Mr. Harper suggested opening the pool in the 3 phases for the group that want to exercise (laps/run in place) limiting the number of people at a time (i.e. 3 people for 30-minute increments), next phase open up with the lounge chairs by safe distancing for enjoying the pool and sun, final phase for the socializing. Mr. Winski reminding owners if you see any suspicious behavior please contact 911, which connects to District 3 police department and they will make the decision if they need to send any patrol to the area or just to record it. Mr. Winski recommends it be mandatory to keep unattended garage doors closed. Mr. Kiner mentioned it will be difficult to monitor but will send a reminder from the safety advisory committee. Mr. Trout suggested forming a committee to Mr. Winski if the mandatory request may be written in our rules/policy. Mr. Kappus implied having the inner garage door to unit be locked as well. Ms. Santambrogio mentioned a garage door timer could be installed.

Approval of the Minutes: A motion (**Kiner/Weber**) to accept the April 22, 2020 Minutes as written and to add an addendum to include Mr. Jaspers questions to the minutes passed with no opposition.

President's Message: Mr. Trout mentioned Denver Water repaired the sprinkler line issues near the Temple entrance.

General Manager's Report: Mr. Lynch provided a report. Mr. Cowan complemented all involved with the plantings along the south pool fence and the triangle area near path east of the Chateau.

ONGOING PROJECTS:

- Pond/Stream clean up (weather permits)
- Tree Removal (complete next week)

COMPLETED PROJECTS:

- Planting along pool fence & triangle area (near Chateau parking lot)
- Pool piping per City of Denver
- Water shut off @ Unit 474 repaired by Denver Water

NEW PROJECTS:

- Crack seal to start next week (in-house)

Treasurer's Report: Mr. Branish provided the April 2020 Financial reports. Mr. Branish reported finances are in favorable results, major items under budget due to timing of project. The balance sheet as of the end of April reflects consolidated reserve balances of \$336,320 of which \$268,153 is in bank checking or investments accounts, and another \$71,559 is in prepaid insurance that will **increase our cash flow as a result of being a non cash item in the Profit and Loss Statement.**

Mr. Branish mentioned the cash flow will be reducing in the upcoming months from major projects being completed.

Finance Committee: Mr. Cowan had nothing to report at this time, more involvement once the LRP starts meeting.

Long Range Planning Committee: Mr. Weber mentioned the committee will begin meeting in mid to late June.

Architectural Review Committee: Mr. Kiner reported ten approvals; a request to extend their deck into common area, which will need additional approval from the board and owners. The Grounds Committee and the maintenance crew did an excellent job with the new plantings along the south pool fence and triangle area. Mr. Kiner mentioned for a small project as just removing/replacing a couple of plants, there is no need of approval, but appreciate informing ARC. Mr. Kiner strongly encourages neighbors communicate with each other before submitting or beginning a landscape project. Grounds Committee will be submitting for the 2021 budget to the LRP landscape plans for the Yosemite/Union area. Mr. Winski asked about the brown arborvitae's trees along Union & Yosemite, Mr. Kiner replied Mr. Lynch will be replacing some of them or try to save them. Mr. Cowan believes they should survive, since they were hit by a freeze.

Mr. DiBiase asked if fire pits are permitted. Mr. Kiner mentioned fire pits are not allowed per the SBHOA Rule 9: Hazardous Materials section and the guidelines from the Fire Dept. If an owner is requesting to install a glass covered gas with rock design pits, which produces no embers, will need to be approved by ARC or a revision in Rule 9.

Safety Advisory Committee: Mr. Kiner reached out to the police department of complaints received about the speeding along I-25 & 225. The police are aware and have cited at least 10 speeders (90-130 mph), this can be 20 points against driver's license. Mr. Kiner did report a break in. Mr. Kiner recommends letting your neighbors or the office be aware if you will be out of town, therefore any strange behaviors can be detected in hopes to prevent any future break-ins.

Insurance: Mr. Branish is planning for a July meeting to discuss August renewal and other policy options.

Communications Committee: The Committee has launched the new email address for owners to ask questions mailto: sbhoainfo@gmail.com. Any articles for the July/August newsletter should be submitted by June 26, 2020.

New Business:

a. Amenities Timeframe to Open: The Association is continuing to follow the City of Denver guidelines to avoid liability and any fines. Mr. Klatskin attended the webinar hosted by our HOA Attorney and it is recommended to follow the State & City guidelines.

b. Proposed modification to rules regarding marijuana: Mr. Trout, Mr. Klatskin and Mr. Kiner reviewed our current Rules and Regulations for restrictions of pets, amenities (glass containers) and marijuana use. The Clubhouse Rules from the Reservation form remain the same. These additions and/or revisions are proposed to the board to be accepted and publish in the newsletter for owners to review and at the July board meeting the board to approve the rule revisions which gives the owners ample time to object, if needed.

An Addition to Rule 5:

Animals are not permitted on the tennis courts, in the pool or hot tub areas, or in the clubhouse, except for service dogs.

An Addition to Rule 14:

No glass containers are permitted in the pool or hot tub areas, on the deck or on the tennis courts.

Modification of rule 14:

Old: There shall be no smoking within the Clubhouse, deck, and pool areas.

Proposed: There shall be no smoking or vaping (tobacco or marijuana) within the Clubhouse, deck, pool, hot tub, and tennis court areas.

A motion (Santambrogio/Weber) to accept the recommended revisions to Rule 5 and Rule 14 passed with no objections.

c. Exterior Bistro Lights: Mr. Kiner reported if any owners consider installing Exterior Bistro Lights will need ARC approval, low wattage, no colored lights, no light interference with neighbors, and for patio/deck only no extending the lights in common area.

Ms. Kartsen asked based on the safety issues has the Association ever considered being a gated community? Mr. Cowan replied the road system within the community would have to be managed 24/7 to allow access and this is not feasible with the different entrances. Mr. Cowan reported the entrance "safety" cameras are up and running. Mr. Branish questioned if we need to upgrade to security cameras. Mr. Cowan answered we researched the idea of a newer system, but it was going to be a big expense. Mr. Kartsen suggested doing crime statistics or comparisons to other neighborhoods. Mr. Cowan mentioned as history goes the association is a safe environment to live.

Adjournment: At 7:56 p.m., there being no further business, a **motion (Kiner/Cowan)** to adjourn until Wednesday, June 24, 2020 passed unanimously.

Respectfully submitted,
Angela Miller, Recording Secretary

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Addendum to May 20, 2020 Meeting Minutes  
Amended in red per Board of Directors meeting 06/24/20

1. In the Treasurers Report section of the 3-25-20 Board meeting minutes there is stated that "consolidated reserve balances of \$313,060" are on hand at the end of February and of that "\$109,759 is in *prepaid insurance that will increase our cash flow as a result of being a non cash item in the Profit and Loss Statement.*" (revised per Mr. Branish) This type of statement has been attributed to the Board on several occasions. Please explain in detail how that will be refunded to our bank account and provide copies of any bank deposits to support this claim.

**Answer:**

Each month we receive \$140,000 in homeowner dues, which is deposited into our operating account. \$20,000 of these dues are allocated to insurance expense. However, since the insurance was already paid "prepaid insurance", those funds simply accumulate and add to the Operating Funds Bank account. We are transferring \$100,000 Jan-May in these accumulated funds from insurance to a Reserve Bank account. \$50,000 additional will be available in mid-August.

2. SBHOA Board appears to be using the most liberal definition of "reserves" possible, which is likely giving Homeowners the mistaken belief that the HOA has actually accumulated and set aside funds for future use. Reserves are commonly defined in accounting literature as cash available to fund future expenses and costs.

**Answer:**  
Our monthly financials are consolidated. Both reserve fund activity and operating fund activity are merged or commingled. Rightly or wrongly, Stoney Brook has always referred to the net equity of the HOA as the "Reserves". It is not the same as cash in specific bank accounts. It does, however, reflect the liquidity of the HOA and accurately reflects all cash available to operate the HOA while providing for some emergency funds, if required. When including prepaid insurance, "cash balances" typically comes close to the consolidated equity number. Depending on the time of the year about \$50,000 or so is needed for operating capital and is part of this consolidated equity (and cash), so implying it is all available for reserve spending, or some unscheduled need for cash, would not be correct: Most of it, but not all.

The calculation is quite simple, take your cash balance on any date and subtract accounts payable (as these are for past not future expenses) to arrive at a reserve number.

**Answer:**

The Board adapted a "Baseline Reserve Funding" plan in 2002. The goal of this funding strategy is to attain and maintain the reserve cash balance above zero. This means that while each individual common area component may not be fully funded, the reserve balance does not drop below zero during the projected 30-year period. Expenditures for major repair and replacement of common area assets are funded from approximately \$240,000 each year allocated from homeowner dues. The definition of "Reserve" funds being accumulated into specific reserve bank accounts doesn't happen by design.

Several years ago, when the State updated their requirements for maintaining a "reasonable reserve", the Board stipulated a \$200,000 minimum cash reserve balance even though we had already been maintaining higher balances. Maintaining a higher balance allows flexibility to speed up a project, if desired, and to obviously cover something missed or misjudged in the 30-year plan. This is called a "Threshold Reserve Funding" plan. It is the same as the "Baseline" plan but it sets a minimum greater than zero. Again, this is a consolidated equity minimum, which has always been used as the official definition of the "reserve" in Stoney Brook.

This is a long and complicated answer to Tom's simple question, but necessary when making comments about the fiduciary duty of the Board. This Board and prior Boards have given considerable time and thought about how to fund our long-term needs. There has been the full recognition that some items might develop that would not be covered by this planning, but leaving those potential, and in some cases inevitable, costs to be paid by assessment was a better choice than having high dues in order to accumulate large cash reserve bank balances.

Board has a fiduciary duty to maintain funds collected as Reserves and to inform Homeowners of changes in those funds and not to overstate reserve balances. At the end of 2019 a more accurate and conservative view of reserves looked like this: [CLICK CHART LINK](#)

Please show us the calculations for how the Board arrives at its "reserve" balance.

**Answer:**

The auditors at the end of the year separate operating and reserve deposits and expenditures. We fund the reserve each year with about \$240,000 of homeowner dues and we spend a similar amount from the projected 30-year plan to repair and replace common area assets. The net effect of those expenditures and revenues becomes a year-end adjustment to correct any imbalance between the Operations and Reserve books.

What is the justification for including prepaid expenses in reserves when those funds are not available in any way to fund any other expenses or costs?

**Answer:**

Until about 3 years ago, paying the annual insurance payment in advance, which is now \$240,000, was not required. When it first happened the Board, after reviewing with the auditors and attorneys, decided that investing in the prepayment of the insurance to save 8% borrowing costs was prudent. It is a current asset, restored to cash monthly and is fully secure so long as homeowners continue to pay dues. Bear in mind that even if the insurance policy was paid in installments there would be a corresponding liability for the amounts due so there is no effect on reserves. Except for the fact that the money would be in a bank account instead of being expended for the prepayment of the annual insurance bill: A big difference.

3. It appears that the Board is accounting for insurance expense in the budget to actual statement on an accrual basis. Isn't the budget to actual statement more useful on a cash basis? Also, the monthly financials show clearly that Prepaid Insurance is being converted to an expense and not to cash.

**Answer:**

The prepaid is being converted to an expense, and dues to cover it are being retained in the HOA's bank account. That is two accounting transactions. While perhaps confusing to a layperson, this is pretty basic for anyone who understands accounting.

4. Since the property insurance expense is paid in August or thereabouts, should the Board set up an Insurance Reserve so that funds for this major item are set aside prior to the due date. Approximated \$20K per month would need to be set aside so through March we should have 7 months or \$140,000 in this Insurance Reserve. Homeowners would then feel confident that the Board will have the funds available when needed without resorting to financing this item.

**Answer:**

That idea being considered as it appears prepaying insurance is going to continue. The Finance committee, with the recommendation of the Treasurer, is that we increase our stated goal of \$300,000 minimum Consolidated Equity "Reserve" to \$400,000 to facilitate insurance payments. That is included in the current 5-year plan.

5. At the end of 2019, there was a total of \$6 in the Replacement Reserve Fund, which is where funds are to be accumulated for future use as stated in the HOAs financial statements. Please explain when in 2019 the Board decided to spend down all the funds in the Replacement Reserve Fund. The policy of the HOA is to have a minimum of \$200,000 in reserves. Explain this shortfall.

**Answer:**

I believe Tom was present in the Finance Committee meetings where our shortfall from 2019 was fully explained. The minutes to that meeting can be found on the website for any homeowner to read, so there is no point in rehashing it here.

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June 24, 2020

Preliminary – Not Approved by the Board

Directors Present: Stan Trout, John Cowan, Uli Kappus, Craig Weber, Jack Kiner, Ron Branish, Andy Klatskin, Kerry Santambrogio and Bill Letson

Others Present: Oliver Lynch, General Manager and Angela Miller, Office Manager

Homeowners Present: Christine Walker (Unit 344), Bill Taylor (Unit 11), Sharon Kassaroff (Unit 212), Trina Shanks (Unit 311), Mark & Nancy Winski (Unit 428), Terri Bunker (Unit 452), Dorothy Davis (Unit 504), Vincent DiBiase (Unit 380), Mary Ann Harper (Unit 340), Richard Schoenmaker (Unit 31), Jerry Gordon & Laura Goff (Unit 323), Debbie Wolach (Unit 370) and John Vondras (Unit 436)

Call to Order: Mr. Trout called the meeting to order at 6:30 p.m. with a quorum established.

Homeowners Comments: Ms. Walker is curious how much of the HOA dues pay for recurring expenses and how much is used for long range projects. Mr. Trout mentioned he made a financial summary pie chart of the expenses for an annual meeting when he was Treasurer. Mr. Cowan responded in the annual budget one will see expenses and revenue; recurring expenses are salaries, operating expenses, maintaining trucks and amenities, utilities, and insurance. A residual cash flow of about \$250K from HOA dues is allocated to the infrastructure reserve items maintaining trees, sprinklers, and painting, etc. Additionally, a new capital reserve is now funded at \$3,667/month (\$44K/year) towards future items asphalt, vehicles, eventually remodeling the clubhouse. Mr. Winski added as discussed in the LRP and Finance Committee meetings which items that HOA spends directly from dues that a normal homeowner would have to pay themselves like painting, insurance and water. Mr. DiBiase asked for the status of the hot tub. Mr. Cowan responded the blower has been replaced and hoping this will solve the issue. Mr. Winski expressed concern of the hot tub equipment being exposed and appears unfinished. Mr. DiBiase agrees the area is unsightly. Mr. Kappus is concerned of vandalism to the equipment. Mr. Cowan mentioned the City of Denver does not allow the equipment to be enclosed due to ventilation; but Mr. Lynch has a plan to install a proper cover for protection, which is not a current priority at this

time and subject to budget.

Approval of the Minutes: Mr. Branish recommends revising the wording in the Treasurer's Report *prepaid insurance that will be refunded to our bank account by August 12th of this year to prepaid insurance that will increase our cash flow as a result of being a non cash item in the Profit and Loss Statement.* Mr. Weber suggested for the Addendum to keep the funding amounts consistent at \$240K. A **motion (Kappus/Weber)** to accept the May 20, 2020 Minutes as amended passed with no opposition.

President's Message: Mr. Trout mentioned since we are in a new phase with the pandemic, just a reminder this is the busiest time for our crew and to have patience for any projects.

General Manager's Report: Mr. Lynch provided a report.

ONGOING PROJECTS:

- Pond/Stream clean up (weather permits)
- Path steps behind Unit 403, should be completed next 2 weeks
- Sprinkler adjustment

COMPLETED PROJECTS:

- Tree Pruning/Removal
- Tree Spraying (in-house)
- Pond repair (near Unit 454)
- Crack Seal & Infrared Patching

NEW PROJECTS:

- Weed & Ground spraying starting next week
- Seal Coat to start July 13 & July 16 cul-de-sacs only

Oliver on vacation 07/15 – 07/30/2020

Treasurer's Report: Mr. Branish provided the May 2020 Financial reports. Mr. Branish reported finances are in favorable results except for the Utilities water account being over budget approximately (\$11K), infrastructure major items over/under budget due to timing of project. The balance sheet as of the end of May reflects consolidated reserve balances of \$288,564 of which \$248,015 is in bank checking or investments accounts, and another \$52,459 is in prepaid insurance that will increase our cash flow as a result of being a non cash item in the Profit and Loss Statement.

Finance Committee: Mr. Cowan provided the June 18, 2020 Expense Monitoring Meeting minutes. Mr. Cowan, Mr. Kappus and Mr. Lynch discussed finding \$3K in the budget to fund an asphalt consultant. Mr. Lynch suggested using the funds from the Overtime account. The Chateau revenue is over \$2K; Trees account under budget \$19K, a good position to have in case of any tree removal, replacement, or damages due to storms; Sewers are over budget for YTD, if any potential sewer line breaks occur in the year, the committee could rely on the Master Replanting \$15K budgeted funds; Major Pond Repairs continues to have a budget amount of \$10K, thus far no major problems are required this year, but plan to carry forward to 2021 for pond behind Unit 227. The Water account is over budget \$11K due to irrigation, filling ponds and homeowner consumption, this is unusually high compared to prior years. Mr. Kappus suggested lowering the fountains to avoid wasting water from evaporation and drift from windy conditions. Mr. Cowan also listed ways to conserve water if June's water readings are still having an impact: 1. *Cut off streams (saves electricity and water)* 2. *Cut three days watering to two* 3. *Cut the time each zone runs.*

Mr. Trout will post a reminder in the newsletter for owners to check for leaky toilets.

Long Range Planning Committee: Mr. Weber provided June 23, 2020 preliminary LRP Meeting minutes. The committee's plan is to review the 30-year draft for any adjustments. Two items that could impact the plan is Painting and Paving. First, the painting schedule is in the second year of shifting from a 7-cycle to an 8-10-year cycle. This is the result of better preparation prior to painting and improved paint quality. Inspections will occur in early August and will include units that were deferred for painting in 2020 (and therefore scheduled for power washing and trim as needed) and those scheduled for 2021. The 2021 schedule will be published in the August minutes and available for any owner to appeal at the September meeting. Second, the paving subcommittee is in the process of hiring a construction engineer to help finalize a recommendation re: timing, and costs and to set forth a pavement maintenance plan. Finally, Mr. Weber received a landscape plan from the Grounds Committee subsequent to the LRP meeting and will forward to the LRP for review.

Architectural Review Committee: Mr. Kiner reported the committee approved (5-4) the request from Unit 212 for a deck extension of approximately twenty-four inches onto common area with no encroachment on the pathway, which requires a vote of the entire Membership. A **motion (Cowan/Letson)** to approve Unit 212's request for the approximately twenty-four inches extension into common area and to submit the request to a mail vote of the entire Membership passed unopposed.

Safety Advisory Committee: Mr. Kiner recommended owners to consider reviewing and registering for the Smart911 app or website, www.smart911.com. This will enable 911 dispatchers to inform emergency personal your correct address, critical information, etc.

Insurance: Mr. Branish reported the Pinnacle Worker's Comp was renewed. Mr. Branish is planning for a July meeting with Moody Insurance to discuss August renewal and other policy options.

Social Committee: Ms. Bunker mentioned since it is challenging to have the normal clubhouse event this year due to the pandemic proposes an outdoor event with a musician at the tennis courts in September. Mr. Kiner is concerned of the liability. Ms. Santambrogio advised to consider the capacity. Mr. Trout with agreement from the board will reach out to the HOA attorney for guidelines before confirming to schedule.

Mr. Trout reported an owner's inquiry to have a patio event which could expand into the common area near her unit. The Association will not be host and follow City of Denver guidelines and Association rules. Mr. Klatskin indicated the neighbors should be notified prior to planning event. The board has no objection if the rules are followed.

Communications Committee: Any articles for the July/August newsletter should be submitted by June 26, 2020.

New Business:

a. Speed Bump: Mr. Trout reported the poll results with four objections and five with no objections of removing the speed bump near Unit 442 at the request from Mr. & Mrs. Kartsen. Mr. Cowan proposed moving the speed bump between Units 440 and 441. Mr. Kiner mentioned the bumps are hard on vehicles and the Stoney Brook truck, especially when snow plowing. Mr. Weber mentioned since there are no sidewalks along the streets, the speed bump gives a precaution for vehicles to slow down for pedestrians. Mr. Letson said he thinks it should not be moved from its location at the bottom of the hill, which he considered an effective location. A **motion (Weber/Letson)** to not remove the speed bump from its current location passed with seven in favor and two opposed of the motion.

b. Garage doors closed. *All unattended garage doors must be kept closed.* Mr. Winski requested in May's meeting for the board to revise the rules to mandate garage doors to be closed while unattended for safety concerns. The board opposed this request at this time.

Adjournment: At 8:06 p.m., there being no further business, a **motion (Kiner/Weber)** to adjourn until Wednesday, July 22, 2020 passed unanimously.

Respectfully submitted,
Angela Miller, Recording Secretary

Stoney Brook Homeowners' Association, Inc.
Profit & Loss Budget vs. Actual
 January - May 2020

Ordinary Income/Expense	Jan - May 2020	Budget	\$ Over Budget
Income			
Homeowner Dues	690,900	690,900	0
Less Capital Reserve Allocation	(18,335)	(18,335)	0
Chateau Fees	4,716	2,650	2,066
Interest-Operating Funds	6	0	6
Transfer Fees	1,000	1,250	(250)
Late Fees	92	375	(283)
Misc. Income	8,821	9,500	(679)
Reserve Interest Income	39	375	(336)
Total Income	687,239	686,715	524
Expense			
Salary & Benefits	271,765	273,003	(1,238)
Administrative Expenses	14,139	16,120	(1,981)
Maintenance Expenses	30,505	42,470	(11,965)
Pool/Clubhouse Expense	6,217	6,700	(483)
Utilities	120,079	110,240	9,839
Fixed Expenses	95,651	95,700	(49)
Total Expense	538,357	544,233	(5,877)
Cash Flow From Operations	148,883	142,482	6,401
Reserve Infrastructure Expenses			
Landscape	44,080	63,625	(19,545)
Site Improvements	37,265	42,035	(4,770)
Exterior Painting	0	18,000	(18,000)
Operating Equipment	7,023	5,000	2,023
Allowance for Reserve Study	8,693	8,700	(7)
Ponds & Streams	3,477	19,400	(15,923)
Total Reserve Infrastructure Expenses	100,538	156,760	(56,222)
Year To Date Cash Flow	48,345	(14,278)	62,623

SHREDDING EVENT

in the Club House parking lot



← saturday • Sept. 12th • 11am to 1pm →

Lois Bradbury



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