

Stoney Brook Homeowners Association
Minutes of the Meeting of the Board of Directors
March 25, 2020

Approved by the Board – April 22, 2020

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

Directors Absent: Kerry Santambrogio

Others Present: Angela Miller, Office Manager

Others Absent: Oliver Lynch, General Manager

Homeowners Present: Larry Harper (Unit 340), Martin Halzel (Unit 507), Tom Jaspers (Unit 204), Trina Shanks (Unit 311), Donna Yocum (Unit 27), Edward & Lisa Kartsen (Unit 442), John Vondras (Unit 436), Vincent DiBiase (Unit 380), JoAnn Taylor (Unit 455)

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

Homeowners Comments: Mr. Harper questioned why the tennis courts are closed since we are a private community. Mr. Trout responded we are complying with the City of Denver's regulations and will review for any exceptions. Mr. Harper mentioned an owner asked at the January's Annual Meeting if someone has done a follow up in contacting the road repair contractor who did the Temple entrance. Mr. Trout understands it will be a spring project. Mr. Cowan has taken before and after pictures to show the damages at the entrances and suggests writing a letter to Denver Water. Mr. Cowan disclosed Mr. Lynch heard from Denver Water, and it is their intention to bring the contractor back on-site, after the soil has settled and tested to determine what repairs are needed.

Approval of the Minutes: Mr. Letson stated he didn't hear the motion to accept the Banking Resolution 2020.02.001 from February's meeting and prefers not to be a check signer, therefore the minutes will be modified as follows: *passed with no objections to seven in favor, one opposed and one absent*. Mr. Trout advised revising *regards to* and replace with *regarding* in the President's Message section. A **motion (Kiner/Kappus)** to accept the February 26, 2020 Minutes as amended passed with no opposition.

President's Message: Mr. Trout reached out to our HOA attorney to confirm requirements of hosting a board meeting virtually. The attorney commented electronic meetings are authorized by statute, so no legal issues on holding Board meetings electronically. However, you'll need to ensure the electronic meeting platform allows owners to attend if they so desire. The Board is also required to allow owners comment. Mr. Trout mentioned precautions have been taken during these trying times of this outbreak by sheltering at home, virtual meetings, along with facing the outbreak courage, good humor and assisting any owners of need.

General Manager's Report: Mr. Lynch provided a report and a concrete curb/gutter proposal for approval.

ONGOING PROJECTS:

- Winter clean up

COMPLETED PROJECTS:

- Union Fence
- Pond/Stream Repair @ Unit 354

NEW PROJECTS:

- Main Sewer lines cleaning
- Tree Pruning/Removal

Mr. Cowan mentioned we collected concrete bids and even considered our crew for the project. The \$15K proposal in our packet was originally for \$16,800, Mr. Lynch was able to negotiate a lower cost. The contractor has worked on prior projects in the community. Mr. Cowan recommends this proposal is the best option and asks the board to authorize Mr. Lynch to sign the proposal. A **motion (Trout/Branish)** to accept and authorize Mr. Lynch to sign the concrete proposal passed with no opposition or further discussion.

Treasurer's Report: Mr. Branish provided the February 2020 Financial reports. Mr. Branish reported Revenue is \$2,500 over budget in relation to Chateau fees; Overtime over budget \$1,200; Health Insurance over budget \$1,700 due to Jan-Feb premium catch up on new employee; Grounds over budget \$1,100. Overall Cash Flow was over budget \$1K. The balance sheet as of the end of February reflects consolidated reserve balances of \$313,060 of which \$212,557 is in bank checking or investments accounts, and another \$109,759 is in prepaid insurance that will be refunded to our bank account by August 12th of this year.

Mr. Trout suggested at this point it is not necessary to discuss solutions of any owner going through financial hardship.

Finance Committee: Mr. Cowan provided the Expense Monitoring meeting notes from March 19, 2020. The meeting attendees are Mr. Cowan, Mr. Lynch and Mr. Kappus (via telephone) to discuss current expenses that might affect the budget.

The current expense status:

- Union Fence – the extension of the 2-sided fence has been completed. This project was intended to be part of the long-range budget, which has been cancelled for 2020 in Master Replanting. However, most of the fencing materials were purchased last year, \$2K in materials were needed to complete the project, which impact the Grounds and Maintenance account, but should even out in April. Mr. Kappus and Mr. Cowan agreed to finish it while staff is available before we move into Spring.
- Snow Removal/Overtime – has a \$15K annual budget, the \$1,173 over budget from the two snowiest months is not a concern, since snow removal rules were modified.
- Retaining walls - \$621 over budget as of February, but Oliver said there are no plans for any more work this year and we only spent \$3,600 of a \$5,000 budget. Based on that we have no problem with this overage.
- Changing the Budget – Mr. Kappus asked why we don't simply change the line items in the budget when some expenses are over, and we decide to recover the money from someplace else. The Board approved the monthly budget and it is set for the year. Ron Branish affirmed he is not in favor of modifying the approved budget.
- Sewers – Mr. Lynch has been negotiating to lower costs on a couple of repairs. The February financials still only reflect one repair totaling \$3,500 and are still expecting three more invoices from completed repairs to total approximately \$15K of our \$20K budget. This is the reason the decision was made to hold back doing \$15K Master Replanting Project for this year.

Mr. Letson questioned if we have a system in place to factor in labor costs for these projects? Mr. Cowan replied we do not, Mr. Lynch and the crew purchase materials and complete major projects during the year when time and budget allows.

Mr. Cowan provided the 2020 Business and Finance Committee Charter proposal. The Budget Committee typically meet 3-4 times a year to provide a Budget and 5-year plan. In 2019 there

were more meeting plus and discussions when the financials started running over budget (i.e. adding 2 maintenance staff employees in mid- year). The committee requested to be more closely engaged to examine the expenses and how to finance these items over the short term and long term. Mr. Cowan outlined for one year the members and requirements for the committee. Mr. Cowan will revise Section E because Mr. Cowan said the draft in the Board packet was recommending the committee examine our cash requirements and our funding plans for our reserves and made the statement to continue to use “cash flow threshold funding model”, but believes the Finance Committee should make a recommendation about the reserve method to the board and the method should not be stipulated in the Charter. Mr. Cowan will revise the spelling of committee member, Mr. Bulkley. A **motion (Weber/Kiner)** to accept 2020 Business and Finance Committee Charter as amended both in Section E and the spelling of Mr. Bulkley passed with no opposition.

Architectural Review Committee: Mr. Kiner reported one owner was approved for landscape modifications. Mr. Kiner encourages owners, especially new owners to contact ARC chairman before beginning any project to avoid it being stopped until approved. Mr. Kiner and Ms. Wolach submitted a landscape plan to Mr. Lynch for the new easement area at the Chateau, which could be funded through the Grounds/Maintenance account. ARC and Grounds are drawing up different plans for 2021-2022. Mr. Cowan mentioned the maintenance crew has done a great job finishing the Winter clean up, readying up for Spring. Reminder it is owner’s responsibility to maintain the lots around their homes and may contact the office for after-hours job, if needed.

Insurance: Mr. Branish reported he met with Mr. Cowan, Mr. Trout and Mr. Beakes to discuss the merits of bidding out alternative brokers for our HOA insurance without the risk of losing what we already have in place.

Committee Chair Appointments for 2020:

Mr. Cowan: *Finance and Compensation Committees*

Mr. Weber: *Long Range Planning Committee*

Mr. Kiner: *Architectural Review and Safety Advisory Committees*

Ms. Wolach: *Grounds Committee*

Mr. Branish: *Insurance Committee (proposing Mr. Beakes be Co-Chairman)*

Ms. Santambrogio: *Education Committee*

Mr. Trout: *Communications Committee*

Mr. Kiner: *Safety Committee*

Ms. Bunker and Mr. Winski: *Social Committee*

TBD: *Nominating Committee*

Communications Committee: Any articles for the May/June newsletter should be submitted by April 24, 2020.

Old Business: Mr. Trout provided a letter to Homestead Painting stating they have the green light to pursue contacting owners for outstanding payments. A **motion (Weber/Kiner)** to adopt the revised Banking Resolution 2020.03.001 presented passed with no objections.

New Business: Mr. Klatskin inquired if any maintenance layoffs or reducing salaries have occurred at this time. Mr. Trout assured no layoffs, but scheduling adjustments have been made for the crew and will follow up with Mr. Lynch if any changes are implemented.

Adjournment: At 7:24 p.m., there being no further business, a **motion (Kiner/Klatskin)** to adjourn until Wednesday, April 22, 2020 passed unanimously.

Respectfully submitted,
Angela Miller, Recording Secretary