

**Stoney Brook Homeowners Association  
Minutes of the Meeting of the Board of Directors  
November 20, 2019**

Approved by the Board - December 18, 2019

**Directors Present:** Stan Trout, John Cowan, Jack Kiner, Andy Klatskin, Virginia Schneider, Ronald Branish, Kerry Santambrogio and Uli Kappus

**Director Absent:** Craig Weber

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

**Homeowners Present:** Mark Winski (Unit 428), Carnig Izmirian (Unit 131), Jan Klatskin (Unit 145), Lucille Zwanzig (Unit 456), Jan Melson (Unit 214), Kay Ceilley (Unit 378), Bill Letson (Unit 460), Terri Kottal (Unit 108) and Christine Walker (Unit 344)

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

**Homeowners Comments:** Ms. Kottal asked about the Emerald Ash Borer treatment and timeframe. Mr. Weber provided the committee a research study from several universities. Mr. Cowan reported the infestation has reached North Denver area; the association has been advised it is not necessary to begin treatment at this time; the in-house non-toxic treatment is budgeted for 2021 (\$4K). Ms. Kottal recommends watching Dr. Cranshaw of CSU YouTube webinar discussing this issue. The EAB research study will be posted on the website. Ms. Ceilley suggested labeling the two reserve funds separately to avoid confusion and questioned how we plan to rebuild our reserve fund from the presented proposed budget. She also indicated she didn't like to see us budget a loss for 2020. John indicated that the goal, and actual historical results, have been to maintain cash reserves with the 5-year plan. Some years have higher expenses resulting in a negative cash flow, but the current 5-year plan results in a substantial positive cash flow that will increase our reserves. (Note: An updated budget is available for this Board meeting that has a positive cash flow for 2020). Mr. Izmirian asked when we budget why is it considered to buy vehicles versus leasing/financing? Mr. Cowan replied that even though it spreads the cost it would cost more total dollars to lease. Ms. Zwanzig inquired if Denver Water is planning to extend their project into the community. Currently, we are unaware of any future Denver Water projects within the community. Ms. Zwanzig continued if any water/sewer lines need replacement; Mr. Lynch replied we don't repair water lines, and we repair sewer lines as needed. Ms. Kottal and Ms. Zwanzig asked about the HOA having assessments (i.e. spa and potential court 3) and reserve funding differences. Mr. Cowan said ideally, we would have sufficient reserve funds for these things, but they were never included in our reserves necessitating the assessments.

**Approval of the Minutes:** A motion (**Kappus/Cowan**) to approve the October 23, 2019 Meeting Minutes passed with no opposition.

**President's Remarks:** Mr. Trout thanked the owners in attendance to discuss the budget and their feedback. In addition, if any interest running for the board don't forget to submit your board application.

**General Manager's Report:** Mr. Lynch provided the following report:

ONGOING PROJECTS:

- Leaf clean up
- Ponds & Streams clean up

- Winter pruning
- Waiting for the final fire, health and building inspections to open the hot tub

**COMPLETED PROJECTS:**

- Hot tub (spa) enclosure & deck
- Retaining wall repair @ Unit 407

**Treasurer's Report:** Mr. Branish provided the October 2019 Financial reports. Mr. Branish reported the month of October was over budget in the following operating/reserve expense accounts: Maintenance Salaries (\$5K) working with 9 crew staff, Trash Removal & Equipment Rental combined (\$2K), Tennis Court (\$2K); Master Replanting (\$5K) area (Yosemite/Temple corner) larger than anticipated; Furnace (\$10K) timing of installation; YTD Utilities remain under budget (\$10K), Spa Replacement (\$6K) under budget, Major Pond Repairs (\$10K) under budget. Mr. Winski asked are there any explanations of why these items are over budget? Mr. Trout responded the over/under budget descriptions are listed at the end of the report. Mr. Branish reported (\$63K) in operating account from the Balance Sheet. Mr. Cowan mentioned the Board chose to fund the HOA Insurance resulting in a current prepaid balance of (\$178K) versus borrowing funds. This makes the cash position seem weak, but the prepaid converts back to cash over the next 8 months. The accounts in arrears were reviewed. A **motion (Schneider/Cowan)** to accept the October financials reports passed unanimously with no opposition.

**Long Range Planning Committee:** Mr. Cowan reported in the absence of Mr. Weber. Mr. Winski was assigned to spearhead two sub-committees (Paint & Asphalt) to examine if there are any paint/policy or procedural alternatives, that could extend paint cycle and an ascertainment for future asphalt paving maintenance.

*Paint Project:* The paint cycle that has been around 7 or 8 years is no longer applicable due to better paint and application technique. We are also going to start applying one coat of paint instead of two coats as recommended by our paint contractor. In 2020, we plan to also extend life of some units that are at about 7 years since their last painting, that don't need painting yet, by power washing and just painting existing trim. Mr. Cowan mentioned the policy states painting and trimming, as required and schedule accordingly; these changes are consistent with the current policy. A **motion (Schneider/Klatskin)** to accept the Homestead Painting proposal in the amount of \$39,998 passed with no opposition.

*Asphalt Paving:* The committee also recommended hiring engineers to complete a pavement evaluation of the surface and sub-surface to determine moisture and distress of the streets in the community. Several were interviewed with a recommendation of AGW. A **motion (Schneider/Kappus)** to authorize Mr. Lynch to sign the AGW proposal in the amount of \$8,693 passed unanimously.

Mr. Cowan discussed the A-One Pavement crack seal and infrared patching proposal of areas in need for repair for 2020. He pointed out we needed to get on their calendar even though the specific items quoted may change after we receive the engineer's recommendations. A **motion (Trout/Branish)** to accept the A-One Pavement proposal in the amount of \$18,270 passed with no opposition or further discussion.

**Finance Committee:** Mr. Cowan provided minutes from the November 2019 meetings. Mr. Cowan also provided an adjusted 2020 Operational and Reserve Fund budget with a positive cash flow (\$6K) and a Five -Year Plan that substantially increased both the HOA Operational Reserve and the new Capital Reserve. Ms. Schneider suggested the updated budget and communication should be sent to the owners to let them know of the changes. Mr. Cowan said some of the changes were possible because of going back to a maintenance staff of 8 as well as

some savings in painting. Some expenses have been rising dramatically and the 2020 budget plans for these new higher costs. The 2019 budget did not account for them and has resulted in negative cash flows for the year compared to this year's budget.

**Spa Committee:** Mr. Cowan reported the spa is ready for inspection.

**Court 3:** Mr. Cowan mentioned further discussion of this area will continue in 2020 to develop a plan that meets the needs for the community and potential execution of the plans in 2021.

**Insurance Committee:** Mr. Branish reported Hartford (Maxum) Insurance denied the tree limb claim.

**Architectural Review Committee:** Mr. Kiner mentioned two requests were approved and six units pending. ARC is having issues with "flippers" not abiding by ARC rules and receiving neighbor approvals. It has been suggested to have owners sign off after receiving/reviewing the welcome packet, especially ARC standards. Mr. Trout received feedback from our legal team, owners are bound by rules when purchasing a unit in our community, therefore no sign-off form is needed. ARC will be notifying new owners moving forward personally to enforce ARC regulations. SBHOA declarations state we have the right to ban contractors from working in the community. Mr. Kiner mentioned the new "No Right Turn" signs for Terraces have been ordered and requested "No Solicitors" signs should be at all entrances.

**Communications Committee:** Any articles for the January/February Newsletter should be submitted by December 20, 2019.

**Old Business:** The board agreed to have the recent Reserve Study available for owners and post on the website.

**New Business:** The preliminary 2019 Annual Meeting Packet was provided for review, no revisions needed, but additional board applications will be included in the final version before sending to owners.

**Adjournment:** At 8:04 p.m., there being no further business, a **motion (Schneider/Santambrogio)** to adjourn until Wednesday, December 18, 2019 passed unanimously.

Respectfully submitted,  
Angela Miller, Recording Secretary