

SRRE HOA Budget Meeting Minutes

From 2.25.20

Meeting Minutes

Call to Order 10:04 A. M. on Tuesday, February 25, 2020.

Attendees.

-lot 1- Kim Hansen
-lot 3- Brian Levine
-lot 4- Susan Silvester/Katherine Habib
-lot 5- Jeannie Jontiff
-lot 9- Alan Landman
-lot 10- Hans Helmerich
-lot 18- Ron Edmundson
Peak Property.
Thomas Hein-Association Manager

Purpose of Meeting

- 1) Discuss approved 2020 HOA budget.

BOD Meeting Results

- 1) The meeting began with owners asking questions regarding the HOA and the financials. Alan Landman asked why a reserve didn't exist. Tom H. explained the HOA dues are set up to cover the HOA's yearly expenses, and typically there is nothing left over. Alan Landman asked how much was in the HOA bank accounts, Tom H. will send that info out with the meeting minutes and an explanation how it breaks out. Alan Landman asked what the purpose of the meeting was, Tom H. replied to give the owners the opportunity to vote and veto the budget. Alan L. asked how many votes is necessary to veto, Tom H. replied 10, Alan L. asked who can vote, Tom H. replied one vote per lot. Alan L. asked if the budget was vetoed what would be the next step, Tom H. replied the HOA would revert back to using the 2019's budgeted income/expense numbers for the 2020 budget, which would not include the assessment for repairs. Brian Levine said he had a few things to say because he was a property owner, and this was about affordability and maintenance necessities. Brian asked why the Board wasn't asking the owners about necessity. Kim Hansen mentioned he had been attending all the meeting for many years and many of the frustrated owners have not been attending or participating in the HOA meetings. Brian Levine said his issue with the barn is that it doesn't pay for itself, it's a liability, and the HOA should discuss if they need it or not. Brian L. said he talked to many realtors and no one said the barn was an asset for SRRE. Brian L. said the HOA needs to think about the current lot owners and whether they can afford these assessments. We need to focus on what is most important to all of us, the water system, the drinking water, and not irrigation water. Brian Levine asked where all the reserves went, the HOA should have had a reserve fund long ago. Brian Levine wanted to postpone the maintenance assessments. Jeannie Jontiff said she echoed Mr. Landman and Levine's sentiment, and questioned how assessments were spent. Mr. Landman asked if budget expense items (plowing, ditch maintenance) were put out to bid, Tom H. replied yes, but the HOA does have long standing working relationships with some of its contractors who are checked and monitored thru the course of their work. Alan Landman asked if the irrigation project this spring was for drinking water or water to water the lawn, Tom H. replied the HOA has been working on the irrigation project for over 2 (two) years and it was a requirement as part of the subdivision approval by Gunnison County for open space water requirements and exterior irrigation (landscape-plants, bushes, trees) for each lot. Hans Helmerich mentioned the HOA didn't have a reserve for major upkeep or improvements and probably has under assessed in the past for maintenance. Hans H. mentioned Peak Property has a done a good job spending the HOA's dollars wisely, checking on things and being on the ground, and watching over the HOA's business. Alan Landman commented he and a few other owners were frustrated with the assessments and maybe when they get accounting, they will be fine

with everything. Hans H. said he would be for another meeting to have a broader conversation about finances and maintenance. Alan Landman proposed suspending the meeting and having another one when all the Board members and owners can attend. Kim Hansen said it was not viable to suspended because the HOA has a March 10 deadline to hold the meeting. Jeannie Jontiff mentioned the rate of recent assessments (in the past there has not been many assessments) is frustrating and it would be better if they were spread out, and affordability is an issue. Alan Landman, Jeannie Jontiff, Brian Levine mentioned getting rid of the barn, and didn't want to do any maintenance. Brian L. called it an ornament and said it doesn't pay for itself or help to sell properties and same with the entry arch. The meeting began to get off topic with questions from owners that were more relevant for the Board and a vote on the budget was taken. Mr. Landman made a motion to veto the budget, Brian Levine seconded the motion, a vote was taken, and the motion was not approved. The approved budget was upheld. Brian Levine mentioned he thought the lot owners who were benefiting from the irrigation project should pay for it and when other's build homes and tap in to use irrigation water they pay their share. The frustrated owners suggested the HOA hold another meeting to discuss affordability and maintenance priority.

Hans Helmerich made a motion to adjourn the meeting, Ron Edmundson seconded the motion, all were in favor, and meeting was adjourned at 10:58 A.M.

Meeting was adjourned 10:58 A.M.