

**Minutes of the Annual Homeowners Meeting
for
Second Jefferson Green Home Owners Association
December 9, 2019**

The meeting was called to order at 6:30 pm, by President Michael Teage. In attendance were President Michael Teague, Treasurer, Jana Kosutova, Secretary, Cher Melichar, Members at Large, Ken Ayers and Ken Kloppenborg as Board Members, Debbi King, representing IPM Residential Services, and Kim Porter, legal counsel for the HOA.

QUORUM DETERMINED

President Michael Teague read the rules of conduct for the annual meeting in accordance with the bylaws. In order to hold the Annual meeting a quorum of 10% or 17 units represented is required. There being more than 17 units represented, quorum was met and the meeting proceeded.

There was a total of 25 units represented by homeowners who were present. The Board received 12 proxies.

Roll call was taken to introduce the Board members to the attendees.

MINUTES FOR THE 2018 ANNUAL MEETING

The minutes from the last annual meeting were sent out in the packets for homeowners to review. President Mike Teague called for a motion to waive the reading of the minutes since they had been sent out previous to the meeting. The motion was made by homeowner Trish Harris to waive the reading of the minutes from the 2018 annual meeting and seconded by Heather Stevenson. This being accepted by the homeowners present, the motion carried. Homeowner Trish Harris then moved to accept the minutes of the Annual meeting in 2018, this was seconded by homeowner Heather Stevenson. A vote was called by the President to accept the motion. There being no objections, the minutes were approved.

President's Report:

Mike Teague gave the President's Report on what has been accomplished in the past year. New garage and pool keys were issued, the parking lot was re-stripped and resurfaced, and a leak in the piping for the pool was repaired. The year began with a reserve of \$106,281 and ended with a reserve balance of \$172,426. More would have gone into reserve had it not been for the necessity to cover the expenses of broken sewer lines. Garage inspections were completed and notices sent out to homeowners outlining repairs to be made that were attributable to the homeowners. Any necessary repairs found that were the responsibility of the HOA were performed. We met the

insurance company's 100% compliance with regard to correcting the aluminum wiring, saving the HOA \$70,000+ over the projected cost without that compliance. Delinquencies were at \$13,410.37 at the beginning of 2019 and through the efforts of IPM and our attorneys, the year ended at \$6,703.70, the lowest it has been in many years. (See President's report included as an attachment to these minutes).

Questions were entertained by the Board with regard to activities in 2019. There were homeowner complaints regarding snow removal and/or snow storage. President Teague explained we have areas designated for snow storage that are supposed to cause a minimum of interference with people parking. A question was raised by a homeowner regarding how we handle snow removal. President Teague explained that bids are obtained and we award a contract each season for snow removal. The snow removal has a trigger point within the contract of a certain depth – currently 2 inches. It was further explained that snow removal does not generally begin until the snow stops falling.

A report was made that a homeowner fell on ice and wanted to know how often they come out during each snowfall. Again, it was explained that this is triggered by the depth of the snow. Another homeowner asked about who had to replace the broken curbs. Many areas of the parking lot have broken curbs. We are doing as best as we are able to raise the level of the reserve fund, knowing that a time is approaching when the parking lots need to have a major overhaul. This will be extremely costly and we wish to avoid high special assessments, if at all possible. This led to a question of how the budget is approved or denied.

Kim Porter explained that it requires 51% of the homeowners, or 84 represented units (a simple majority) are required to reject the proposed budget. 51% of the homeowners were not represented in person nor by proxy to reject proposed budget which included a \$50 monthly increase in the maintenance fees.

Presentation of Year-End Financial Report and the 2020 Board Approved Budget

Kim Porter, reiterated the budget process. A great deal of discussion ensued as many homeowners were not happy about the proposed \$50 increase. The last major increase was in 2018 of \$50/month. In 2019, only a 3% increase was included in the new fee. For 2020, the total maintenance fee will be raised to \$299/month.

Questions were entertained from the Homeowners regarding the Budget to be ratified. One Homeowner stated that he feels that a recurring percentage of the \$50 increase in the HOA fee should be designated for the reserves and that we should guarantee that amount will get put into the reserves without fail. He thought the whole reason for the increase was to replenish the reserves only.

As it has been explained in the past, the Board makes a decision each month based on funds remaining after paying bills as to how much money can be placed in reserves. Some monies are required to be held out for unforeseen repairs, such as sewage line

breaks, tree or limb removal or excess snowfall requiring removal. We know that our sprinkler system is going to require some major repairs within the next couple of years. We try to do these things in phases wherever possible.

Other questions: how many bids does the Board obtain on projects? We try to get three bids, but sometimes we are only able to get two if we can't find someone who will submit a third bid. We always look at the vendor and the amounts. We go with the vendor with the most reasonable bid that we feel has the ability to complete the projects in the best manner possible. Occasionally this means it might not be the lowest bid because reference checks may have revealed that the company is not as reliable or doesn't always follow the scope of the bid.

Homeowners have been referred to read the last Reserve Study and the recommendations made at that time. The recommendations were to increase the maintenance fee by over \$200 per unit over the next two years along with a \$3,000 special assessment for two consecutive years in order to get the reserve raised. The Board has felt this is just too much to ask of the homeowners.

A homeowner wanted to know why they were not allowed to record the meetings. Kim Porter explained this is a common practice adopted by Associations. For one thing it allows us to protect the privacy of homeowners. The Secretary records the meetings for the purpose of providing a way to verify occurrences at the meetings, but the recordings are erased when the minutes are read and approved.

When asked just how much was placed in reserves last year, it was stated that \$70 per unit each month went to the reserve fund during the last year. One homeowner stated that he wanted the minutes to reflect what percentage of the increase goes into the reserve fund.

Treasurer Jana Kosutova responded that \$75 /per unit per month is budgeted. The Board always tries to put at least that much into reserves, but sometimes the money has to be used to pay out directly rather than put it in the reserves only to take it out almost immediately.

There was another question raised about the repairs to some of the balconies which are included with the penthouse units. 14 balconies require repairs and/ or updating to the handrails to bring them to code requirement. This work was scheduled to begin in January 2020.

A question was raised about the acreage we irrigate because a homeowner felt that what we spend is too high. We have one of the largest greenbelts of any HOAs in the area. The Board asked Debbi to find out the amount of acreage. About 10 years ago, the Board worked with the Denver Water Department to take advantage of some rebates for setting aside an area to grow native grasses and plants that did not require much water. Those rebates helped a great deal although there was considerable

grumbling about the natural grass areas at the time. Currently we have approximately 10 acres in the way of acreage that requires irrigation.

Part of the reason we have high water bills is because we are working with a system that is 47 years old. A new irrigation system would be very costly and the Board has been trying to save money by doing whatever repairs we are able to each season that will get us by yet another year.

A homeowner asked about the legal fees we paid out. In 2019 we paid out \$2,194.52. The year before that was higher due to getting the Declarations and Bylaws updated to meet state requirements and enforcement of the wiring updates with a noncompliant homeowner, who later complied. However, having gotten the wiring updates in all units, it allowed us to obtain insurance at a reasonable level and that saved us thousands of dollars in premiums.

A complaint from another homeowner about having no grass in front of her unit was noted and the board will take this up with the landscaping company. President Mike Teague commented that last year we had the least number of complaints about the landscaping than we have had for many years. If people have issues, they need to let the Board know so that we can take it up with the landscapers.

Another homeowner wanted to know why we made a rule for no scuba diving in the pool. We have a very small pool and we received numerous complaints about the scuba diving. Many HOAs have similar rules barring that activity.

A homeowner stated that she had gone into the restroom at the pool and that she thought it was filthy and had not been cleaned for some time. The Board will take that up with the responsible vendor. Some people asked for a maintenance record to be posted inside the restrooms. We will ask about this.

Another homeowner saw a bunch of people drive up in a car and someone came to the gate, let the people in and then left. Regrettably, there are homeowners here who believe it is all right to let non-residents into the pool and leave. The pool is for the use of people living in the units. This is very difficult to enforce, however. We have budgeted for improvements to the security system and we hope to be able to identify which cards are used at given times. If people report these kinds of violations and let us know the times they observed them, we may be able to enforce this better in the future.

One homeowner voiced the opinion that people need to let the Board know when things are an issue so they can be addressed in a timely fashion.

Trish Harris volunteered that she would be willing to follow up on work that is supposed to be done if the Board needs assistance and another set of eyes to check on things.

Questions were asked about the placement of the dumpsters which sometimes impede people being able to park in their assigned spaces if the trash company doesn't put

them back properly. Until we are able to redo the parking lots, the dumpsters will continue to be an issue. We need to reconfigure these areas and cannot do that without tearing up the parking lots and redoing them. This will be extremely costly and we are not in a position to do this currently.

ELECTION OF NEW BOARD MEMBERS:

One Board seat was up for re-election this year and that seat is currently held by President Mike Teague. There have been no homeowners requesting to run for this seat. A call was made to the floor to see if anyone wished to place their name in for consideration, but there were no takers. A vote was held and a majority of homeowners present voted to renew Mike Teague's term on the Board. 20 Ballots received of which 17 voted for Mike, 1 for himself and 2 Abstain.

ADJOURNMENT

All business pertinent to the Annual meeting being finished, the annual meeting was adjourned at 7:22 pm by President Michael Teague.