

**Minutes of the Board of Director's meeting
for
Second Jefferson Green Homeowners Association**

June 13, 2022

I. CALL TO ORDER

The regular meeting of the Board of Directors of Second Jefferson Green Homeowners Association was called to order on June 13th at 6:32 pm by President Michael Teague. Also, in attendance were Treasurer, Jana Kosutova; Secretary, Cher Melichar; and Members-at-Large Ken Ayres and Ken Kloppenborg. Debbi King represented IPM Residential Property Management. As all Board members were present, the meeting proceeded.

II. HOMEOWNER FORUM

Once again we had only a few Homeowners who are very good about attending meetings with us this evening. We would love to see more homeowners attend. You do not need to purchase a Zoom account in order to participate in a Zoom meeting. Please see the note at the end of the minutes describing how you can be present in our zoom meetings.

This evening one homeowner asked Debbi if she would ask the landscapers to please readjust the sprinklers because the sprinklers which are hitting her windows and the neighbor next door to her is getting his front door soaked. Debbi will pass the request along.

III. APPROVAL OF May 2022 MEETING MINUTES

The minutes for the regular meeting of the May meeting were reviewed for approval. The minutes were approved through email during the previous month with the exception of Member-at-Large Ken Kloppenborg, who gave his approval during the meeting.

IV. REVIEW OF FINANCIAL REPORT AND STATEMENTS FOR May 2022

The Financials were sent out via email prior to the meeting for the Board members to review and were presented for acceptance. The only question Jana had was regarding a bill about some repairs to the piping in the Cabana. Debbi said it was due to some freezing issues last winter. Jana thought this seemed to be happening quite often in previous years so we may have to look back to check, but Debbi thought the last time was around 2014 when IPM came on board. It does confuse things when the vendors are not prompt with billing for services and this invoice was a couple months old. We'll keep an eye on this going forward and Debbi has been good about asking vendors to be more prompt with delivering invoices. (But making a request and getting cooperation does not always mean the vendor will comply). During the month there was another question about hot water at the Cabana. However, several years ago when the Board was considering whether adding hot water access to the Cabana should be included in some upgrades, there was discussion about this. At that time, it was determined that the expense of providing hot water for just three

months out of the year was not feasible. The Board voted not to do so and access to hot water was never added to the Cabana.

Treasurer, Jana Kosutova moved to accept the financial report as presented by IPM and Secretary, Cher Melichar seconded the motion. All were in favor of the motion and approval ensued.

V. OLD BUSINESS

A) Replacement Reserve Transfer – Pending – Debbi recommended that we move \$16,000 into the reserve account this month. President Michael Teague moved that we transfer \$16,000 into the reserve fund this month. Member-at-Large Ken Kloppenborg seconded the motion. There being no objections, the motion carried.

B) Insurance Claim for Former owner of #156 –Pending – The lawsuit with the former owners of Unit 156 has been settled. President Mike Teague has the paperwork which will be signed and turned in to our attorneys for filing this week. The settlement itself required a non-disclosure agreement of the details, but we can tell homeowners that the HOA is not liable for any damages because we have maintained insurance through all the years of our existence and it's between the plaintiffs and the insurance companies now. Although unlikely at this point, should the former owners decide to go after any of the several insurance companies the Association used in past years, and if they are successful in receiving any claims above their actual costs, the HOA then has the right to make a claim for our legal expenses in defending the lawsuit.

C) Common Area Lighting – Pending. Ken Kloppenborg set up a light panel in the cabana that allowed the board members to be able to judge the type of coverage each of the fixtures will provide for lighting. The Board voted to go with the lowest bidder, at least for installing the test unit. There was quite a disparity between the two lowest bids. The test lights will be installed on the building where unit #116 is included. Member-at-Large Ken Kloppenborg moved to use the lowest bidder to install the test lighting. Treasurer, Jana Kosutova seconded the motion and remaining Board members concurred to pass the motion.

There was some concern from homeowners at this meeting that the lighting would be too bright. But this is the main reason we need to actually see the lighting in place. It is just too difficult to tell what it's going to look like other than the fact it will give more lighting than the pole lights did. Additionally, attaching the lighting to the buildings will eliminate the expense of purchasing pole lights, which we found to be very expensive. The lighting will use LED lights. As mentioned in previous months we looked at the cost of installing more pole lights and using solar power. Solar packs require frequent replacing (about every couple of years and are much more expensive than we thought they would be) and we know the wiring, along with the poles themselves, eventually would need replacing down the line again. Jefferson Green I – across the street – decided to use solar packs and their lighting is extremely dim and does not last the entire night. We are trying to avoid these pitfalls. We will be inviting all residents to take a look at the test unit after dark once it is installed. We will not sign a contract until we determine how the test lighting comes out.

D) Camera Policy resolution – The final version of the Camera Policy was sent to the Board during the month. It appears to address all the concerns we've had. It is general in scope and yet still in keeping with what we are able to do in the way of restrictions to avoid invasion of privacy to other residents in the building, i.e. cameras in the garages may only point from the storage cabinets toward the garage door in line with each resident's parking space. Secretary, Cher Melichar, moved to accept the proposal which includes the recommendation of our attorneys to bring our rules and regulations up-to-date to comply with current laws and the limited restrictions of camera usage in the garage and/or balconies. President Mike Teague seconded the motion. The rest of the Board members agreed and the motion was passed.

VI. NEW BUSINESS

A) New HOA Laws: Pending – There was an HOA called Green Valley Ranch HOA that recently made news by grossly overstepping their execution of going after their homeowners with delinquencies and fines by failing to use proper notifications and aggressively using foreclosures, again without proper notifications. There was quite an extensive article in the Denver Post with regard to their activities on April 3, 2022. If you do not subscribe to the Denver Post, you should be able to read about it through your local library. They were not transparent in their pursuit of aggressively forcing foreclosures and this all grabbed the attention of the Colorado State Legislature.

This will become quite a burden on the HOAs both in expenses due to the number of and kind of notices that have to go out (email, personal delivery, regular mail, certified mail, and, optionally, personal delivery) of notices. The amount of fines an HOA can charge for violations will be dictated by the Bill that has now been sent for signature by the Governor, as well as restrictions on payment plans and how the terms can be dictated. It will make collection of delinquent accounts much more burdensome on the HOAs.

Jefferson Green II is among the most transparent HOAs operating, but we, nevertheless, try to be protective of the privacy of people in financial situations, discussing these matters in Executive Session. This law will require releasing information of financial matters which will impinge on the privacy of people who have delinquencies or outstanding fines. It looks like the law will go through no matter what. Either Governor Polis will sign the bill into law, or will let it become law by his simply letting the time run out and not vetoing it. At this point even if the Governor vetoed it, the veto would be overridden by a vote of the state legislature which has enough votes to do so.

Additionally, while we are not totally clear on some details, the Board wants you to understand that presently, it appears this law will require the HOA to actually name the individuals who are delinquent with payments and/or to name the people who have been presented with fines and for what reasons they are being fined. For the record, the Board members feel this law is a terrible invasion of people's privacy, but when it is enacted, we will be obligated to follow the law whether we like it or not. Fortunately, we are at an all-time low in delinquencies and fines, as we have worked diligently and respectfully with our homeowners to come to an agreement for payment of these items.

B) Replacement Reserve Fund Resolution: In order to remain in compliance with Accepted Accounting Principles, the Board is supposed to, technically, transfer funds directly to the Operating fund and then transfer the funds back again into the

Replacement Reserve funds when needed. Every time we need to make an expenditure which fits into the confines of payments to be made by the Replacement Reserve Fund we then have to transfer the money back to the Operating Fund. What we have typically tried to do is pay for everything directly out of the Operating Fund and then place whatever we are able to into the Replacement Reserve Fund to build and remain in that account for future, larger projects, thus eliminating moving the money back and forth multiple times per year. Each year the Accountant who performs our audits reminds us that a resolution is needed to approve this lack of moving money back and forth for compliance reasons. Going forward we can make this a part of our annual meeting responsibility to avoid it showing up in the audit.

Therefore, President, Mike Teague made the motion for a resolution which approves the Replacement Reserve Fund to forgive the interfund transfer obligation from the Operating Fund for the year 2021 and to make this recognition process a part of our Annual meeting activities at the end of each year. Secretary, Cher Melichar, seconded the motion. There being no Board members in opposition, the motion passed.

- C) Damage to Air Conditioning Line of unit #96** – The homeowner is demanding that the HOA pay for the repair of the Air Conditioning line. They claim the damage was done by the landscaper when they removed branches that fell on the air conditioning unit. The landscaper has claimed they are not responsible for the damage. Several pictures were sent to us by the homeowner, none of them really showing the damage clearly. The homeowner then called someone out to repair the line. That vendor cut out the damaged piece which the homeowner THEN took a picture of and sent it to the Board, demanding payment. The charge for the repair is twice what the management company has determined is generally called for in that kind of repair.

Discussion ensued, including asking why it wasn't submitted to the homeowner's insurance company. Generally, our contractors are responsible for any damage that is found they caused, not the HOA. If the homeowner expected the HOA to pay for it after the landscaper pushed back and said they didn't do it, then the homeowner should have at least given the HOA the opportunity to call in a contractor with whom they have a relationship to inspect the damage. Oftentimes we have agreements with contractors to keep costs down, yet still get damages repaired. Debbi is going to resend the final picture we received back to the homeowner and ask if they submitted this to their insurance as it does not appear to be the HOA's responsibility to pay for the damage under the known circumstances. She will report back at the next meeting.

Please note: Often it appears that people fail to understand that when they seek to get the HOA to cover such items, they are actually asking all of the homeowners in the HOA to pay for it as the HOA is made up of all the owners. The HOA is not some corporate entity separate from the homeowners. Board members receive no compensation, but try their best to manage the funds available to keep the entire property in good condition to maintain home values. Each household should be carrying homeowners insurance for items of this nature.

- D) Dispute of Charges for #135** – Charges for opening up the ceiling in the garage to determine who should be responsible for a leak in the garage. The homeowner reported the leak in the garage, but they were adamant that the problem was not caused by anything to do with their unit. Two other homeowners in the building had had extensive plumbing repairs completed within the last year or so. So the HOA contracted to have

the ceiling opened up to determined the source of the leak. It was coming from the reporting homeowner's unit. Debbi recommended that the homeowner submit the charges to their homeowners insurance. Based upon precedent, leaks in the garage (which is a shared common area) coming from a specific unit are the responsibility of that particular homeowner. If multiple homeowners are determined to be responsible, the costs are divided between/among the homeowners.

VII. EXECUTIVE SESSION

Executive Session – The Board entered executive session at 7:21 pm. To protect the privacy of our residents, all non-Board members are asked to leave at this time, since confidential homeowner financial information is discussed during this part of the meeting.

- A. **Homeowner Requests** – None that weren't taken care of in email during the month. There was a concern brought to our attention from a third party that residents in Unit 28 and 27 are having issues. The tenants in Unit 28 have been dealing with fumes coming into their unit and when they went downstairs to find the source they discovered one of the people from Unit 27 asleep in that resident's car with the engine running. The tenants in Unit 28 are now moving out and it doesn't appear that the landlord for Unit 27 was ever notified. No first-hand reports have been made to the HOA at this time.
- B. **Delinquency Report** was discussed. We are down to only \$127 !!!!
- C. **Review and approval of checks** was completed via email earlier in the week.

At 7:44 pm Executive Session was ended.

VIII. ADJOURNMENT

There was a very short discussion involving upcoming projects and preliminary bids to be coming in for those. Following this brief discussion President, Michael Teague moved to adjourn the meeting, and Member-At-Large, Ken Kloppenborg seconded the motion. There being no further business to discuss everyone else agreed and the meeting was adjourned at 7:48 pm

Respectfully submitted,



Cher Melichar, Secretary

NEXT MEETING DATE

The next meeting after that will be held on **Monday, July 11, 2022 at 6:30 PM via Zoom link.**

All homeowners are invited to request a zoom link to attend prior to the meeting by contacting Debbi King with IPM.

Please note: YOU ARE NOT REQUIRED TO PURCHASE THE ZOOM PROGRAM TO PARTICIPATE IN A ZOOM MEETING. You only need to have the Zoom link to be able to attend.

If any homeowner has something they wish to be discussed or to present to the Board, they should submit it through IPM well in advance of the meeting. These items may be discussed at the beginning of the meeting during the Homeowners Forum. We can have enough additional people attend a ZOOM meeting to accommodate representatives from all units in the HOA. Please watch the newsletters for further instructions on how to attend these meetings.