

# HIGHLAND GREENS LODGE

## BOARD MEETING MINUTES

January 6, 2025, at 4:30 PM MST

### HGL Board of Directors

- Chris Neugebauer - President
- Dave Poston - Vice President
- Walt Lemanski - Treasurer
- Zephyr Wazallann - Secretary
- Joe Nilsestuen - Member At Large

### Alpine Edge Representatives

- Jessica Martin – HOA Director Of Communications
- Taylor Edmonds – CAM

#### **1. Roll Call; Establish Quorum**

- A quorum was established with all board members present.
- Homeowners in attendance: Carol Bach, Spencer, Jeanne Grasso, Amy, Paula Brown, Katy Neugebauer, Caren Press, Gloria and Steve Piper, Caitlin Tongish, Alan Lancot, Delaney Brown, George and Deirdre Cebry, Gene Slone, Kristi Loudon, Chris and Paula Blum, Jimmy Dexter, CJW, Leanne Shaw, Annie Walker, Jordan Flage, Diana, Gail and Jay Supnick, Kimberly and Katherine Dawson.
- The meeting was called to order at 4:35 p.m.

#### **2. Approval of Previous Meeting Minutes**

- The board requested edits to the previous meeting minutes.
- Annual meeting minutes will be uploaded to AppFolio and the website.

#### **3. Financial Review**

- Treasurer Report – Walt Lemanski
  - Overview of financials for Q1 (September, October, November).
  - The HOA is currently tracking slightly under budget.
  - Discussion of expected winter cost increases (snow removal, utilities).
  - Water expenses are slightly over budget due to outdoor watering.
  - Legal expenses increased due to consultations on the hot tub situation.
  - Last year, operational expenses exceeded the budget by approximately \$40,000, utilizing reserves to cover this overage.
- Operational Account Status
  - The operational account is nearing depletion, with winter expenses expected to exceed income.
  - Walt indicated that upcoming winter expenses (shuttle services, insurance premiums due in April) may require borrowing from reserves.
  - The insurance is paid in six-month increments for clarity.
- Operating Budget and Reserves
  - While reserves exist, the board prefers not to rely on them for regular expenses.
  - A robust operating budget is needed, with reserves accessed only for planned expenditures or emergencies.
- Legal Fees
  - CJW inquired about recent legal fees, which totaled approximately \$2,000 over a couple of months for rule finalization and hot tub consultations.
- Rules and Regulations

- Updates were provided on parking rules and other regulations, mostly finalized and posted on the HOA website.
- Next Steps
  - The board will proceed with discussions on assessments, keeping hot tub discussions separate.
  - Attendees were encouraged to ask questions for transparency regarding operational and regulatory changes.
- Special Assessments Discussion
  - A discussion on the potential need for a special assessment (approximately \$22,000) for the fire alarm system repairs.
  - Walt emphasized this discussion is separate from hot tub-related issues.
  - Chris Neugebauer noted assessments related to the operational budget and reserves will be addressed separately from hot tub matters.
  - There's urgency in deciding how to handle assessments due to impending constraints on the operational budget.
- Operational Expenses Discussion
  - Inquiry made regarding estimate per unit for operational expenses.
  - Walt highlighted the need to discuss options for managing expenses considering last year's \$40,000 overage.
  - The current operational account shows a \$40,000 reduction compared to last year.
- Previous Dues Increase
  - Caren Press noted dues were increased to enhance the operational budget. Walt confirmed they are on budget for the beginning of the fiscal year but referencing last year's shortfalls.
- Action Items
  - Consider a special assessment for rebuilding the operational account and covering unbudgeted fire alarm expenses for the next owners' meeting.
  - Schedule follow-up discussions regarding specific assessments as the operational budget is monitored.
  - Discuss options for managing operational expenses in an upcoming meeting.
  - Confirm details regarding insurance costs related to the hot tubs before the next vote.

#### **4. New/Old Business**

- Hot Tub Project
  - Insurance and Costs
    - Inquiry revealed a need for clarity on insurance implications related to hot tub removal. No recent communication with the insurance company; past discussions indicated minimal impact on costs. Budget must include any potential cost increases from the hot tub project.
  - Project Highlights
    - Consultations conducted with legal, engineering, and architectural firms for redesigning the hot tub facility. Proposed upgrades include a new commercial fiberglass 12-person hot tub, upgrade to a gas heating system, compliance updates to drainage systems, and enhanced decking, fencing, sidewalks, and a new above-ground equipment shed.
  - Bidding and Cost Estimates
    - Initial construction estimate was \$873,000, revised to \$820,000 after adjustments. Received a bid of \$108,900 for demolition and rebuild. Expected annual operational costs around \$3,000, leading to a projected \$5 monthly increase in HOA fees.

- Financial Considerations
  - Suggested additional monthly contributions of \$40 to reserve funds for future repairs. Estimated long-term replacement costs are \$50,000 in 10 years and over \$500,000 in 25 years.
- Community Concerns
  - Raised concerns about property values, particularly for Zone 3 homes, and potential impact of increased HOA fees on market desirability and resale. Discussion surrounding affordability of assessments and financial burden on homeowners.
- Next Steps
  - Information packet to be distributed at least 10 days prior to the scheduled vote in early February. Further discussions needed regarding contractor options and project feasibility.
- Budget Approval Process
  - Walt Lemanski emphasized the need for board approval of the budget prior to distribution. Discussion on whether to approve budgets in this meeting or compile information for future meetings. Chris Neugebauer reminded of prior agreement to approve one budget option and allow for homeowner review ahead of voting.
- Legal Requirements
  - Walt highlighted the importance of an approved budget in compliance with Colorado laws before sending information to homeowners. Alpine Edge HOA Management confirmed no communication would proceed without board approval, suggesting "scenario budgets" for resident insight.
- Voting Mechanism
  - Discussed ensuring all residents can vote, with email voting and proxy options considered. Challenges with proxy assignments noted, as many prefer to assign them to the president.
- Cost Overrun Discussion
  - Walt raised questions regarding procedures for cost overruns. Confirmed contingency is built into estimates: approximately 8% for construction and 10% for hot tub purchase and installation.
- Action Items
  - Final budget options for approval. Determine voting mechanisms to ensure participation from all residents.

## **5. General Board and Owner Comments**

- Sidewalk Heating System Discussion:
  - Paula Blum inquired about the availability of technical information and drawings for the sidewalk system. Alpine Edge HOA Management mentioned that they reviewed most HOA documents but found no related material.
- Joe N commented about the carpet replacement being part of the reserve study and planned maintenance.
- The board is aware of a new free shuttle bus, which may be discussed in future meetings.

## **6. Schedule the Next Board Meeting**

## **7. Adjournment**

- The meeting adjourned at 6:24 p.m.