

**Highland Greens Lodge
Board of Directors Meeting
June 8th, 2021 2:00 PM Mountain Time
Zoom Link:**

<https://us02web.zoom.us/j/83195580668?pwd=STJ3dkRxaIVWWGpiSzhIR3lXMGtqZz09>

1.Call to order: 2:16 PM Mountain Time

2. Introduction of those present and determination of quorum:

- a. **Highland Greens Lodge:** Anne Mead, Steve Piper, Jordan Flage, Zephyr Wazallann
- b. **Wilderness Property Management:** Noah Orth

3. Approval of previous meeting minutes:

- a. [HG Lodge January 4th 2021 Meeting Minutes](#)
 - 1. **Motion to approve the meeting minutes as provided, seconded, passed with no dissent**

4. Regular Business:

a. **Financials:**

i. [HG Lodge April 2021 Financials](#)

- 1. Anne spoke in regards to the April financials and stated the current operating and reserve funds are as follows
 - a. Operating funds April: \$71,171.33
 - b. Reserve funds April \$91,037.67
- 2. Anne stated the April financials look stable however we are depleting the account due to the hot tub project. There has been an increase in utilities. Financially things are not the best as there has been some unexpected expenses in the repair and maintenance account. \$1000 over what was budgeted for however the upgrades to the fitness room can account for those expenses which is not normal
 - a. Steve commented that the gas seemed to be high for the year and when the previous year's budget was produced we got nailed for the tax issue. The association had signed a one year agreement with Tiger Gas which was not locked in after that one year. Let's look into a multiple year contract dependent on the gas rates.
 - b. **Motion to approve the april 2021 financial statements.
Anne moved, Jordan seconded, motion passed**

3. Board members brought up unpaid dues issues and board / member voting participation

- a. Late fees process: There is a 30/60/90 notice that goes out to the owner at which a payment plan can be set up, if not follow up the board would have the right to put a lien on unit

- b. Each owner has voting eligibility only if dues are up to date.

ii. **HG Lodge Proposed 2021/2022 Budget**

1. The board discussed the proposed 2021/2022 budget

- a. Anne mentioned that Wildernest would not be receiving a 3% increase to their management and onsite fees
- b. Noah is going to reach out to Comcast to see if there would be an increase in the cable contract
- c. Anne mentioned that utilities are increasing
- d. It was stated that the Highland Greens Lodge was well over due for a dues increase however with the hot tub assessment it might be difficult to request however it is needed.
- e. 2018 was the last dues increase
- f. We do not have a history of a dues increase on an annual basis in which many associations have to be able to maintain their buildings and property
- g. Steve Piper commented and agreed that a dues increase was needed and that a system be in place so that it is transparent to owners to prepare for an increase each annual or every other year.
- h. The board agreed on a \$25 dues increase for operational shortfall however we have to be prepared for the ownership to vote against it due to the assessment which we will just have to operate in the negative
 - i. Steve mentioned that the board needed to be specific of our shortfalls. Anne stated that $\frac{1}{3}$ is currently going to owners utilities in which owners may not understand how much utilities are as well utilities are much great as a separate homeowner compared to paying in bulk. Steve agreed and stated that it needed to be explained to the ownership.
 - ii. The cost of gas has increased as the association is over budget due to the Texas incident
 - iii. We have not had any elevator issues since switching over to ThyssenKrupp so we can cut the elevators repair budget in half
 - iv. In 2018 the board mentioned that we need about 1 million which are just not collecting enough and that we as a board need to make the ownership aware by reeducating so that there is understanding. Owners also have to understand that the units have value that owners do not have to do maintenance and the building costs money
 - v. The majority of dues increases have been going towards operating and not towards capital

1. Steve mentioned that there was no dues increase in 2019 or 2020 and an increase needs to be done this year start to get back on track. Steve suggested updating the reserve study to have a better understanding of current costs
2. **A motion was made to increase dues \$25.00, seconded, passed with no dissent.**

iii. [HG Lodge MMC](#)

5. New Business:

a. **Hot Tub Update**

i. **Turner Construction Contract**

1. Brandon is working through some items with the planning department. BHH stated they jumped through hoops to satisfy them and address their concerns. BHH was told all looked good however they need to change out the planters as they are considered privacy fences. BHH has found an exception in the code for screening hot tubs and are waiting to hear back before they stamp them.

ii. **Parking Lot**

1. Noah is waiting for a bid proposal from A-Peak Asphalt to crackseal and sealcoat as well remove the rock piles to add additional parking spaces. Noah to present bids to the board

iii. **Concrete Refinishing**

1. Noah is waiting for a bid proposal from Rockies Builders for concrete refinishing to the heated concrete sidewalk sections that have cracks in them

iv. **Decking**

1. Anne received a complaint of the decks on the 3 floor and corner. Exposure to the sun. Checked for rot. Steve stated that the HOA has not put another protective coating since 6 or 7 years again. Noah to reach out decking contractors to inspect the decks for rot
2. Steve mention south facing decks and siding was replaced however it was time for another application

v. **Gym update**

1. New Flooring has been installed as well as a new flatscreen television. Wildernest's repair and maintenance team will be patching a section of drywall in the ceiling where the old television was mounted. Sanitation stations are in and will be installed along with the reorganization of the gym equipment ready for use by the association. 6/18/2021 reopening

vi. **Pets urinating on lawn**

1. Change the signage and send out a reminder to owners if its not getting better then enforce with a violation. Short or long term renters cannot have pets and will be enforced

2. It was stated that there is a renter with a cat. How does the board want to deal with that?
3. Short term rentals and owners not making guests aware that renters are not allowed to have pets
4. Move the pet waste disposer to the other side of the parking lot in the hopes that owners will take their pets to the far side of the parking like to urinate

vii. Topsoil get quotes from professional landscapers

1. Noah has reached out to 3 professional landscapers who are all very busy. They are going to do an onsite visit to see what all is needed in order to provide a bid.

viii. Replacement of shrubs / flowers and weeding

1. Steve stated that they need to be replaced in the front as well there is one in the back that needs replacement.
 - i. Board made a motion to purchased approved shrubs and plants and to plant them
2. Wilderndest staff will also do some weeding in the rock and mulch areas

ix. Landscaping

1. The irrigation system was turned on by Greenscapes on May 29th and 30th
2. The first round of fertilizer was spread
3. The mowing and trimming process has begun for the summer months on an every other week basis unless needed otherwise
4. The willow stems have been cut down by the Wilderndest staff
5. The board approved to plant new flowers in the entrance sign flower beds.

x. Pest Control

1. Board spoke in terms of doing an annual vole mitigation
2. Noah to reach out to some pest control companies to get pricing and far as ratifying

b. Miscellaneous Discussion:

- i. Steve Piper questioned if any board members have been asked by ownership as to when the assessment would take place and how it would be structured. Should there be a fact pack that goes out to the ownership so there is a better understanding of the hot tub project numbers. Owners were told in 2018 that there would be a \$5000 assessment for just the hot tub alone.
 1. Anne commented that she had most of the assessment letter completed which included all of the design, components, timeline and where the \$5000 number came from as that has been a question in regards to the cost of the hot tub alone. Anne also stated that a loan might be needed as there was concern if owners did not pay. It was also discussed by the board that much of this timeline the board was handcuffed by the drawings that were being created which the board had no control over in which the continuing feedback from the ownership has been when is the hot tub project going to start

2. Project cash flow:

- a. We are getting by very tightly on this project as we do not have a lot of cash laying around.
- b. Steve mentioned that we are going to have to pay some costs up front
 - i. Turner Mountain Construction is looking for a \$50,000 deposit as well. Turner Mountain Construction works on a cost plus basis and the association would see bills as materials are purchased and paid for.
- c. Anne stated that August will be a high dollar month as that is when it was discussed that concrete could be possibly poured which we would want to prepare for.
- d. Steve suggested that we ask for 2 total payments from the ownership. The board discussed financing options and agreed on 2 total payments of \$14,500.
- e. The board questions how many people would be the whole assessment upfront and if financing could be an option. Anne was going to look into loan options and if financing was an option they might want to consider \$14,700 per owner.
- f. The board agreed that this was a business decision and not a personal decision which the owners have to understand.
 - i. Steve commented that the assessment letter needed to go out as soon as possible and that we needed to have answers of questions from the owners if financing is possible. Anne replied that she would look and get in touch with banks and look into financing however would like to have the letter sent out on Monday.
 - ii. Steve mentioned that there are many new owners in the building and the turnover rate has been high. Our communication has been lacking however with the lack of information that we have on this project as we have been waiting on drawings there has not been much to be able to update them with however we need to do a better job with our communication
 - iii. Zephyr stated that she liked the idea to give people the option of payments. If some owners are able to pay up front and other owners paid in payment is that a problem? Zephyr asked if quarterly payments were an option? Zephyr mentioned that doing a quarterly payment or 3 payments might be a better option and what happens if owners still do not pay? Anne stated does the association offer a line of credit or is it best that owners handle their own financing options?
 1. It was discussed by the board that the process can get very messy in terms of square footage, payment amounts when payments are not equal to each owner. The board stated that money was needed upfront and that 2 equal payments were agreed upon. Steve agreed that he would also like to see 2 total payments
 2. The board discussed payment dates and agreed

that that payment structure would be to pay all of the assessment of \$14,500 by 7/15/2021 or first payment of \$7250 would be due by 7/15/2021 and the second payment would be due by 9/1/2021.

3. Anne is going to meet with a loan officer to see what the association would be qualified for in the hopes to get a 3% loan would be able to do quarterly payments however there would be filing interest and closing costs which would be added.
4. Highland Greens Lodge has a great payment history as we would be promoting the assessment plus the increase
5. The board discussed loan terms (1 year) which they would receive money estimated around August 1st which would give us a 2 month leeway. What would be the percentage of owners not paying in the hopes that 2 years is enough time to collect. The board discussed that if owner did not pay it they would be able to put a lien on the unit.
6. The board discussed demographics of the association in that there were local owners, second owners and investors. Summit County real estate is at an all time high and the Lodge units are at almost \$1000 a square foot which can price some people out which is the cost of being a homeowner.
7. The board felt that the ownership would appreciate the new back hot tub area and felt that they would pay however also stated that if there was push back they would have no choice but to go with a loan
8. Zephyr inquired about other capital improvements such as the mechanical room and roof and that the association was not collecting at a rate to care for those capital improvements based on the major maintenance chart. Zephyr stated since the association had not been collecting consistent increases we are not stuck in a situation which the only way out is to increase the dues. Zephyr proposed raising the dues \$100 as there are other aspects of the property that need to be taken care of and that owners need to be made aware that we are financially at a loss.
 - a. Anne asked Zephyr if she would like to do a forecast in which Zephyr agrees to however would need time to look at the upcoming projects. It was stated that a report to the board for the next 10 years to see where they were at.

6. Next Meeting:

1. Pre annual meeting: July 7th 1:00PM
2. Annual meeting: Last year it was scheduled on July 25th
3. July 24th Zoom 9:00 AM Mountain Time Via Zoom dependant on board approved budget

7. Adjournment: Motion to Adjourn 4:41 PM Mountain Time