

**OSPREY RESERVE HOA
BOARD OF DIRECTORS MEETING
April 11, 2022
4:00 PM MTN**

Minutes – Draft

1. Call to order/Roll Call
 - a. The meeting was called to order at 4:00 p.m. Board members present were Ed Ozark, David Henderson and Ben Coopersmith. Also attending were Kevin Lovett and Steve Wahl from Summit Resort Group.
2. Owner comments
 - a. Notice of the meeting was posted on the website. There were no owners other than Board members present.
3. Review of minutes from the October 5, 2021 Board of Directors meeting
 - a. The Board reviewed the meeting minutes from the Oct. 5, 2021 Board meeting. Upon review, Ben Coopersmith made a motion to approve, Ed Ozark seconded the motion and the motion passed.
4. Ratify Board actions via email
 - a. Ed Ozark made a motion to ratify the following actions completed via email, Ben Coopersmith seconded the motion and the motion to ratify passed.
 - i. 10/6/21 2924 Roof Repairs
 - ii. 10/11/21 Heat Tape Gutter Policy
 - iii. 2/1/22 Financial Review

5. Financial report

- a. The following financials were reviewed:
 - i. Year to Date Financials – February 28, 2022

1. Balance Sheet

a. Alpine Operating	\$6,827
Less operating AP	(\$925)
Operating AR	<u>\$1,902</u>
	\$7,803

b. Working Capital	\$4,410
Reserve	\$21,151
Less Reserve AP	<u>\$0</u>
	\$25,561

Roof/Siding reserve total \$223,330

2. Profit & Loss

- a. Operating expense are \$xx under budget for the month of February and \$1,464 under budget YTD
- b. Primary areas of variance are:
 - i. 5305 Snow plowing \$1,990 over budget
 1. March invoice processed in Feb.
 - ii. 5310 Snow shoveling \$963 over budget
 1. Includes roof shoveling
 - iii. 5315 Snow hauling \$600 under budget
 - iv. 5775 Irrigation water \$321 under budget

- v. 5500 Contingency \$1,086 under budget
- c. Net operating income year-to-date is \$919
- d. 2022 Year End Projection
 - i. Beginning reserve balance \$22,360
 - ii. Planned 2022 reserve expenditures \$10,500
 - iii. Planned 2022 reserve contributions \$19,200
 - iv. Expected 2022 reserve ending balance \$30,870
- e. Capital Reserve Budget
 - i. Attached
 - ii. Working capital reserve – 3 months reserve contribution made with each home sale

6. Managing agents report

- a. Completed items
 - i. Heat tape policy
 - ii. Insurance, value
- b. Discussion item
 - i. Insurance value, increase
 - 1. The current insurance property value is \$220 sq/ft
 - 2. Farmer's is recommending that HOAs go to a minimum property value of \$250 sq/ft
 - 3. Raising the property value to \$250 sq/ft would increase the annual premium by \$1,261
 - 4. Osprey Reserve's policy does not come up for renewal until Nov. 1, 2022
 - 5. Farmer's Insurance offers a Guaranteed Replacement Cost endorsement for a 3.5% cost on the insurance premium
 - 6. Ben Coopersmith made a motion to increase the policy property value to \$250 sq/ft and add the GRC endorsement immediately, David Henderson seconded the motion and the motion carried.

7. Old business

- a. Landscaping
 - i. 2022 maintenance services
 - 1. We have a budget figure of \$16,500 for landscaping this year
 - 2. Proposals received:
 - a. Neils Lunceford; \$18,398 for the season
 - b. Rocky Top; \$15,000 for the season
 - c. Ceres; \$30,562 for the season (incl mulch)
 - d. 2 V's; unable to provide service in 2022 due to staffing
 - e. Greenscapes; has not yet responded to bid request
 - i. The board chose to sign a Summer 2022 landscaping contract with Rocky Top
 - ii. Ben stated that Carol, Donna, and Margaret would be happy to do annual plantings if the HOA is willing to purchase the flowers
 - ii. cottonwood roots, reseed; "area 1" behind 2914, \$1,200
 - 1. The board wants to pursue this as a test
 - iii. Irrigation pit; plan pending (\$4k in reserves budgeted)
 - 1. This is required by the County, it needs to be above ground and will require an excavator and an electrician.
 - 2. The board asked if there are any local funds available to explore ways to use less water to maintain the existing lawns/landscaping.
 - 3. Steve is reaching out to H3 about this to see if there is an assessment available.

- iv. Voles; plan to continue treatments
 - v. Trees; view trees planted last year to make sure they made it through the winter; no spruce treatments planned for this year (every other year).
 - 1. The board inquired about a potential Eagle's Nest grant
 - 2. The board needs to come up with idea proposal
 - 3. Perhaps Rocky Top can make a recommendation about a potential program when they start working on the property
 - 4. High County Conservation Center may be able to suggest a program as well.
8. New business
- a. 2022 Annual Owner Meeting; ENPHA Clubhouse, July 9th, 3:30 p.m. Official notice to be sent June 9th. Ed Ozark term is up for re-election. Discussion items:
 - i. Swallow mitigation
 - 1. Avian Enterprises, fog force sprayer
<https://aviancontroline.com/avian-fog-force/>
 - a. Dispenser \$25 each
 - b. Fluid cartridges, \$8 each (lasts 3 months)
 - 2. Rid-a-Critter, "invisible wire" install.; \$750 per location. Suggests installing Est/South gables, over garages (2 per bldg..) (\$1,500 per bldg.)
 - a. The board does not want to pursue this as an HOA expense. If owners wish to install a system at their own expense they can get board approval to install.
 - ii. Roof/siding assessment
 - 1. How much?
 - a. \$1,925/unit assessment
 - 2. When due?
 - a. April 1
 - 3. What are plans if the roofs do not last as long as the reserve budget plan predicts?
 - 4. Would a special assessment be necessary?
 - 5. Kevin believes that the HOA is underfunded for the roof/siding replacement
 - 6. Siding is very heavy and of a very high quality. It is expected that the siding will last longer than previously predicted.
 - 7. The existing roof/siding reserves will likely cover a portion of the roof replacement cost and none of the siding replacement cost
 - 8. The BOD needs to come up with an updated reserve plan for roof/siding replacement and be prepared to discuss with owners at the annual meeting.
 - 9. SRG to get an updated Turner Morris bid for roof replacement and update this line item on the reserve budget.
 - 10. Explain to owners at the annual meeting that the existing roof/siding reserve fund is to be divided by the cost of all roof replacements and is not a first come first served basis.
 - 11. The roofs are a common element. The entire association is assessed for the entire project, not based on the cost per home.
 - 12. If nothing was spent out of the roof/siding reserve fund, the projected 2026 balance would be \$520,018 vs. today's balance of \$223,330.
 - 13. The board will meet to discuss this issue and come up with a strong annual meeting communication prior to the annual meeting. Need a unified message for the owners.
 - 14. The Board believes that there are new owners who may not understand the roof/siding issue.

15. The portion of the Osprey Reserve Declaration addressing assessments is attached.
 - a. Actions related to Roofing/Siding Assessment
 - i. Update the reserve budget
 - ii. Update the reserve plan based on an updated Turner Morris roof estimate
 - iii. Investigate an investment option for the reserve fund providing a higher return than the current Alpine Bank account
 - iv. Send an owner email by 6/1/22 addressing the roofing/siding reserve account and the long term financial implications for owners

- b. Property Management Agreement renewal
 - i. The current agreement is scheduled for renewal January 1, 2024. While we respect the existing agreement, with these unprecedented times we would like to request a modification of the management agreement to include a 10% increase to management fees effective this coming March 1, 2022 bringing the monthly management fee to \$1,188. All other items in the agreement will remain the same.
 - ii. The board unanimously agreed to Summit Resort Group's request for an immediate 10% rate increase.

9. Next Board Meeting

- a. The Board plans to meet to discuss the Roof/Siding reserve fund prior to the Annual Meeting. No date was selected. The meeting date will depend on SRG updating the serve budget with updated Turner Morris cost information.

10. Adjourn

- a. A motion to adjourn was made by Ed Ozark, seconded by Ben Coopersmith and the motion carried.
- b. The meeting adjourned at 5:25.