



Annual Meeting Minutes  
September 18, 2019 07:00 PM  
Basalt Town Hall

The Meeting was called to order by Anne Grice, President of the Board of Directors

### **Election of members to the Board of Directors**

The following individuals were elected to serve on the Board of Directors ("the Board") for a term of one year. The motion was carried by a unanimous vote of the attendees and 8 proxy votes.

Anne Grice, President  
Erin Fetter, Vice President  
Carl Hostetter, Secretary/Treasurer  
Doreen Dunlop, Director

### **Board of Director Activities**

Anne Grice reviewed the accomplishments of the Board in 2019. See page 4 in the annual meeting presentation.

### **Irrigation Backflow Project Update**

Hanging Valley Irrigation successfully completed the irrigation upgrades and the six (6) new backflow devices were certified by an independent contractor. The Association is now in compliance with the State of Colorado and the Town of Basalt. The cost overruns on the project came to over \$4,000. See "Exhibit A" in the annual meeting presentation.

### **Treasurer's Report**

Carl Hostetter reviewed the current financial condition of the Association and presented budget projections for 2019 and 2020. The current cash balance is \$6,425 with \$356 outstanding in past due quarterly assessments. The fourth quarter assessments should generate income of \$6,000. Fourth quarter expenses are projected to be \$11,000 resulting a year-end cash balance of approximately \$1,000. The 2020 Budget projects income of \$24,100 and expenses of \$22,375 with a cash balance at year-end of approximately \$2731. See "Exhibit B" in the annual meeting presentation. It is important to note that the Board has been able to reduce expenses by seeking competitive bids (3 or more) for irrigation, lawn care, tree care and insurance. The Board will continue to monitor expenses closely.

### **NEW BUSINESS**

**Cash Reserve:** The Board of Directors is very concerned with the Association's inadequate cash reserve caused by the irrigation project overrun. There was an open discussion on how to cure the reserve deficit. The first option is a one-time special assessment of \$100. The second option is to increase the quarterly assessment from \$80 per quarter to \$90 per quarter. The unanimous consensus of the attendees was to increase the quarterly assessment. Accordingly, the Board will increase the quarterly assessment to \$90.00 commencing with the January 1, 2020 billing. This represents an increase of 0.125 and is in conformance with the rise in the Consumer Price Index (0.40) for our region.



**Reserve Requirement:** A question was raised as to the State's reserve requirements for HOAs. The Colorado Department of Regulatory Agencies informed the Board that there are no reserve requirements and that the reserves should be determined based on the future needs of the Association.

**Long Range Tree Maintenance Program:** The Board engaged three arborists to evaluate the health of all the Association's common area trees. This was done for liability insurance purposes. All three arborists identified several dead or dying trees that require removal and a number of trees will need significant pruning. The Board has awarded the contract for this work to Belinski Tree Care, Inc. The total project cost will range between \$8,000 to \$10,000. A map showing the problem trees can be found in "Exhibit C" of the meeting presentation.

The tree work will be spread out over a period of five years for budget purposes. The dead or dying trees will be given priority since they will not require mitigation under the Town of Basalt's tree ordinance. This ordinance requires that, depending on the size and health of the tree, a new tree must be planted or a fee paid for the replacement cost. The Town also requires a permit for every tree removed.

Several homeowners raised concern over the potential removal of a large cottonwood tree located in the Ptarmigan circle common area. The Board will have this tree re-evaluated to determine if pruning can prolong its life. If this tree needs to be removed in the future for safety reasons, a replacement tree will be planted by the Association.

**Street Parking Violations:** The Association is not involved in any street parking regulations or ticketing by the Basalt police department. See page 7 in the annual meeting presentation.

**Review of Association By-laws:** The Board will review the Association Bylaws to determine if any changes should be made to provide better governance. Any amendment to the Bylaws will require approval by a vote of a quorum of Homeowners present, or by proxy, at a regular or special meeting.

**Common Area #10:** There was a discussion regarding the condition of the lawn on the Western part of Common Area #10 that leads up the steps from Elk Run Drive. This area is not on the Association's irrigation system and, in the past, has been irrigated and mowed by a bordering homeowner that no longer resides there. The estimate to add irrigation to that area is over \$3,000. A homeowner suggested xeriscape but that would also require irrigation. The Board will continue to explore options for this common area.

**Waste & Recycling:** The Board plans to explore the feasibility of a single-source residential waste and recycling provider for our community. Negotiated competitive pricing could result in lower pricing for all homeowners. Fewer trash trucks in our community would result in a reduction of noise and cleaner streets.

**Homeowner Survey:** The Board will send out a survey in 2020 to see what issues homeowners would like to see addressed. For example, a homeowner at the meeting mentioned that recently a potential buyer was turned off by the appearance of some neglected properties in our community.

The meeting was adjourned at 8:20 PM