

The Boundary Association

ANNUAL MEETING OF MEMBERS

September 1, 2016
3:00 p.m. RVR Ranch House

RECORD OF PROCEEDINGS

The meeting was called to order at 3:00 PM

Attendance: Bill Wiedman, Polly Whitcomb, Director Richard Heinz, Director Bill Hoover, Barbara Hoover, Mike Lacy, Connie and Magne Nostdahl, Tom Cooney, Susan Hammon, Ritz Ray, Tom Passavant, Manager Edquist/EMRE LLC. Attending by proxy were owners Carol Klein, Chris Mile, Laura Cofield, Nancy Dever, and Director Pam Tweed; all proxies held were in favor of President Bill Hoover.

Notice and Quorum: Mr. Hoover said proper notice of the meeting had been mailed and that a quorum of owners was available to do the association's business.

President's Report: President Hoover opened the meeting, making sure all present had signed the sign in sheet. Minutes from 2015 annual meeting were then approved with no additions or corrections. Bill said that liens had been filed on the five delinquent Braeburn lots in the amount of \$63,946. He said the Board met in executive session on the 9th of June to authorize this action, and that the liens were filed on the 29th of that month. He then introduced Manager Edquist.

Manager's report: Keith recapped some projects from the previous fall, this spring and summer, and plans for staining of the buildings later this year. He said repairs were made to gutters damaged by ice fall in the 2014-2015 winter, and noted no further ice fall damage this year, despite large buildups of ice on many of the Boundary roofs. None resulted in any reported interior leaks, and there were no further damages to guttering this past winter.

He discussed snow removal and the need for snow storage areas, and said he was pleased overall with the vendor last winter. That vendor uses smaller vehicles more suitable to the tight quarters of the Boundary driveways. He said temporary sprinklers on the fenced foundation lot were damaged by City crews in last year's snow removal from the sidewalk there, and noted that those sprinklers will be moved out of harm's way this coming winter. He said the expense of watering this area was shared half and half with the master association, who also has an interest in seeing this area green rather than neglected.

He said the landscape vendor was late in the application of mulch to the flower beds and that he had difficulty reaching them and in knowing what work was done and/or undone. They did prune shrubs and fertilize the turf, as well as providing broadleaf weed control through a sub-contracted vendor. They will replace the deer fencing this fall, clear the fallen leaves from the grounds, cut back the flower beds around all the homes etc, but are

The Boundary Association

unlikely to be next summer's contractor.

Several large trees were removed over the summer, and 10 or twelve others pruned and shaped by a different contractor. Shrubs have been cut back from against the buildings to allow for staining and in some cases to improve views to the exterior. This work has gone well, but there are some signs of tree disease and this, plus continuing growth, will require on-going maintenance.

Manager's report-cont: Mr. Edquist said he had a roofing contractor inspect the roofs on the older buildings, and that no major issues were noted. Their written report on roof conditions, with photos, had yet to be received on the date of the meeting.

A vendor is providing estimates for staining work on three of the buildings (409-411) (421-423) (431-433-435) and that work should be contracted and completed by the end of September. This vendor stained buildings 1 and 2 last fall and the results were quite satisfactory. The Board has consulted regarding stain types and it is clear that solid body stains far outlast semi-transparent stains. Given the on-going expense of staining, there will be a gradual movement away from the semi-transparent stains used on the newer buildings, towards the more maintainable solid body stains.

Election of Director: President Hoover's most recent term at an end, he called for nominations from the members for a new director. Barb Hoover nominated Mike Lacy, seconded by Dick Heinz. There were no further nominations, and Mr. Lacy was therewith elected to the Board for a 3 year term by acclamation. This leaves Mr. Heinz with a single year yet to serve (2017), and Director Tweed with 2 years (2018). Mr. Lacy's term will therefore end with the annual meeting of 2019

Old Business: Director Heinz reported on the current status of the association's accounts based on the profit and loss statement provided in the meeting materials and a projection of expenses for 2016. He noted that the Association does not and should not expect to collect on the unpaid Braeburn assessments, given the financial situation of the principals and the prior liens of the lender and the master association. Filing the liens should allow The Boundary to collect 6 months of regular assessments for each lot when and if the lender forecloses on the lots.

Beyond the assessed reserve account funds, any budget surplus from the operating accounts is transferred by Board action into the reserve account each year. This total amount going to reserves each year less Reserve expenses is the net Reserve contribution. In 2015 this net was \$19k, making the Reserve fund balance \$66k. In 2016 this net Reserve contribution is projected to be \$12k. While modest, these 2015 and 2016 Reserve additions far exceed 2014's net of \$0k. (Note that 2014 was the year before we hired a professional manager, Keith Edquist.) Mike Lacy suggested that we compare our Reserve balance to the recommended amount from our 2011 Reserve study.

The Boundary Association

New Business: The proposed budget approved by the Directors was provided in the meeting materials. It was noted that the largest ongoing expenses are with landscaping and building staining. There was discussion of the increased cost of insurance this year, and a request to investigate other carriers. There is some concern that the shake roofs may limit selection of insurers, should underwriters have chosen to stay away from this type of roofing.

Director Heinz said the proposed budget keeps the assessments at the same level as those of 2015 and 2016. Therewith there was a motion to accept the budget as proposed, a second, and the motion passed without dissent.

Responsible Governance Policies Adoption: The Board of Directors has replaced the old collection policy as a part of the nine part CCIOA recommended Responsible Governance Policies. These will act as a supplement to the Boundary Bylaws and as an overriding document in case of conflict with Bylaws. The Boundary Responsible Governance Policies will be in effect January 1, 2017, and will be distributed to all owners and posted on the RVR website.

Issues from the floor: President Hoover commented on tenant parking and suggested a rule be adopted that a single car be allowed in a unit driveway and one in the unit garage. This engendered a brief discussion on enforcement of the covenants, and an opinion expressed that continuing or increased enforcement in The Boundary of its covenants might make it clearer to all that non-compliance is not tolerated. No action was taken in regard to either suggestion at this meeting.

Adjournment

There being no further business to come before the Board or ownership, the meeting was adjourned at 4:14 p.m.

Respectfully submitted,

Keith M. Edquist
Edquist Management and Real Estate, LLC
Secretary to the Meeting

The Boundary Association, Inc.

Bill Hoover—President