

HOMEOWNERS ASSOCIATION AT
HIGHLANDS RANCH GOLF CLUB
www.hrgchoa.com

**Board of Directors Meeting Minutes
Wednesday, February 3, 2010
Westridge Recreation Center
9650 S Foothills Canyon Blvd
Highlands Ranch, CO 80129**

The Board of Directors of the Homeowners Association at Highlands Ranch Golf Club, Inc. was called to order at 5:30pm by HRGCA President, Lee Poelma.

Present: Carolyn Bauer, Lee Poelma, Robert Jones, Tricia Houston
Others: Diane Ball, Property Manager, Jim Watson, HRGCA member,
Suzanne Leff HRGCA Attorney arrived later during the meeting.

I. CALL TO ORDER

- a. A quorum and proof of notice was established.

II. OUTSTANDING MOTIONS DONE VIA EMAIL SINCE LAST BOD MEETING

- The following motions were made:

A motion was made Lee Poelma and seconded by Tricia Houston to renew outstanding CD due in November, 2009 for \$25,000. After discussion the motion was unanimously approved.

A motion was made Lee Poelma and seconded by Tricia Houston to renew outstanding CD due in January 2010 for \$40,000. After discussion the motion was unanimously approved.

A motion was made Lee Poelma and seconded by Tricia Houston to accept October, November 2009 Financials. After discussion the motion was unanimously approved.

A motion was made Lee Poelma and seconded by Tricia Houston to accept proposal for Travelers to remain HRGCA insurer for 2010 with the additional amount for the increased reserve items. After discussion the motion was unanimously approved.

A motion was made Lee Poelma and seconded by Carolyn Bauer to accept the resignation from Rick Dinsmore. After discussion the motion was unanimously approved.

A motion was made Robert Jones and seconded by Carolyn Bauer to post the following statement on the HRGCA website on Thursday, February 21, 2010 on the advice of the HRGCA Legal Council: "Due to the threat of possible pending litigation, the HRGCA, through the Board, has not taken a position on the recall of Rick Dinsmore from his position as HRCA Director. Any comments by individual HRGCA Board members on this issue do not represent the position of HRGCA unless commemorated in a formal Board resolution." After discussion the motion was unanimously approved.

III. READING AND APPROVAL OF MEETING MINUTES

- a. The Board of Directors waived the reading of all the meeting minutes listed below and the following motion was made:

A motion was made Lee Poelma and seconded by Carolyn Bauer to approve the November 11, 2009 BOD Meeting Minutes, November 20, 2009 Executive BOD Meeting Minutes, and January 6, 2010 BOD meeting. The BOD also has reviewed and accepted the November 11, 2009 Annual Membership Meeting minutes which may be posted to the website as a draft until approved at the November 2010 Annual Membership Meeting.

IV. UNFINISHED BUSINESS

- a. There was a presentation of transition information from Carolyn Bauer & Lee Poelma to the remaining HRGCA BOD members. A request was made to include this document in the minutes from the meeting. That information follows the minutes in this document.
- b. There was a discussion led by the HRGCA Attorney, Suzanne Leff regarding the Rules of Conduct and the agenda for the HRGCA Special Members Meeting which would be immediately following this meeting. Discussion

V. ADJOURNMENT

A motion was made by Lee Poelma and seconded by Robert Jones to adjourn the meeting at 6:25 pm. The motion carried.

- a. BOD meetings for 2010
 - i. 2010 Meeting Dates –
 - 1. 02/10/10, 05/12/10 (05/05/10) 08/11/10 (08/04/10) 11/10/10 (11/03/10)

Respectfully submitted,

Diane Ball, Property Manager

Transition Recommendations for the New HRGCA Board From the Outgoing HRGCA Board

The HRGCA Board is undergoing a significant change in the early part of 2010, with three long-time board members retiring as Directors and three new Directors. The departing Directors created this group of lists to help ease the transition and to provide what we intend as useful information and recommendations.

The lists are grouped by topic, although many / most items are interconnected. Naturally almost everything done by an HOA is also finance-related.

Activity-Related Items:

1. In 2009, we paid Santa by check the night of the party for 2 hours (5:30-7:30pm). The sooner you reserve the date with Santa, the better chance you'll have him again next year. Remember to tell him we want him to wear white gloves, rather than having bare hands. Remember you only call him Santa in front of the kids.

Administrative Items:

1. All Directors should sign the Conflict of Interest policy for board members immediately. New Colorado law mandates changes in HOA boards. It's been reviewed by legal & board.
2. Create & administer a Conflict of Interest Policy for all Committee Members. New Colorado law mandates chairpersons meet same requirements as Directors. Since chairperson may be replaced by stand-in chairperson, having all members sign is a best practice.
3. Review & evaluate all committee charters and revise as necessary.
4. Evaluate whether all easement issues are resolved & documented, particularly with Metro District.
5. Continue to keep an eye on soon-to-be ending contracts, including the management contract, and put the work out for bid. Diane Ball's Management Letter includes all relevant contract data (contractors, end dates, out clauses, etc.)
6. Use the communication process flow chart generally referred to as "Melody's chart"

ARC-Related Items:

1. Create a new ARC.
2. Have ARC create / document process for communicating with HR ARC & brief BOD.
3. Determine how to proceed with the color pallet book. We believe the concept is very helpful to most homeowners, who find color choice difficult and who find the two-committee approval cumbersome for a common / repeatable event. We recommend proceeding with the color pallet book concept.
4. Evaluate the Amendment #1 to the HRGCA Residential Design Guidelines (10-10-09 draft). The current RDG document needs modifications to make it more current, as it is the same age and the community. The suggestion for having homeowner forums is a good way to allow for homeowner communication / input / feedback.
5. Consultants for the ARC are useful and should be used.
6. Consider creating a member's only element on the website to include ARC minutes and other 'sensitive/non-public' things.

Communication-Related Items:

1. Continue creating / distributing quarterly newsletters. During 2009, we did newsletters for Q1, Q2 and Q3, so it's time to start work on 2010 Q1. Consider a letter from the Past President & letter from new President.
2. Diane Ball and HRCA can help with newsletter development, distribution, once articles are written and sent to her. We suggest the whole board review / modify the newsletter draft prior to completing / distributing it. Secretary should be the newsletter POC for articles.
3. Continue to verify website is correct and updated with minutes, financials, newsletters, etc. Diane Ball updates the website.

Financial-Related Items:

1. The board approved (Feb 3, 2010) to move the excess funds in operating account from 2009 to the reserve Fund, so verify this is accomplished by HRCA finance.
2. In keeping with the newly-adopted Reserve Policy, HRGCA must contract to have a Reserve Study done in 2010. The outgoing board suggests doing this sooner provides useful guidance for the remainder of the year.
3. It's critical that the Directors understand the importance of maintaining a positive equity balance in operating account. The Directors and HRCA Property Managers have worked diligently to correct this problem. The new Board should not overspend the 2010 budget.
4. Continue to move towards forging an agreement with Turnbury/Birkdale to pay for T/B's maintenance of HRGCA's Tract R. T/B pays for water, landscaping, snow removal – essentially every maintenance issue except lighting (which is done by HRGCA). Frankly, HRGCA owes T/B funds annually to have them maintain HRGCA's property.

Grounds-Related Items:

1. Pagoda lights. **\$30K** is in the 2010 Reserve Budget to replace these fixtures. The new 'pilot light fixture' should be installed, 'advertised', feedback requested & reviewed by the GC & BOD. Structure & adherence to schematics should be verified. The design is done, so that a non-electrician can change burnt-out bulbs. The decision on light choice (aka light color) should be made with an interest in cost (of bulbs & electricity) long-term. The correct choice should be energy efficient – cheaper bulbs & less power.
2. Evaluate the concept of water flow limiters to identify water breaks early & potentially save money on water when water line breaks occur. This has been a problem in the past few years for our association.
3. Have painters do a 2nd coat of paint on the wood fence on the West side in spring 2010.
4. Keep an eye on metal fence & plan to replace in phases when it fails. Weep holes drilled in 2009 should extend the life of the fence a few more years.
5. Continue to pursue discussions with Metro District regarding whether they would really take over long-term maintenance/replacement of wooden fence if it were replaced with Trex-type material. Get the agreement in writing! Funds should not be spent until the fence needs major repairs, since the product price continues to decrease. We anticipate 5-8 years will be the target date. See the Reserve Study.
6. Work with Sandy Loeffler at HR Golf Course regarding the cottonwood trees on the golf course which are blocking views.