

River Glen Homeowners' Association
Annual Meeting Minutes

Meeting time/date: 7pm December 2nd 2014

Location: Berthoud Community Center

Board Members in Attendance: Ken Carpenter, Gary Klug, Mark McGee, Julie Rogers

Board Members Absent: Jamie Johnson

Homeowners in Attendance: John Prock, Frank Rogers, Gary Edelmaier, Bill Vaughan, Randy White, Helen Stone, Lynn Hargrove, Guy Sheets, Marty Dziuk, Debbie Dziuk, Jana Godfrey, Craig Godfrey, Bob Towry, Scott Canby, Diane Broestl, Dave Steffen, Butch Till, Julie Stapp, Cindy McGee

Note: The meeting slides and budget handout provide additional details and are included as part of the meeting minutes.

1. Board meeting opened by Board Member Gary Klug. A quorum was present to conduct business.
2. Ed Schemm of Larimer County provided a brief update on the LID project. He noted that the lowest bid for the work came in \$60K over budget. They were able to reduce the cost somewhat, but overages still occurred which caused the need for the additional assessment. There were no questions from the members.
3. Topic: Billing for Sewer Treatment from the Town of Berthoud. Cost summary was presented. Question: is online billing available? Answer: unknown. Question: is billing monthly? Answer: Yes. Request was made by Lynn Hargrove to provide a facility tour when the construction is complete. Action: Board of Directors to schedule and communicate the date for a walk-thru.
4. Melissa Garcia of HindmanSanchez Law firm was introduced and available for questions. (no questions at this point in the meeting).
5. Vote for number of directors for the board and vote for board members. Gary Klug called for additional nominees from the floor. No nominees were added by the call. Gary Klug noted that five members were standing for election to the board. Bob Towry made a motion to set the number of directors for 2015 at five members. The motion was seconded by Scott Canby and the motion passed by voice vote without dissent.
6. The vote for Board Members was performed by ballot. All nominees (Ken Carpenter, Gary Klug, Mark McGee, Julie Rogers, Jamie Johnson) were elected to serve on the board.
7. Irrigation Committee. Members as noted in the meeting slides. No report from the Irrigation Committee.
8. Architectural Review Committee. Members as noted in the meeting slides. No report from the Architectural Review Committee.
9. By-laws Question and Answers: There were no questions regarding the proposed By-laws from the floor.
10. Vote on the Revised By-laws dated 2 December 2014. Vote by ballot of the members present. The By-laws were approved (18 votes to approve, 1 vote to abstain).
11. Break.

12. The results of the votes were announced to the members present, as noted in 6 and 10 above.
13. Budget Review of 2014. Julie Rogers reviewed the 2014 budget numbers.
14. Discussion of Reserves. Reserves will replace the old Wastewater Contingency Fund. The Wastewater Contingency Fund was removed from the revised By-laws and replaced with "Reserves."
15. Budget and Assessment for 2015. Julie Rogers reviewed the 2015 Budget and Assessment.
 - Lynn Hargrove asked if a 3 year budget or forecast could be prepared. Julie Rogers agreed to prepare "estimates" for the future time period requested.
 - Discussion regarding the 2015 Irrigation Budget and whether or not additional control valves were in the budget. The Irrigation Committee Chairmen was not present and the question could not be answered.
 - Discussion about the assessment from the ditch company to pay for repairs to the head gate at the canyon mouth where the ditch diversion was replaced after the flood. The assessment is expected to continue 1 more year (2016) and then return to the lower rate.
 - A question was asked if the budget included road repair funds. Answer: No, the roads are the responsibility of Larimer County.
 - Lynn Hargrove asked that Helen Stone be recognized for her years of service on the Board. (Note: Helen Stone, Mike Dower and Denise Vigil were recognized at the 2013 Annual Meeting).
16. HOA Projects/Events for 2015. Gary Klug reviewed the "self-help" projects planned for 2015. A suggestion was made to have a "car show" as a community event. Action: the board will follow up in 2015.
17. Covenant Question from Homeowner regarding the process for revising covenants. Melissa Garcia of HindmanSanchez Law Firm reviewed the process as permitted by the old and new covenants. (see slides for further information).
18. Questions for Melissa Garcia: If a chicken flies onto a neighboring property? Answer: the covenants specify that animals are to be controlled on the property. It would be a covenant violation that would have to be dealt with.
19. Common Area. Discussion of options for the HOA owned Tract B lot or Common Area adjacent to the river.
 - Concern that if the area is "improved" that it will be attractive to people not in the HOA as a gathering area.
 - Noted that selling the property has numerous challenges: existing easements, impact to adjacent property owners, limited marketability and would require 67% of homeowners to approve sale.
 - Question about rehabilitation of the river bank from the flood. Julie Stapp stated that the Little Thompson River project is not expecting to perform any work along the river adjacent to Tract B.
 - Action: the board will continue to seek ideas about the best use of the Common Area/Tract B.
20. Recognition of HOA members. (Refer to slides).
21. Board of Directors Objectives for 2015. (Refer to slides)
22. A motion to adjourn at 8:25 pm was made by Mark McGee, seconded by Gary Klug. The motion passed without dissent.

Mark McGee
Secretary, River Glen HOA Board of Directors

RGHOA 2015 Budget

Expense		
40000 · Sanitation Collection System		
	40100 · Repair and Maint. (Pipe Relining Project)	\$ 10,200.00
	40200 · Collection System Operator	\$ 1,200.00
Total 40000 · Sanitation Collection System		\$ 11,400.00
Total 50000 · Sewer Plant (lagoon)		\$ -00
60000 · General Expenses		
	60100 · Property/Liability Insurance	\$ 2,500.00
	60200 · Legal HOA	\$ 4,000.00
	60300 · Accounting Services	\$ 850.00
	60400 · Office Supplies	
	60401 · Postal Supplies (postage/envelopes)	\$ 550.00
	60402 · Copying	\$ 500.00
	60403 · Communtiy Center rental	\$ 150.00
	60405 · Banking Fees	\$ 70.00
	60406 · Software/Website annual	\$ 200.00
	60407 · State Agencies / Document filing	\$ 300.00
	Total 60400 · Office Supplies	\$ 1,770.00
	60500 · Miscellaneous (\$600 for HOA BBQ/event)	\$ 900.00
	60700 · Ground Maint. (move to Common Area Maint.)	\$ 3,000.00
Total 60000 · General Expenses		\$ 13,020.00
70000 · Irrigation System		
	70100 · Ditch CO Annual Payment	\$ 5,000.00
	70200 · PV REA Electric	\$ 1,000.00
	Total 70300 · Repairs and Maintenance	\$ 1,500.00
Total 70000 · Irrigation System		\$ 7,500.00
Total 80000 · New Sewer Project		\$ -00
Total Expense 2015		\$ 31,920.00
	2015 Annual homeowner assessment (rounded to \$492)	\$ 492.00
	2015 Quarterly assessment payment	\$ 123.00

River Glen Homeowners Association Annual Meeting

December 2nd 2014

Conduct of Meeting

- Please wait to be called upon to speak
- Please do not respond directly to other speakers
- Please be respectful of other opinions
- Please stay on topic

LID Project Progress

- Ed Schemm, Larimer County
- Questions

Berthoud Billing for Sewer Fees

- Treatment fee + monthly fee for service
- Same as residents of Town of Berthoud
- Treatment fee based on winter months water usage (\$6.53 per 1000 gallons)
- Service fee approximately \$31 per month
- Expect a bill in December
- Example: Service fee \$31 + treatment fee for 5k gallons $\$32.65 = \63.65 per month

Election of Directors

- Vote on the number of Directors for 2015 (By-law requirement)
- Candidates:
 - Jamie Johnson, Julie Rogers, Ken Carpenter, Gary Klug, Mark McGee
 - Call for candidates from the floor (By-law requirement)
- Vote for candidates (handout)

Irrigation Committee

- Daryl Musser
- Ken Huson
- Paul Simpson
- Dirk Mewes
- Bill Vaughan
- John Prock
- Jim Young
- Gary Klug
- Dean Ketterling

Architectural Control Committee

- Tye Riley
- Jamie Johnson
- David Steffen
- Tom Whittington

By-laws Q&A and Vote

- Removed “Wastewater Contingency Fund”
 - Replaced with “Reserves”
- Questions?
- Vote (handout)

Break

Budget and Treasurer's Report

- Julie Rogers - Treasurer

Cost Centers

- Organized to allow future changes and track budget vs. actual
 - General Account
 - Collection System
 - Common Area Maintenance
 - Irrigation System
- Removed cost center for Sewer Plant Operations
- Create separate cost center for Common Area Maintenance (was part of General Account)

2014 Budget Review

- Refer to RGHOA 2104 Budget Review handout
 - Income
 - Collection System
 - Sewer Plant
 - General
 - Irrigation System
 - New Sewer Project (LID)

2014 Cash Status

- Checking: \$46,969.05
- CD's: \$35,075.39
- Total: \$82,044.44

(as of 2 DEC 2014)

2015 Budget and Reserves

Reserve Funds Entering 2015	
Irrigation System Reserve	\$8,000.00
Collection System Reserve	\$16,000.00
Common Area Reserve	\$2,000.00
General Expenses Reserve	\$4,000.00
Total	\$30,000.00

Funds - General and Project Related Entering 2015	
Working Capital (approximate)	\$12,000.00
Collection System Project Fund (collected 2014)	\$18,000.00
Total	\$30,000.00
Total Reserves, Project Fund and Working Capital Entering 2015	\$60,000.00

2015 Budget and Reserves

2015 Budget/Assessment Summary	
General	\$10,020.00
Irrigation	\$7,500.00
Collection System (Operator and Pipe Relining)	\$11,400.00
Common Area (Maintenance - mowing etc)	\$3,000.00
Total	\$31,920.00
Total/65 lots	\$491.07
Total/65/per quarter (rounded up to nearest dollar)	\$123.00

RGHOA Assessment Summary		
Year	Annual	Quarterly
2013	\$1,068.00	\$267.00
2014	\$1,120.00	\$280.00
2015	\$492.00	\$123.00

2015 Budget

- Refer to handout RGHOA 2015 Budget
- Collection System
- General Expenses
- Common Area Maintenance
- Irrigation System

2015 RGHOA Projects/Events

- Self help - volunteers needed
- Bury the drain pipe on Riverview Dr
- Clean up/burn Russian olive trees
(removed during lift station construction)
- Rehabilitate planters on Riverglen Dr.
- RGHOA Community Event (suggestions?
bbq or?)
- Neighborhood Garage Sale (volunteers?)

Homeowner Questions

- Regarding the approval of the revised covenants:
 - the cover letter requested that the signature pages be returned by May 31st - why were signatures collected after that date?
 - Neither RGHOA By-Laws nor the covenants allow for solicitation of votes to meet the requirement?

Answers to Homeowner Questions

The Revised and Restated Covenant document (not the cover letter) for which approval pages were sent had an effective date of 15 JUN 2014. The request in the cover letter for a return by May 31st was simply a request. It was not a deadline, sorry if it appeared that way. The intent was to encourage turn around in time to notarize and record the document by the 15th of June. If enough signatures had not been collected by the 15th of June, the effective date of the Revised Covenants, we would have had to start over.

Answers to Homeowner Questions

Paragraph from the old covenants that describes the requirements for changing the covenants:

"Section c. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration shall be recorded, after which time they shall automatically be extended for successive periods of ten (10) years, except that the maintenance provisions as herein provided in Article IV shall run forever unless said maintenance is assumed by an entity acceptable to the Board of Commissioners of Larimer County.

This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners."

Note that per state law, we cannot require more than 67% of owners, nor less than 50%. As we had a higher limit, we were subject to a requirement and upper limit of 67% of owners.

Answers to Homeowner Questions

- **Summary:**

There is nothing in the Covenants that *restricts, limits nor specifies* a method for solicitation and collection of signatures. The solicitation and collection of signatures has been the method for making Covenant changes. For example, the last covenant amendment, for the roofing change in circa 2000, was accomplished by collecting signature pages. If you recall, a number of HOA members walked around to collect signatures to change the roofing covenant. Covenant changes were made by collecting signatures on a document as required by the paragraph noted above. Any HOA member is free to draft a covenant change and collect the necessary signatures.

If you refer to the old covenant paragraph provided above, it simply indicates that a signature document is required to revise the covenants.

The process for revising the covenants was reviewed with the HOA attorney before the process was started and before the revised covenants were recorded.

Q&A with HOA Attorney

- Melissa Garcia of HindmanSanchez

Open Discussion

Common Area

- Suggestions for the best use of the Tract B area near the river

Recognition

Many thanks to Tye Riley and Julie Stapp for many years of volunteer service as board members!

Thanks to the volunteers that worked on the revised covenants and by-laws: Ed Broestl, Bob Towry, Debbie and Marty Dziuk, Laurie Johnson

Thanks to Denise Vigil for organizing and advertising the Neighborhood Garage Sale

Thanks to the volunteers that helped clear trees and cleaned up around Tract B: Scott Canby, Doug Petersen, Steve Fladung, Katie Huxford, Tom Bellett, Randy White, Craig Godfrey, Craig Sheard, Gary Edelmaier, Julia Stapp, Gary Klug, Tye Riley, Jamie Johnson, Mark McGee

BOD Objectives for 2015

- Revised agreement with Riverside Farms
- Collection Pipe Relining
- Policies and Procedures per CCIOA
- Charters for committees