

THE CORRAL AT BRECKENRIDGE HOMEOWNERS ASSOCIATION  
BOARD OF DIRECTORS MEETING  
Wednesday, October 10, 2018 – 4:00 PM MST

**I. CALL TO ORDER, DETERMINATION OF PROXY & OPENING REMARKS**

The Corral at Breckenridge Homeowner Association Board of Directors Meeting was called to order at 4:04 PM by Kirk Hanes.

- a. Proxies and determination of quorum – Kirk Hanes verified quorum was reached for the meeting with 6 of 6 Directors participating.

Board Members in attendance:

Kirk Hanes, President; Michael Yura, Vice President; Bill Lake, Treasurer; Chris Rains, Secretary; CJ Milmoie, Member; Geoffrey Forman, Member

Representing Great Western Lodging were:

Justin DeSola, General Manager; Keith Kroepler, Owner Relations; John Bliszczy, VP of Finance, Steve Wahl, Accountant

- b. Opening statement by Kirk Hanes – Kirk reminded the members that the Board of Directors represents all the homeowners and that it has a fiduciary and ethical duty to them. The Board’s focus has been and shall continue to be long-term value at the Corral. Kirk stated his intent to operate through proper meeting-based discussion as opposed to email decision-making.

**II. FINANCIAL REVIEW**

Bill Lake started by reporting that the meeting had been postponed because he and Kirk were not satisfied with year-end financials as initially provided by Great Western Lodging. He said that he and Kirk, along with Great Western Lodging staff, spent time and energy correcting the financials and the procedures. He stated that he and Kirk were now comfortable with the financial report presented to the board.

- a. August 2018 Monthly Financials

- i. Bill reported that General Maintenance and Repair had a large negative variance for the month due to old invoices being found and reconciled at the end of the year. Errors were also found and resolved, and good accounting processes are now in place.

- b. End of Year Review – Bill spoke to the yearend financials, reporting a \$44k positive variance to budget and opened the floor to questions. Chris Rains noted that everything was as expected, even with a few variances. Bill stated his confidence in future, that he was not expecting same errors that resulted from recent Great Western Lodging staffing transitions. Kirk thanked Justin, John, Keith, and Steve for their efforts, digging, correction, and update of procedure/policy, and expressed his comfort with future handling of accounting for the Association.

**III. OLD BUSINESS**

- a. Lobby Remodel Project

Kirk Hanes reminded the group that it was agreed at annual meeting to spend up to \$150k with a new design concept that would be “more cowboy, less mining.” Anita Pendleton has started a new concept and

Kirk will bring it to the design committee once ready. He sees the spring off-season as the most likely time to begin the project in earnest. Geoffrey Foreman asked why not open it up for bidding to all designers. Kirk responds that the motion carried at the recent Annual Meeting requested a redesign by current designer.

b. Dues increase or assessment for Reserves during 2018/19

Bill Lake stated that the goal of the Association was to fund 80% of the anticipated roof replacement through a roof fund but that ownership preferred a dues increase at the Annual Meeting. To properly fund the project, a 15% increase to reserve contributions per month was required starting this fiscal year. He noted that \$44k was added to the reserves from the budget variance in 2017/1018. Bill prefers for Board Members to make proposals, discuss, and decide on the best course of action. Chris Rains asked for clarification, that this year is decision year and next year will see a change in dues by the preferred mechanism. Bill suggested that Board members write letters to homeowners to lessen any surprise on a dues increase. CJ Milmoie asked for clarification that 15% increase this year is for each following year as well. Geoffrey stated that next year's 15% increase is stable across all years once dues are at the appropriate level. Bill noted that the Association needs 80% of \$450k over the next 8 years. Kirk asked for volunteers to participate in a dues decision committee and to send their interest to Bill Lake and reminded everyone that 15% is not the final number, it is an estimate.

c. Status of Finalized Reserves Report

Kirk Hanes spoke about a reserve spreadsheet built with Justin DeSola to manage costs and reserve income based on the completed reserve study. This spreadsheet model allows for many considerations on reserve income. Bill noted the time spent on the reserve and planning to ensure accuracy in relation to Murray's report.

d. Review Landscape Project Completion Acceptance

Kirk Hanes reported that the summer 2018 landscaping project has received signoffs from Dan Allen and Brian Juchno, current and previous HOA Project Managers with Great Western Lodging. Management staff walked with Thetford representatives to ensure completion from the initial bid. Kirk met with Brian Juchno to discuss the initial proposal, the document was forwarded to Dan, and was used to ensure all aspects were completed.

e. Finalize Homeowner Communication Plan

Chris Rains conveyed the plan to start by simply increasing communication to homeowners with an email after each Board of Directors meeting, noting highlights and providing a link to minutes. A note is ready following the recent Annual Meeting. An email will highlight important topics and point to availability of minutes on gwlhoa.com.

The desire to have a homeowners list was discussed and its legality was considered. Bill asked how rental management companies obtain mailing and emailing information. Geoffrey noted the importance of hiding email addresses for group emails. Also, he spoke to Association and management company appropriate use. It was decided that regular, simple communication following every meeting will start the homeowner communication effort. Bill volunteered to send a letter from a Board member. Great Western Lodging will prepare a draft, to be reviewed by the Board and sent. Kirk volunteers to write letters as well.

f. Adoption of Updated House Rules for 2018

Kirk opened by stating that this topic has been discussed in the past. Trash control was a key item to address in the new house rules. A motion was made in the past to change rules and implement a shorter version of rules for owner reference but its acceptance was not clear. Kirk noted that the change in GWL management resulted in lack of implementation and asked for a new agreement to move forward with implementation. Kirk highlighted the changes to the house rules: \$50 fee for trash, smoking ordinance with verbiage added for other types of smoking and marijuana. Kirk invited a discussion or motion. Geoffrey asked how newer

non-tobacco devices fit into the policy. It was suggested to add wording for these devices. Chris asks what detriment electronic cigarettes have to the property. Chris suggested that Great Western Lodging head up research on these devices.

- Upon motion by Chris Rains and second by Geoffrey Forman, the update to the 2018 House Rules was unanimously approved as presented - and that GWL would research the current state of thinking about e-cigarettes in terms of house rules in the HOA community.

g. Insurance Update

Keith Kroepler spoke to the recent change in insurance carriers, resulting in savings and improved coverage. CJ Milmoie asked if homeowners should change as well as previously suggested. Geoffrey says he is looking into it personally. It was noted that communicating this advice to owners may be appropriate.

h. "North Lot" Update

CJ Milmoie provided an update on the north lot improvements being considered by the town. The town seems to be favorable towards updating the walkways of the lot and adding lighting.

#### **IV. NEW BUSINESS**

a. Tree Removal Consideration

Kirk Hanes pointed to owner satisfaction issues presented to Great Western Lodging, requests from homeowners to trim or remove trees. Justin DeSola spoke to town permitting and planning requirements. Bill Lake found from friends on other Boards of Directors that many HOAs don't allow tree trimming. He also found that Vail and Bachelor's Gulch don't allow tree trimming, nor does Arrowhead (for a variety of reasons). He added that trimming some trees opens up requests from all owners. Dead trees were an exception to the rules to which Bill spoke. Kirk fears that a can of worms will be opened by starting tree trimming. He noted the possibility of two owners with the same trees having contention as to whether trees should be trimmed. Michael Yura added that trimming may be required for safety or use reasons but generally feels the trees should be left as is. Chris Rains suggested that tree trimming is part of an overall landscape management plan and should be actively managed as well. He added that the trees being considered are not pre-existing trees. CJ Milmoie stated his support for homeowner requests to be considered. Kirk asked whether every homeowner should agree to a tree trimming decision and CJ says that all owners should be considered. Kirk asked for clarification as to who all would be included in a decision. Michael added to the concern for homeowners disagreeing. CJ responds that the majority could be considered by the Board. Bill added that he felt that trees should be part of a master landscaping plan.

Kirk proposed that CJ Milmoie spearhead the first effort for affected neighbors to decide on their collective views as a test case. CJ agreed. Michael will review with a landscaper. Geoffrey reminded the group of the town's policy and suggested that the decision-makers are suitably informed.

b. Future Landscape Considerations

Michael Yura acknowledged the recent landscaping spend and shared his opinion that more is needed. He seeks feedback from the Board as to whether he should pursue the idea further. The next step would be to obtain further pricing from various vendors to present. Photos were sent to the Board members. Some stumps need resolved and other smaller items should be considered. He stated that the area between the east building and road may have lost its luster in past years. Bill shared his discontent with the recently completed project. Kirk asked if any are opposed and none stated their opposition.

A motion was made by Bill, seconded by Geoffrey, and unanimously approved for Michael to head up continued landscape improvement efforts.

Michael added that s south building owner approached him to see whether a wall or trees added between the building and Highway 9 would be considered. He spoke to cost and timeline for trees as a solution and asked the Board's thoughts. Geoffrey sees it as part of the master landscape plan and asked if there is a drainage issue to which Bill responded that it had been resolved. Bill said the road doesn't bother him due to the berm, but it may bother 2nd and 3rd floor residents. Bill noted likely cost sensitivity to a wall or trees.

c. Understanding of homeowner/association repair responsibility

i. Homeowner Limited Common Element repair requests

Kirk reminded the Board of an image sent of damage to stucco at a deck and asked Geoffrey for his historical knowledge and approach to be considered moving forward, empowering Great Western Lodging to decide based on precedent. The owner is responsible for general maintenance of limited common elements, he said. If a homeowner caused damage, it is their responsibility. Kirk asked where unit responsibility line had been drawn in the past, to which Geoffrey responded "walls in" and clarifies "studs in". Doors and windows have been a homeowner responsibility. CJ notes that that is stated as part of the Covenants. Kirk thanked Geoffrey for the 'refresher course' for new Board Members and new management.

d. Future Board of Directors Meeting Schedule

Kirk proposed the following schedule for Board of Directors meetings in the next year:

- i. Wednesday, October 10, 2018 @ 4:00 PM MST
- ii. Wednesday, January 16, 2019 @ 4:00 PM MST
- iii. Wednesday, April 17, 2019 @ 4:00 PM MST
- iv. Wednesday, July 17, 2019 @ 4:00 PM MST
- v. Annual Meeting on Saturday, August 10, 2019 @ 9:00 AM MST, Board of Directors meeting to follow

e. Use of Technology to Facilitate Board of Directors Meetings

The topic was tabled.

f. Level of Authority (Board approval for a certain value of expense)

Kirk noted the level of authority already in place between Great Western Lodging and The Corral at Breckenridge, that expenses greater than \$1,000 require approval from the Board.

- Kirk moved that GWL General Manager be authorized to spend up to \$2,500 per project without approval from the Board President or Treasurer. Bill Lake seconded the motion and it carried unanimously.

g. Potential garage repair for 202E

- Kirk moved that the Corral at Breckenridge Association accept responsibility for bringing the opening in the ceiling of garage 202E up to town code due to previous construction defects caused by sprinkler repair. Bill seconded the motion and it was unanimously approved after brief discussion.

CJ asked for clarification on cost and Kirk responded that \$500 for repair was expected plus the cost for any need to insulate sprinkler equipment and approximates \$1,000 or less total expense. Bill noted the fire marshal's acceptance of the conditions.

h. Tolin Mechanical Renewal

- Kirk moved to approve renewing the Tolin Mechanical service contract originally executed August 5, 2014, at a cost of \$29,532 per year, the same as it has been since 2014 for the same service. Geoffrey seconded the motion and it carried unanimously

**V. ADJOURN**

- Kirk moved to adjourn, Michael seconded, and unanimous approval adjourned the meeting at 5:29 PM.



Approved by: \_\_\_\_\_

Chris Rains – Board of Directors Secretary

Date: October 15th, 2018