

**THE SHORES AT THE HIGHLANDS  
ANNUAL HOMEOWNER ASSOCIATION MEETING  
December 20, 2018**

**I. CALL TO ORDER**

Larry Willhite called the meeting to order at 10:05 a.m. in the model unit.

**II. ROLL CALL**

Board member Larry Willhite was present and Arron Simon participated via teleconference.

Owners present were Carla & Kevin Aul, Russell Epstein, Steve & Susi Fay, Jerry & Joyce Gray, Randy Howell, Bill & Barbara Kiser, Dan & Julie McNerney, Emily Nelson, Thomas Patch, David Robertson, Wendy Tancheff and Jim & Pat Vanderhout.

Owners participating via teleconference were Don Ford, Charles Miller, Larry Abston, Kevin McCloskey, Eric Kantor, Jerry Osborne and Brent Johnson.

Gary Nicholds, Jason Blarjeski and Eric Nicholds were present representing Basic Property Management. Erika Krainz of Summit Management Resources was recording secretary.

**III. VERIFICATION OF NOTICE**

With 20 owners represented in person and nine proxies received, a quorum was confirmed.

**IV. APPROVAL OF 2017 ANNUAL MEETING MINUTES**

**Motion:** Randy Howell motioned to approve the December 20, 2017 Annual Meeting minutes as presented. Thomas Patch seconded and the motion carried.

**V. YTD FINANCIAL REPORT**

*A. Review of 2018 Year-to-Date Financials*

Gary Nicholds reviewed the Balance Sheet as of September 30, 2018:

1. Operating Cash - \$63,488
2. Reserve Cash - \$31,775
3. Total Cash - \$95,262

Gary Nicholds reviewed the Profit & Loss through September 30, 2018:

1. Net Ordinary Income (Loss) – \$32,986.
2. Net Other Income (Reserve) - \$12,222.
3. Net Income - \$45,208 for Operating and Reserve combined.

Larry Willhite commented that the berm will be weeded and the trees will be irrigated but other landscaping expenses have been cut back. A new landscaper has been hired for the entrance area.

**Motion:** Randy Howell motioned to accept the financial report. Jerry Gray seconded and the motion carried.

*B. Ratify 2019 Budget*

Larry Willhite briefly reviewed the 2019 Budget. The developer representatives will step down from the Board effective January 1, 2019. There are nine homes remaining to sell and three left to start that should close in 2020.

There was general discussion about the expense for snow shoveling. Most of the owners present agreed it was an important service. The contractor should be clearing a few feet in front of the garage, the sidewalks and around the front doors. Gary Nicholds will follow up with the contractor to ensure they are providing service per the contract.

There was general discussion about snowplow damage to the landscaping and irrigation. Gary Nicholds recommended owners put in stakes to mark the edges. Several owners felt the equipment used by the snow removal contractor was too large. Larry Willhite pointed out that using smaller equipment would take longer and cost more but he will talk to the contractor about the damage issue and the concerns about the large equipment. Gary Nicholds noted that once the development is completed, there will not be any snow storage areas so it will be necessary to haul snow away if there are large accumulations. This expense will need to be accounted for in the budget.

**Action Item:** Gary Nicholds will solicit snow removal bids for next year that specify different types of equipment.

Dan and Julie McNerney, whose property abuts the central public river access, have a bid of \$10,000 to improve the walkway to the river and add a sign. Larry Willhite suggested that the Association pay half of the cost and recommended adding this expense to the landscaping budget. There was general agreement that the path should be improved to provide river access.

An owner asked about the mowing service. Larry Willhite said most of the homes have native mountain grass but some owners have grass that needs more irrigation and additional mowing. Neils Lunceford is contracted by the Association to mow four times each summer. Irrigated lawns will require more frequent mowing.

The Board will approve the 2019 Budget in their meeting following the Annual Meeting. The budget will be sent to the owners for review with an established deadline for comments. If the budget is not rejected by the majority of owners, it will be deemed ratified.

**VI. BASIC PROPERTY MANAGEMENT REPORT**

Eric Nicholds reminded owners to keep the dumpster closed and secured during bear season. Construction debris should not be put in the dumpster. He asked owners to watch for icicle formation on their eaves. Gary Nicholds said the Association might want to consider bringing in a second dumpster or increasing the number of pickups during the holiday season. Owners were asked to notify management if there is trash left outside the dumpster.

Larry Willhite said owners who rent will need to comply with the new Town short term rental regulations. Gary Nicholds will distribute a copy of the Town brochure that explains the new regulations.

## **VII. BOARD REPORTS**

Arron Simon did not have a report.

## **VIII. OLD BUSINESS**

### *A. Status Report from Developer*

Arron Simon reported that there 11 starts in 2018, the highest number to date. There are nine properties left to sell and three more to start. Larry Willhite commented that the working relationship with Meriwether has been very positive.

### *B. Dumpster Enclosure*

The building permit has been issued for an enclosed trash and recycling building and it will be built in the spring.

## **IX. NEW BUSINESS**

### *A. Discussion of Red Quill Lane*

There was discussion about the ownership and responsibility for Red Quill Lane and potential damage from the construction equipment. Arron Simon said construction of the last three homes should be underway by late next summer. The transfer of the land to the owners, including Red Quill Lane, will not occur until completion of the development in 2020. An assessment can be done of the road at the end of next summer to determine what road repairs, if any, are needed before transfer. Gary Nicholds commented that the roads should be crack sealed annually and sealcoated every three years to rejuvenate the asphalt.

### *B. Repairs Prior to the Owner Taking Responsibility*

This agenda item was discussed under Section IX.A.

### *C. Mail Boxes*

Eric Cantor asked if there was an option for home delivery of mail. Gary Nicholds said another Association across the street tried to establish delivery but was denied by the post office. An owner said she was told that post office would deliver to a stand of boxes.

**Action Item:** The Board will explore options for mail delivery.

### *D. Welk Resort*

An owner suggested establishing a liaison to communicate with Welk Resorts. There are eight very bright lights hanging on the east side of the barn.

**Action Item:** The Board will ask Welk to replace the bulbs with lower wattage bulbs.

**X. ELECTION OF OFFICERS**

The membership recognized Larry Willhite for his many years of service to the Association.

Six owners indicated they would be willing to serve on the Board to fill the three seats, two of which are currently held by the developer. Larry Willhite indicated he would be willing to run again and serve one more year to provide a period of transition. An Amendment to the Bylaws has been sent out to stagger the Board terms.

The candidates were Todd Nelson, Larry Willhite, Steve Fay, David Robertson, Larry Abston and Wendy Tancheff. The candidates present introduced themselves and provided biographical information.

Secret ballots were tallied, with Larry Willhite, Larry Abston and Wendy Tancheff elected to the Board.

**XI. SET NEXT MEETING DATE**

The next Annual Meeting was set for Thursday, December 19, 2019 at 10:00 a.m.

**XII. ADJOURNMENT**

**Motion:** A motion was made to adjourn at 11:58 a.m.

Approved By: \_\_\_\_\_  
Board Member Signature

Date: \_\_\_\_\_

**THE SHORES AT THE HIGHLANDS  
BOARD OF DIRECTORS MEETING  
December 20, 2018**

**I. CALL TO ORDER**

Larry Willhite called the meeting to order at 11:59 a.m. in the model unit.

**II. ROLL CALL**

Board members Larry Willhite and Wendy Tancheff were present and Larry Abston participated via teleconference.

**III. 2019 BUDGET**

**Motion:** Wendy Tancheff motioned to approve the 2019 Budget with the addition of \$5,000 for landscaping the path for river access. Larry Abston seconded and the motion carried.

The budget will be sent to all owners for review with at least ten days notice for the ratification meeting. Owners will be asked to submit any comments by January 18, 2019 and if the budget is not rejected by the majority, it will be deemed ratified.

**IV. GENERAL DISCUSSION**

*A. Short Term Rentals*

Owners who short term rent will be asked to provide contact information for their management company.

**Action Item:** Gary Nicholds will draft a letter to the owners.

*B. Proof of Insurance*

Owners were asked in the past to provide proof of insurance per the requirement in the Bylaws.

**Action Item:** Gary Nicholds will send an email to all owners at the beginning of each year requesting a copy of their insurance policy.

*C. Mailboxes*

**Action Item:** Wendy Tancheff will get the new Postmaster's contact information and ask Emily Nelson to follow up with her about the mailboxes if she has a strong interest.

*D. Welk Building Lighting*

**Action Item:** Larry Willhite will follow up with a Welk representative to request lower wattage bulbs for the lights on the Welk building.

*E. Governing Documents Amendments*

Gary Nicholds said he sent the Declarations, Bylaws, Rules and Regulations and Articles of Incorporation to the attorney. The nine required good governance policies were embedded in the Bylaws but should be extracted and put in a separate document. The attorney has red-lined the Bylaws and Declarations. The Board can approve the Bylaws revisions but the Declarations will require approval by 67% of the membership. Gary will forward the email from the attorney to the Board.

**V. ELECTION OF OFFICERS**

Terms were assigned as follows: Larry Willhite – one year (expires in 2019), Larry Abston – three years (expires in 2021) and Wendy Tancheff – two years (expires in 2020).

Officers were elected as follows:

Larry Willhite – President  
Wendy Tancheff – Vice President  
Larry Abston – Secretary/Treasurer.

**Action Item:** Larry Abston will work with Patti Vande Zande on investment of the Reserves.

**VI. ADJOURNMENT**

**Motion:** Larry Willhite motioned to adjourn the meeting at 12:39 p.m. Wendy Tancheff seconded and the motion carried.

Approved By: \_\_\_\_\_  
Board Member Signature

Date: \_\_\_\_\_