

**THE SHORES AT THE HIGHLANDS  
BOARD OF DIRECTORS MEETING  
January 20, 2023**

**I. CALL TO ORDER**

Larry Abston called the 2023 administrative and organizational meeting of the HOA Board to order at 10:00 a.m. MST via Zoom videoconferencing. Tom Patch recorded the minutes of this meeting.

**II. ROLL CALL**

Board members Larry Abston, Mike Bauer and Tom Patch were present. Representing Basic Property Management was Eric Nicholds.

**III. APPROVE PREVIOUS MEETING MINUTES**

The minutes of the 2022 administrative and organizational meeting of the HOA Board held on January 7, 2022 were previously unanimously approved by Derek Guemmer and Mike Bauer.

**IV. ELECTION OF OFFICERS**

Larry Abston motioned to approve the Officers as follows:

Larry Abston – President and Treasurer (Board term expires 2024)

Mike Bauer – Vice President (Board term expires 2023)

Tom Patch – Secretary (Board term expires 2025)

Mike Bauer seconded and the motion carried.

**V. 2023 BUDGET AND FINANCIAL MATTERS**

Prior to inclusion in the materials distributed to the Owners in advance of the HOA Annual Meeting held on December 28, 2022, the Board reviewed and reached consensus on the 2023 Budget on November 16, 2022. This included reaching contractual agreement with service providers for their services going into 2023 as well as assessing the adequacy of the HOA's insurance coverage and an estimate of the expected insurance premiums.

After the Board's approval of the 2023 Budget on November 16, 2022, the insurance agent (1) recommended a change to our primary liability coverage from \$2 million per occurrence and \$4 million aggregate to \$1 million per occurrence and \$2 million aggregate due to the supporting umbrella coverage and (2) provided definitive costs for the separate policies. The Board agreed with this change in coverage that will reduce the primary coverage cost offsetting the increased cost of the umbrella coverage. Given the immaterial change to the total cost of insurance coverage, no change was considered warranted to the 2023 Budget that was included in the Annual Meeting materials and was ratified by the Owners at the Annual Meeting on December 28, 2022.

Referred to the minutes of the December 28, 2022 HOA Annual Meeting for discussion of the 2022 financial results and 2023 Budget considerations, including that there were no significant changes to operating services or activities anticipated in 2023. It was also highlighted that monthly dues in 2023 were not changing despite increasing service costs.

Further discussion was held regarding future accumulation of Reserve funds and the purpose of such cash and investments, including the routine maintenance of Red Quill Lane, the Trash and Recycling Building, and other Common Area assets. While adequate funds are currently expected from the annual monthly dues to fund the Reserve needs, ongoing inflationary service cost increases could result in a change in future monthly dues (dues have been the same for at least the past seven years). The Board will annually reassess the level of monthly dues to cover the ongoing operating costs. As required to be periodically performed (say every five years barring a significant change in the assets or their condition) under the Reserve policy, the Board will conduct a documented Reserve Study that assesses the expected future costs, timing of expenditures, and pace of accumulation of funds needed to cover the cost of maintenance and replacement of the HOA's Common Assets.

Specific to cash and investment balances, Larry Abston referred to the Board's prior email approval to renew the \$100,000 CD that matured on January 13, 2023 along with \$50,000 of surplus operating cash into a CD earning 3.75% annually over 23 months. At that same time, the Board agreed to invest \$20,000 of surplus cash in a CD earning 3.75% over 13 months. Larry recommended that a CD for \$30,000 maturing in mid-July 2023, along with any surplus operating cash, be reinvested. Larry highlighted the increased CD yields compared to the much lower rates at this time last year, primarily due to the increased interest rates imposed by the Federal Reserve to counter inflation.

#### **V. OPEN DISCUSSION AND ACTION ITEMS**

Discussion was held on a variety of topics, including comments from the recently completed HOA Annual Meeting, new matters, and other Owner correspondence.

The Board discussed and approved the issuance of an email to Owners addressing the legally required notice issued by the TOB regarding noncompliance with the quantity of testing of specific backflow devices. Based on discussion with TOB Water Department representative, there is no action needed by Owners in The Shores or the HOA.

Action items identified specific to the upcoming year included:

1. Administratively update the HOA's existing Rules and Regulations to incorporate the HOA's current services, Common Area assets, and any issued clarity or specifics for rules. Larry Abston to draft, with legal counsel involvement, amended and updated Rules and Regulations for Board approval.
2. Create HOA specific email accounts for Board member and owner correspondence with HOA Board members. BPM will be a recipient and will serve as a repository to retain such email correspondence on behalf of the HOA. Larry Abston and BPM to create unique email accounts by Board position.



3. Conduct and document a formal Reserve Study considering the estimated future costs (including inflation) and timing of expenditures to repair and/or replace HOA Common Area assets, including Red Quill Lane and the Trash and Recycling Building, river trail and other assets, as well as the forward-looking Reserve fund additions from the annual budgetary cycle.
4. Expand the use of VMS electronic platform implemented by BPM to include password protected storage of the Owners Directory, minutes of HOA meetings, and other HOA specific information, beyond Owner payment account history.
5. Continue to coordinate with Kerry at BPM to maintain an accurate Owners Directory for use by Owners and BPM for mailing and contact purposes. Post and update as needed the Owners Directory on the BPM's VMS electronic platform.
6. Consider expanding the frequency of trash and recycling pickups during holidays and peak periods of community occupancy to avoid overflowing containers. Board to monitor and request additional pickups via BPM as needed.
7. BPM to request the leaks in the trash dumpster be repaired and then clean and power wash the floor of the Trash and Recycling Building.
8. Create graphic poster for the inside to the Trash and Recycling Building depicting the protocols (do's and don't's) of properly using the recycling bins and trash dumpster as well as breaking down and stacking cardboard boxes.
9. Create guidelines for the proper use of the Trash and Recycling Building for inclusion in Owner agreements with renters and a graphical flyer for posting in an Owner's unit.
10. BPM to obtain garage access permission and the garage codes from the Owners of our 56 units for irrigation system activation and deactivation. BPM to timely communicate to Neils Lunceford the garage codes for each unit. BPM will timely notify Larry Abston regarding any nonresponsive Owner.
11. Monitor light emission consistent with our HOA Rules and Regulations and any clarifying notices to Owners from the Board to minimize nuisance situations for excessively bright lights in order to maintain a dark sky environment.
12. Identify the source of the light from the Ranahan shining over the river wetlands creating a lighting nuisance that is noncompliant with a dark sky environment. Larry Abston to request the General Manager at the Ranahan remedy the undirected light source or otherwise contact the TOB for investigation.
13. In the spring, assess drain covers in the neighborhood and replace as needed.
14. Request BPM no longer send paper payment coupons to Owners that have enrolled in automatic payments for their monthly dues.
15. If conditions warrant (consistent with last summer's wet conditions), contact Neils Lunceford to request additional mowings to achieve a well maintained and consistent landscaping appearance in the neighborhood.
16. Larry Abston to request TOB Streets (Scott Jackman) inspect and fill cracks in the asphalt pavement of Shores Lane.
17. Larry Abston to explore with TOB Streets and Engineering what improvements and modifications (and related costs) would be needed in order for the TOB to take over maintenance responsibility (pavement and plowing) for Red Quill Lane, including movement and /or covering of existing drainage ditches without encroaching on an Owner's property line.

**VII. ADJOURNMENT**

**Motion:** Larry Abston moved to adjourn the meeting at 12:15 p.m.

Approved By:   
Board Member Signature  
Larry Abston, President

Date: March 1, 2023