

THE SHORES AT THE HIGHLANDS BOARD OF DIRECTORS MEETING

January 7, 2022

1. CALL TO ORDER

Larry Abston called the 2022 administrative and organizational meeting of the HOA Board to order at 3:40 p.m. via Zoom video conferencing. Derek Guemmer recorded the minutes of this meeting.

11. ROLL CALL

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

111. APPROVE PREVIOUS MEETING MINUTES

The minutes of the 2021 administrative and organizational meeting of the HOA Board held on January 8, 2021 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) Derek

Guemmer — Secretary (Board term expires 2022)

Mike Bauer seconded, and the motion carried.

v. 2022 BUDGET AND FINANCIAL MATTERS

Prior to inclusion in the materials distributed in advance of the HOA Annual Meeting held on December 29, 2021, the Board had reviewed and reached consensus on the 2022 Budget. This included reaching contractual agreement with service providers for their services going into 2022 as well as assessing the adequacy of the HOA's insurance coverages (no change in limits or coverages in general policy or umbrella policy recommended by insurance agent for 2022) and confirming the 2022 insurance premium amounts. The owners ratified the 2022 at the HOA Annual Meeting held on December 29, 2021 and no further adjustments are warranted.

Refer to in the minutes of the December 29, 2021 HOA Annual Meeting for discussion of the 2021 financial results and 2022 Budget considerations, including that there were no significant changes to operating services or activities anticipated in 2022. It was also highlighted that monthly dues in 2022 were not changing despite increasing service costs.

Further discussion was held regarding future accumulation of cash 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,

there is increasing inflationary service cost that may eventually impact the monthly dues. The Board will annually reassess the level of monthly dues to cover the ongoing operating and periodically assess longer-term Reserve needs through the performance of a formal Reserve Study.

Specific to cash and investment balances, Larry Abston recommended that the HOA increase its investments in CD's by adding \$35,000 of excess operating account cash to the existing CD investment of approximately \$95,000.

Motion: On or around January 13, 2022 (corresponding with maturity date of the existing CD term), Larry motioned for the Board to approve investing a total of approximately \$130,000 in CDs under the following terms: \$100,000 for a one-year term and \$30,000 for a six-month term. Derek Guemmer seconded the motion and the motion carried.

Given no change in the Board membership for 2022, no changes to bank or investment authorities of Board members are warranted.

v. OPEN DISCUSSION AND ACTION ITEMS

Discussion was held on a variety of topics, including comments from the recently completed HOA Annual Meeting.

Action items identified specific to the upcoming year included:

1. Administratively update the HOAs' existing Rules and Regulations (Larry Abston to engage legal counsel to prepare for full Board approval). At this time and given the Board's authority to serve in this capacity, there was consensus that a separate Design Review Committee and related HOA guidance document are not needed.
2. Create HOA specific email accounts for Board members 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 BPN'I 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, 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. Explore with BPM additional uses of the electronic platform they implemented, beyond the current owner financial account information to also include password protected storage of the Owners Directory and other HOA information.
5. Coordinate with Kerry at BPM and engage Pam Karpen (owner volunteer) to maintain our Owners Directory and ensure accuracy of such data for respective purposes by the owners and BPM for mailing and contact purposes. Desire is to store the Owners Directory on BPM's password protected electronic platform.

6. BPM to clean and power wash the floor of the Trash and Recycling Building in the spring.

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7. BPM to comprehensively collect and timely communicate to Neils Lunceford the garage codes for each of our 56 units for irrigation system spring activation and fall deactivation.
8. Create graphic poster for the inside to the Trash and Recycling Building depicting the protocols (do's and don'ts) of properly using the recycling bins and trash dumpster as well as breaking down and stacking cardboard boxes.
9. Create guidelines regarding 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. Continue to monitor light emission consistent with our HOA Rules and Regulations to minimize nuisance situations for unnecessarily bright lights to maintain a dark sky environment.

VII. ADJOURNMENT

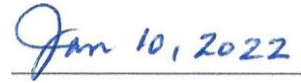
Motion: Lany Abston moved to adjourn the meeting at 4: 10 p.m.

Approved


Board Member Signature

Larry Abston, President

By: _____
e ber Signature

Date: 

THE SHORES AT THE HIGHLANDS
MINUTES OF DIRECTORS MEETING

November 16, 2022

The undersigned, being all of the directors of THE SHORES AT THE HIGHLANDS ASSOCIATION, INC., a Colorado nonprofit corporation (the "Corporation"), hereby agree that the following constitute the minutes of the Board meeting held on November 16, 2022:

1. The Board discussed the 2022 year-to-date financial results and the proposed 2023 Budget based on no change in services or monthly dues despite an increase in vendor costs due to inflation and labor challenges. The Board discussed considering other landscaping vendors in the next contract cycle due to significant cost increases. Larry highlighted the pending service contracts, which are expected to be finalized prior to mailing the 2023 Budget as part of the Annual Meeting package. Subject to resolution of certain outstanding contracts and other minor adjustments, the Board approved the attached 2023 Budget.
2. Larry reported on the maturity date and amount of the current two CDs, the projected cash needs through mid-2023, and the increase in available CD interest rate yields. The Board approved the renewal of maturing CD's, including investing a portion of the recently accumulated cash balance.
3. The Board discussed the content of the 2022 December Newsletter to be included in the Annual Meeting package, highlighting the external lighting policy adopted in late September 2022 and new river trail improvements.
4. Due to the expiration of Derek Guemmer's three-year term, the Board discussed the need to fill an open Board position at the Annual Meeting.
5. The Board discussed other topics, including the leaking trash dumpster and the trash building's non-working exterior motion sensor light. The Board also discussed outstanding actions to update the HOA's Rules and Regulations and document a Reserve Study.
6. Finally, the Board reviewed the Annual Meeting package to be distributed to Owners by early December prior to the meeting on December 28, 2022.

DIRECTORS:

Larry Abston

Mike Bauer

Derek Guemmer

**THE SHORES AT THE HIGHLANDS
ANNUAL HOMEOWNER ASSOCIATION MEETING
December 28, 2022**

I. CALL TO ORDER

President Larry Abston called the Zoom videoconference meeting to order at 3:03 p.m.

II. ROLL CALL & PROXIES

Board members participating: Larry Abston, Derek Guemmer and Mike Bauer

Owners participating were:

| | |
|----------------------------|--------------------------------|
| Kevin Aul | Michael Batts |
| Kristin Callan | Debbie & Wesley Campbell |
| Richard & Cristina Capoot | Jerry & Joyce Gray |
| Walter Heimer | Stephanie & Mark Heinze |
| Randall Howell | Paul Hubbell |
| Ingrid Kasaks | Charles & Michelle King |
| Dana & Joanne LePere | Harry Lerner |
| Kevin & Jennifer McCloskey | Charles Miller |
| Emily Nelson | Thomas Patch |
| David Phillips | Andy Sredojevic |
| Wendy Tancheff | Jim & Pat Vanderhout |
| Kelly & Tamara White | Larry Willhite & Elaine Gelvin |
| Geoffrey & Tamara Youell | |

Gary Nicholds and Eric Nicholds participated representing Basic Property Management (BPM). Erika Krainz of Summit Management Resources transcribed the minutes from recording.

The owners represented in person and 10 proxies received achieved a quorum of over 20%.

III. VERIFICATION OF NOTICE

Larry Abston verified that notice of the meeting was sent at least 30 days prior to the meeting.

IV. APPROVAL OF 2021 ANNUAL MEETING MINUTES

Motion: Tom Patch moved to approve the December 29, 2021 Annual Meeting minutes as presented. The motion was seconded and carried.

V. YEAR-TO-DATE FINANCIAL REPORT

A. Review of 2022 Financials

Larry Abston referred to the Balance Sheet as of November 30, 2022 included in the meeting materials and reported that the HOA is in strong financial position with about \$200,000 of cash and short-term investments, including multiple CDs aggregating \$130,000 at the time of the meeting. He indicated that one CD for \$100,000 renews in mid-January and at that time additional surplus cash would be invested in CDs at higher interest rate yields compared to those available this time last year.

Larry explained the purpose of building Reserve funds and reminded the Owners of the assets that the HOA owns and maintains, including Red Quill Lane (private road since it does not meet Town of Breckenridge (TOB) street standards), the Trash and Recycling Building, and other common areas. Larry indicated that the Board expects to document a Reserve Study in 2023 to assess the adequacy of the monthly accrual of Reserve funds (10% of monthly dues) and surplus cash and investments to cover future maintenance or replacement of HOA assets.

Larry then reported on the YTD financial results through November 30, 2022, highlighting the major variances against the 2022 Budget, including the two extra summer mows and the unique expenditure for river trail improvements. Larry expects the financial results for the full year ending December 31, 2022 to reflect cash inflows (dues) in excess of expenditures.

B. Ratify 2023 Budget

Larry reported that the 2023 Budget included in the meeting materials was previously approved by the Board and is presented for ratification by the Owners. He noted that the services and nature of expenditures in the 2023 Budget are consistent with prior years, with no dues increase despite inflationary cost increases for some services and utilities. Summer services include landscaping, trimming, mowing, and tree fertilization. Snow plowing of driveways and shoveling from the driveway to the front door are provided in the winter. Trash and recycling pickups are performed weekly. Larry indicated that the 2023 Budget includes sufficient contingency and an amount to complete the river trail improvement project.

Prior to ratifying the 2023 Budget, Owner questions and comments addressed the following:

1. Changes Required to Red Quill Lane for TOB Takeover – Based on conversations years ago, Larry Willhite said the TOB would require significant street widening and relocation of existing drainage. Larry Abston will meet with TOB Streets and Engineering to explore the scope of work and estimated cost necessary for the TOB to maintenance of Red Quill Lane. Discussion was held about this proposed effort not infringing on an Owners existing property line adjacent to the street easement.
2. Mowing Frequency – Owners positively commented on the two extra summer mows, which the Board authorized for the neighborhood to have a well maintained and uniform appearance in light of the wet summer season. While the 2023 Budget is based on a single monthly mowing, the Board will not hesitate to ask the landscaping company to perform additional mows as conditions warrant.
3. Sidewalk Snow Shoveling – An Owner commented on inconsistent performance.
4. Trash and Recycling Pickup – Discussion was held about the overflowing trash dumpster and recycling bins, particularly during holidays and peak occupancy in The Shores. Larry Abston stated the year around weekly pickup schedule was three times for trash, two times for unbagged plastic, aluminum, and paper recycling (blue bins and stacked cardboard), and one time for glass recycling (brown bin). He encouraged Owners and guests to take the time to properly sort allowed recycling items from household trash. Additional trash and recycling pickups will be requested to avoid overflow conditions in peak periods.
5. Dogs – There was a request to remind Owners and guests to keep dogs on leash.

Motion: Larry Willhite moved to ratify the 2023 Budget. Randall Howell seconded and the motion carried.

VI. BASIC PROPERTY MANAGEMENT REPORT

No additional items to report.

VII. BOARD REPORTS

Larry Abston referred to the December 2022 Newsletter included in the meeting materials and highlighted the following:

1. In early November a defined trail with a weed liner and crushed stone was built along the northern portion of the river on Common Area property, the central access trail was improved with a liner, crushed stone and boulders, and the middle section of the river trail was enhanced with a liner and crushed stone. In spring 2023, the southern portion of the river trail and the southern river access trail next to the Ranahan fence will be improved.
2. In June 2022, the Trash and Recycling Building was re-stained and painted, landscaping improvements installed, and new irrigation added.
3. A damaged drain cover in a yard has been identified. In spring 2023, all drain covers in the neighborhood will be inspected and replaced as needed.
4. In September 2022, the Board issued specifics related to exterior lighting (including holiday lights) to maintain a dark-sky environment and reduce the likelihood of being a nuisance to a neighbor. The exterior lighting policy requires lights to be downward focused, prohibits excessively bright lights, limits the dates and hours of operation for holiday lights, and prohibits eave and undirected balcony lights.
5. The Colorado legislature enacted laws in August 2022 that resulted in the HOA updating, with the use of legal counsel, its policies related to Collections, Covenant Enforcement, and Conduct of Meetings. These Board-approved revised policies are posted on the HOA website.
6. In addition to the updates of the Declaration, Bylaws and governing Policies in recent years, legal counsel will be used in 2023 to assist in updating the HOA's original Rules and Regulations to incorporate the HOA's current services, Common Area assets, and rule specifics, including the clarifying exterior lighting rules.
7. BPM began using the VMS electronic platform in late 2021 which allows Owners to use a login and password to securely access their HOA account containing their dues payment history. The content in this platform has been expanded to include all HOA documents (including governing documents and minutes to Board and Annual Meetings) and the Owner Directory. Owners needing VMS account set up assistance or Owner Directory revisions should contact Kerry Hartnett at BPM.
8. Owners are encouraged to sign up for automatic dues payments to reduce administrative effort.
9. Owners should paint or re-stain their units in like colors about every five years and perform periodic maintenance, including reseal the full length of the driveway used to access their unit.
10. Owners should carry \$1 million of liability insurance.
11. The river and related access trails are located on Common Area property and are available for use by Owners and their guests.
12. Owners need to annually provide Kerry Harnett at BPM with (1) approval to access their garage and (2) their garage code to activate and deactivate of their irrigation system.
13. Short Term Rental complaints should be directed to the Summit County Complaint Hotline or contact BPM who will contact the responsible Owner during normal business hours.
14. Owners considering future major landscaping or hardscaping projects should contact their contractor early for project design and scheduling given the short construction season.
15. All exterior modifications must be pre-approved by the Board, including but not limited to landscaping, solar panels, hardscaping, patio expansions or modifications, painting, swallow mitigation, sheds, hot tubs, and driveway repairs.

VIII. OLD BUSINESS

There was no Old Business.

IX. NEW BUSINESS

Owner comments addressed the following:

1. Walter Heimer suggested as a cost saving measure that paper dues payment coupons and envelopes not be sent to Owners that are signed up for automatic payments.
2. Harry Lerner commented that a light from the Ranahan that illuminates the river wetlands is not dark-sky compliant. The TOB inspected the property but did not observe the lighting issue.

X. ELECTION OF DIRECTOR

The three-year term of Derek Guemmer expired at this meeting and he declined to run for re-election. He was thanked for his valuable service on the Board, particular related to the updating of the HOA's governing documents during his term.

Prior to this meeting, director nominations were submitted by Owners for Tom Patch and Larry Willhite. At the meeting, Larry Willhite declined his nomination.

Motion: Larry Willhite moved to elect Tom Patch to the Board by acclamation. Randall Howell seconded and the motion carried.

XI. NEXT ANNUAL MEETING DATE

The next Annual Meeting was scheduled for Wednesday, December 27, 2023 at 3:00 p.m.

XII. ADJOURNMENT

Motion: Larry Abston moved to adjourn at 3:55 p.m.

Approved By: _____

Board Member Signature
Larry Abston, President

Date: _____