

**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

**THE SHORES AT THE HIGHLANDS**  
**MINUTES OF DIRECTORS MEETING**

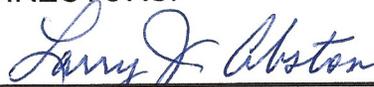
November 30, 2023

The undersigned, being all 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 30, 2023:

1. The Board reviewed and discussed the 2023 year-to-date financial results and the proposed 2024 Budget based on similar services, including bi-weekly mows, with increased vendor costs due to inflation and labor challenges. Larry highlighted that all service contracts for 2024 have been signed except for the annual umbrella insurance coverage which is expected from the insurance agent in mid-December. The Board approved the 2024 Budget reflecting the planned common area services and non-recurring expenditures as well as unspecified contingency. The Board also approved the 2024 Budget and the HOA's balance sheet as of November 30, 2023 be included in the upcoming Annual Meeting materials. The Owners will be asked to ratify the 2024 Budget at the Annual Meeting.
2. As advised by the HOA's accountant for HOA non-profit accounting, the Board agreed to reclass approximately \$100,000 (or more as advised by the accountant), from Retained Earnings (representing the operating surplus accumulated from prior years) to the Reserve equity account (representing the expected future obligations to replace or maintain common area assets, particularly the road surface and bed of Red Quill Lane, consistent with the HOA's preliminary Reserve Study). The Owners will be asked to ratify this reclass at the Annual Meeting.
3. Larry reported on the maturity dates and amounts of the three CDs held by the HOA. The next CD maturity will be in February 2024 at which time it will be renewed, along with additional available funds based on the projected near-term cash needs. The CDs renewing in 2024 are expected to be at higher rates given the market's recent increase in interest rates.
4. The Board discussed the content of the December 2023 Newsletter to be included in the Annual Meeting materials, highlighting specifics from the external lighting policy and describing the recent river trail improvements.
5. Due to the expiration of Mike Bauer's three-year Board term, the Board discussed the need to fill an open Director position at the Annual Meeting. Mike agreed to stand for re-election for another term.
6. The Board discussed other topics, including the leaking trash dumpster, ways to improve proper recycling, and adding private property signage on the river trail. The contract with Timberline expires in March and we should discuss our service expectations with Timberline for renewal or consider bids from other trash and recycling pickup service providers.

7. The Board discussed the status of outstanding governance actions, including the need to finalize the update of the HOA's Rules and Regulations and prepare and document a formal Reserve Study.
8. Finally, the Board reviewed the contents of the Annual Meeting package to be distributed to Owners on or around December 5<sup>th</sup> via USPS and email. Larry indicated that the Notice of the Annual Meeting had previously been timely communicated to Owners.

DIRECTORS:

  
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Larry Abston

  
\_\_\_\_\_  
Mike Bauer

  
\_\_\_\_\_  
Thomas Patch

**THE SHORES AT THE HIGHLANDS**  
**ANNUAL HOMEOWNER ASSOCIATION MEETING**  
**December 27, 2023**

**I. CALL TO ORDER**

The meeting was called to order at 3:00 p.m. via videoconference.

**II. ROLL CALL & PROXIES**

Board members participating were:

Larry Abston, President, 275 Shores

Mike Bauer, 235 Shores

Thomas Patch, 175 Shores

Owners participating were:

Michael & Kristen Callan, 99 Red Quill

Steve Fay, 239 Shores

Derek Guemmer, 359 Shores

Randall Howell, 163 Shores

Ingrid Kasaks, 26 Red Quill

Harry Lerner, 193 Shores

Lyle Maul, 246 Shores

Charles Miller, 59 Red Quill

Wendy Tancheff, 74 Shores

Tamara White, 68 Red Quill

Wes Campbell, 313 Shores

George Ferren, 77 Red Quill

Walter Heimer, 178 Shores

Andrew Karpen, 138 Red Quill

Michelle King, 22 Red Quill

Dana LePere, 344 Shores

Dan McNerney, 211 Shores

Andre Sredojevic, 200 Shores

Bryan Teets, 312 Shores

Gary Nicholds and Eric Nicholds participated representing Basic Property Management (BPM). Erika Krainz of Summit Management Resources was recording secretary.

With owners represented in person and 11 proxies received achieved a quorum of over 50%.

**III. VERIFICATION OF NOTICE**

Eric Nicholds verified that notice of the meeting was sent at least 30 days prior to the meeting.

**IV. APPROVAL OF 2022 ANNUAL MEETING MINUTES**

**Motion:** Thomas Patch moved to approve the December 28, 2022 Annual Meeting minutes as presented. Lyle Maul seconded and the motion carried.

**V. YEAR-TO-DATE FINANCIAL REPORT**

Larry Abston referred to the Balance Sheet as of November 30, 2023, and the 2023 YTD financial results and Board approved 2024 Budget included in the Annual Meeting materials. He reported that the HOA is in strong financial position and that no increase in dues was warranted despite inflationary increases for labor and material costs. Larry commented that agreements are in place for the HOA services, including multi-year contracts for certain services to help control costs. Larry referred to the December 2023 Newsletter for a description of the services provided by the HOA reflected in the 2023 financial results and 2024 Budget. He indicated that there was no change in the services being provided by the HOA, except for making an early commitment for bi-weekly mows that had been subsequently approved and performed during each of the past two summers to maintain a consistent well-maintained appearance in the neighborhood.

Larry highlighted the 2023 improvements to the HOA Common Area assets, including completion in the Spring of the defined trail along the northern portion of the river, further trail enhancements in the Fall, and adding stone steps up the berm behind the Trash and Recycling Building to allow access north across the top of the berm to the bike path turnout and bus stop. He described certain projects planned in 2024, including removal of the tree stakes for established aspens throughout the neighborhood, painting the front of the south facing garage door and trim of the Trash and Recycling Building, and adding additional crushed stone to maintain the river trail.

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 Area assets. Larry indicated that the Board expects to formally conduct and document a Reserve Study to assess the adequacy of the build of Reserve funds and invested cash to cover the future needs of maintaining or replacing the HOA's assets. Larry also explained the need for HOA nonprofit purposes to transfer the surplus operating funds in Retained Earnings as of December 31, 2023 to the Reserve account.

**Motion:** Steven Fay moved to ratify the 2024 Budget and to transfer the surplus operating funds represented as the balance of Retained Earning as of December 31, 2023 to the Reserve account. Dana LePere seconded, and the motion carried.

## **VI. BASIC PROPERTY MANAGEMENT REPORT**

Eric Nicholds highlighted certain actions this past year:

1. All drainage covers (in the yards of most homes) in the neighborhood were inspected for damage and stability. Any damaged covers were replaced and any not secured in place had screws installed to provide stability. Eric found most covers were not secured in place.
2. Due to ongoing operational issues with the side doors and holes in the bottom of the current trash dumpster, it will soon be replaced with an 8-yard open-faced front-loading dumpster. The floor of the Trash and Recycling Building will be power washed.

## **VII. BOARD REPORTS**

Larry Abston encouraged owners to read the December 2023 Newsletter included in the Annual Meeting materials as it reports on recent and planned activities, and provides helpful reminders on HOA services and the responsibilities of Owners. He highlighted the following:

1. Recycling signage has been created (shown to Owners attending the meeting), and will be posted inside the Trash and Recycling Building. Postcards of the recycling signage will be mailed to the Owners as a reminder to Owners and their guests as to our required recycling protocols in Summit County. Discussion was held as to what items are allowable in our recycling bins. Owners were encouraged to take the time to sort allowable items.
2. In September 2022, the Board issued specifics related to exterior lighting (including holiday lights) to maintain a dark sky environment and reduce the risk of 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 winter holiday lights, and prohibits eave and undirected balcony lights.
3. In the Spring and Fall, Owners will be requested to provide Kerry Hartnett at BPM with (1) approval to access their garage and (2) their garage code so Neils Lunceford can activate and deactivate their irrigation system via their mechanical room.

4. Owners can securely access the HOA's governing documents, minutes of Board and Annual Meetings, the Owners Directory, and their dues payment and account history using the VMS electronic platform. Contact Kerry Hartnett at BPM for access assistance.
5. Owners should paint or stain their units in like colors about every five years and perform periodic maintenance, including resealing the full length of the driveway used to access their unit.
6. All external modifications must be pre-approved by the Board, including landscaping, solar panels, patio expansions, outdoor kitchens, landscape or hardscape barriers, paint color changes, sheds, awnings, hot tubs, swallow mitigation, driveway repairs, and other visible additions or changes.
7. Owners considering future major landscaping or hardscape projects should contact their contractor early for project design and scheduling given the short construction season.
8. A new dog waste station with bags has been installed on Shores Lane.
9. After updating other governing documents in prior years, we will be updating the HOA's Rules and Regulations to incorporate the HOA's current services, Common Area assets, and rule specifics, including clarifying the exterior lighting rules.

#### **VIII. OLD BUSINESS**

There was no Old Business.

#### **IX. NEW BUSINESS**

Owner comments:

1. Walter Heimer observed that beavers have been actively adding to an existing dam on the pond upstream near the Ranahan property. As a preventative measure, Larry advised that aspen trees particularly along the river be wrapped in heavy gauge wire mesh. Owners should ensure their existing wire caging is in good condition.
2. Lyle Maul said he has had discussions with TOB personnel seeking approval to reduce the depth of the drainage ditch in front of his home by about one foot. Lyle wanted to raise this at this meeting to see if other Owners on Shores Lane had a similar interest as well as their willingness to participate in funding the cost of the resulting required update to the original Drainage Plan for the neighborhood (Drainage Plan revision is estimated to cost about \$20,000). Larry reminded the Owners that inquiries with the TOB Engineer in prior years about filling in the drainage ditches (and installing industrial piping in addition to needing to conduct a new comprehensive Drainage Plan for the neighborhood) were not well received and were viewed by the TOB Engineer as being cost prohibitive to the HOA. However, partial filling in has not been previously discussed with the TOB Engineer. Larry indicated that the drainage ditches also serve as a snow stack area. Modification to any drainage ditch in the neighborhood requires TOB and HOA pre-approval.

Larry Abston then provided an update on an action requested at last year's Annual Meeting regarding the scope of work and estimated cost for Red Quill Lane to meet TOB Street standards without infringing on an Owners existing property line adjacent to the street easement. Larry reported that he recently presented this topic to the TOB Streets and TOB Engineer, and he quoted certain portions of the email response he received. In summary, the TOB considers Red Quill Lane to be a private development road in part due to the narrow road width and the distance between driveways being less than TOB Street standards which allowed the developer to plot more lots in the neighborhood.

**X. ELECTION OF DIRECTOR**

The three-year term of Mike Bauer expired, and he was willing to run for re-election. Since Mike was the only nomination submitted, he was elected to the Board by acclamation for another three-year term.

**XI. NEXT MEETING DATE**

The next Annual Meeting was scheduled for Monday, December 30, 2024, at 3:00 p.m.

**XII. ADJOURNMENT**

**Motion:** Lyle Maul moved to adjourn at 3:55 p.m. Dan McNerney seconded, and the motion carried.

Approved By: \_\_\_\_\_

*Larry J. Abston*  
Board Member Signature

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

*Dec 30, 2024*