

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

November 26, 2024

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 26, 2024:

1. The Board reviewed and discussed the preliminary year-to-date actual and expected full year 2024 financial results and the 2025 Budget that is based on similar services, including bi-weekly mows and increased vendor costs due to inflation and labor challenges. Larry noted that all service contracts for 2025 have been signed, except for the annual umbrella insurance coverage which is expected from the insurance agent in mid-December. The Board unanimously approved the 2025 Budget reflecting the planned common area services and non-recurring expenditures as well as unspecified contingency. Larry highlighted that the 2025 Budget does not reflect an increase monthly dues.
2. The Board approved inclusion of the 2025 Budget along with the year-to-date financial results and the balance sheet as of November 30, 2024 in the upcoming Annual Meeting materials. The Owners will be asked to ratify the 2025 Budget at the Annual Meeting.
3. Larry discussed the adequacy of forecasted cash position through January to cover expenditures, including the earlier than usual payment in January to receive a pricing discount for Neils Lunceford services in summer 2025.
4. Larry reported on the maturity dates and amounts of the HOA's three CDs. The next CD maturity will be in December 2024 at which time it will be fully renewed based on the adequacy of the projected near-term cash needs. The yield to be earned on future CD renewals is expected to be lower than in 2024 since long term interest rates are expected to decline.
5. The Board discussed the content of the December 2024 Newsletter to be included in the Annual Meeting materials, highlighting the external lighting policy, trash and recycling protocols, and planned maintenance in 2025, including resealing Red Quill Lane and refreshing stone on the river trail.
6. Due to the expiration of Larry Abston's three-year Board term, the Board discussed the need to fill an open Director position at the Annual Meeting. Larry agreed to stand for re-election for another term.
7. The Board discussed other topics, including ways to improve adhered to the communicated trash and recycling protocols, and refining the cost and timing forecast of the Reserve needed for maintenance of Red Quill Lane and other community common assets.
8. The Board approved the new Collections Policy that was revised with assistance from legal counsel based on recently enacted state legislation.

Discussion was held on other needed governance actions, including refining the Reserve Study and updating the Rules and Regulations.

9. 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. The trash and recycling postcard will be included in the USPS mailing. Larry indicated that the Notice of the Annual Meeting had previously been timely communicated to Owners.

DIRECTORS:

  
\_\_\_\_\_  
Larry Abston

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

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

**THE SHORES AT THE HIGHLANDS  
ANNUAL HOMEOWNER ASSOCIATION MEETING  
December 30, 2024**

**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

Tom Patch, 175 Shores

Mike Bauer, 235 Shores

Owners participating were:

Kevin Aul, 160 Shores

Steve Fay, 239 Shores

Walter Heimer, 178 Shores

Paul Hubbell, 56 Red Quill

Steve Leonard, 299 Shores

Charles Miller, 59 Red Quill

Wendy Tancheff, 74 Shores

Harry Lemer, 193 Shores

Larry Wilhite, 317 Shores

Thomas & Jennifer Baldacchino, 18 Red Quill

Jerry Gray, 239 Shores

Randall Howell, 163 Shores

Dana LePere, 344 Shores

Kevin McCloskey, 60 Shores

Scott Rowe, 115 Red Quill

Bryan Teets, 312 Shores

Jim & Pat Vanderhout, 295 Shores

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

With Owners represented in person and 6 proxies received, a quorum of over 20% was confirmed.

**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 2023 ANNUAL MEETING MINUTES**

**Motion:** Dana LePere moved to approve the December 27, 2023 Annual Meeting minutes as presented. Kevin McCloskey seconded, and the motion carried.

**V. YEAR-TO-DATE FINANCIAL REPORT AND 2025 BUDGET**

Larry Abston referred to the Balance Sheet as of November 30, 2024, and the 2024 YTD financial results included in the Annual Meeting materials. He reported that the HOA is in a strong financial position and commented on the forecasted full year positive operating cash flow and year-end Reserve fund balance. Larry noted that multi-year contracts were executed during 2024 for convenience and to help control costs – the contract with BPM (expires December 31, 2027) and the vendor performing our trash and recycling pickups (expires March 2029).

Larry highlighted the expenditures in 2024 to improve or maintain HOA Common Area assets, including removing where appropriate the aspen tree stakes throughout the neighborhood, adding graphical use signage in the Trash and Recycling and mailing post cards to Owners depicting our

recycling protocols, installing “Private River Trail / No Trespassing” signs at access points to the river trail, providing community-wide mows every two weeks for a consistent well-maintained neighborhood appearance, and painting the garage door to the Trash and Recycling Building.

Larry then referred to the 2025 Budget included in the Annual Meeting materials, noting that it is based on the HOA providing the same services as in 2024 with no increase in HOA dues. He described the planned unique 2025 project expenditures, including adding crushed stone to maintain the stability of the river trail and resealing the HOA owned Red Quill Lane to preserve the life of the asphalt.

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, the Trash and Recycling Building, and other Common Area assets. Larry indicated that the Board will refresh the Reserve Study to assess the adequacy of the amount and timing of the build of Reserve funds and invested cash to cover the future needs of maintaining or replacing the HOA’s Common Area assets. Larry reported that about \$240,000 of the HOA’s Reserve funds is invested in CDs earning about 4%.

Larry noted that HOA dues have remained the same for at least the past ten years and that the Board actively monitors operating expenditures for the basic services provided. To provide the same services, he cautioned that HOA dues may need to increase in future years as annual operating costs increase and/or the amount and timing of the needed Reserve fund changes.

**Motion:** Steven Fay moved to ratify the 2025 Budget. Scott Rowe seconded, and the motion carried.

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

Eric Nicholds said Larry Abston reviewed all projects during his financial report.

## **VII. BOARD REPORTS**

Larry Abston encouraged Owners to read the December 2024 Newsletter included in the Annual Meeting materials as it reports on recent and planned activities and provides reminders on HOA services and the responsibilities of Owners. He highlighted the following items:

1. The HOA’s Collection Policy was updated and adopted in November 2024.
2. The HOA’s governing documents, meeting minutes, Owners Directory, and individual Owner financial account information are available on the HOA’s portal (contact Kerry Hartnett with BPM to access your Owner account via the portal).
3. Graphical recycling signage in Spanish will be posted in the Trash and Recycling Building in January 2025. The HOA is periodically charged a contamination fee for improper use of the respective recycling bins. Owners are encouraged to properly use our recycling bins and display the Recycling post card in their units for guests to understand our recycling protocols in Summit County.
4. Owners will be requested in the spring and fall to provide (1) your garage access code and (2) permission for Neils Lunceford (NL) to access your mechanical room to activate and deactivate your irrigation system.
5. Owners are reminded that advance Board approval is required for any exterior improvement or modification, such as solar panels, swallow mitigation, changing

- stain color, landscaping/hardscape, firepits, awnings, patio additions, and other visible additions or changes.
6. Owners are required to adhere to the HOA's exterior lighting rules outlined in the email to Owners dated September 29, 2022 (as posted on the Owners portal). While holiday decorative lighting is permitted (with restrictions), the intent is to maintain a dark sky environment in the neighborhood consistent with TOB rules.
  7. Owners are encouraged to pay their monthly dues via monthly ACH bank drafts.
  8. Owners are responsible for maintaining their homes, including their driveway and exterior house painting (staining is needed about every five years due to our intense sun exposure). BPM will periodically inspect for needed maintenance.
  9. Xcel Energy has notified Owners that they will be replacing existing external electric meters with smart meters on all homes in The Shores.
  10. Owners should provide updates to their contact information to BPM and Larry Abston, including for maintaining the Owners Directory.

Based on inquiries and comments by Owners during the meeting as well as outstanding actions items identified by the Board, Larry summarized the following items for Board action in 2025:

1. Continue to refine the required Reserve Study, including soliciting cost and useful life estimates for the maintenance and repair of Red Quill asphalt and other Common Area assets.
2. Update the HOA's Rules and Regulations to be consistent with our Common Area assets and HOA provided services and to address or clarify certain topics.
3. Engage paving vendor to fill cracks and reseal Red Quill Lane during summer 2025, including providing Owners the opportunity to concurrently reseal their driveways.
4. Perform river trail improvements, including applying additional crushed stone to stabilize and maintain the river trail.
5. Contact TOB Streets to inquire about TOB installing a partial shield on the bright streetlight that is on at night on the corner of Shores Lane and Red Quill Lane.
6. Contact Neils Lunceford to inquire about ways to protect aspen tree trunks from damage during landscape trimming.
7. Contact TOB to inquire about notices received by some Owners for noncompliance with TOB light ordinance related to external sconces. Apparently, the bulb cannot protrude from the sconce fixture and the sides of the sconce shade must be opaque.

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

There was no old business.

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

There was no new business.

#### **X. ELECTION OF DIRECTOR**

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

