

**WATCH HILL HOMEOWNERS ASSOCIATION  
ANNUAL MEETING  
May 4, 2013**

The regularly scheduled Annual Meeting of the Watch Hill Homeowners' Association was held on Saturday, May 4, 2013, in the Silverthorne Public Library Meeting Room. The meeting was called to order at 10:06 a.m.

**ROLL CALL**

Pursuant to the Bylaws, the representation of fifty percent (11) of the units is required to constitute a quorum. The unit owners noted below fulfilled said requirement:

***Owners Present:***

<b>Unit #</b>	<b>Owner</b>	<b>Unit #</b>	<b>Owner</b>
111	Joseph & Susan White	125	Laila Johnson
113	Barbara Camerlo	213	Denny Cordy & Nancy Sullenger
114	Laura Lowe & Eric Olson	216	David & Carol Kraayenbrink
122	Laura Lowe & Eric Olson	226	William Seamans
123	Martin & Carolyn Reite		

***Owners Represented by Proxy:***

<b>Unit #</b>	<b>Owner</b>	<b>Proxy To:</b>
112	Jamie Heckman	President
211	Barbara Turner	President
214	Mary Siems	President

Present from Red Mountain Community Management (RMCM) were Josh Shramo – Owner, Karen Shramo – Community Liaison, and Caleb Smith – Community Manager.

**APPROVAL OF MINUTES**

**RESOLUTION: Upon motion made, duly seconded, and unanimously carried, the minutes of the May 5, 2012 Annual Meeting were approved as written.**

**REPORT OF PRESIDENT**

President Reite reported:

- Things are in good shape.
- There are no major expenses anticipated for the next year.
- Still have boiler concerns, but reports have shown that they should last several years yet.
- HOA is in best financial position in many years.
- There are two Board positions open for election this year. Board members do not need to be local to serve. The Board elects officers among themselves.

A major change took place on April 1<sup>st</sup> with a new company taking over management of the property. Mr. Reite described the process of obtaining new management, thanked Mr. Cordy and Mr. White for the time they dedicated to the project, and believes that it will be a beneficial change. Mr. White noted that four management companies were approached, but only two were able to provide proposals. Substantial savings will be gained in many areas with RMCM, most notably in management fees. It is anticipated that approximately \$6,000 in savings will be realized by the end of the current year, and savings of almost \$15,000 will be realized in the 2014 fiscal year.

## REPORT OF MANAGEMENT

Ms. Shramo thanked the owners for attending the meeting, and for allowing RCMC to manage their complex. Mr. Shramo provided a brief history of the company, which began as a services provider (snow shoveling, housekeeping, etc...) and merged into community management in 2010 when a need became apparent for more personalized service. Other items of note included:

- A website is provided for the Association at [www.redmountaincm.com](http://www.redmountaincm.com), where all association documents are posted as per the requirements of Colorado statute. To maintain security, owners must login to the site. The username and password will be emailed to all owners. RCMC is still working on loading historical documents on the website, but going forward all meeting minutes, financials, notices, and important dates will be available there.
- Magnets are available for owners to place in their units so that so that management contact information is accessible to guests and renters. Contact information for the employees is:

RCMC Office and Emergency Line: 970-281-2297

Karen Shramo, Community Liaison: 970-393-0976

Email: [karens@redmountaincm.com](mailto:karens@redmountaincm.com)

Josh Shramo, Bookkeeper and Owner, 970-393-0979

Email: [josh@redmountaincm.com](mailto:josh@redmountaincm.com)

- RCMC also provides housekeeping services, interior painting, some plumbing work, basic electrical work, carpentry, and other maintenance tasks. Prices are either bid by the project, or completed at \$19 per hour plus materials. Owners were encouraged to contact RCMC for any maintenance needs, even items not specifically mentioned, so that qualified contractors could be recommended for items beyond RCMC's scope of experience.
- Trash removal will be provided by Timberline Disposal at a moderate savings; however service is also expected to improve. Cable/Internet service will not change.
- An action list has been provided to the Board to track upcoming summer projects. Per a request, this will be posted online and emailed to all owners with updates.
- An owner voiced a concern regarding unauthorized dumping. Owners that witness this should contact RCMC or a Board member if they are not comfortable approaching the violator personally. Due to the low occupancy and location of the property, this will probably continue to be problem.

## FINANCIAL REPORT AND BUDGET

The current financial shape of the Association was briefly reviewed. As of March 31, 2013, there are assets of \$104,183.81 and liabilities of \$4,524.38 with overall equity of \$99,659.43. The year to date income statement shows an operating profit of \$550.58 versus a budgeted loss of \$6,159.00.

The proposed budget was discussed in detail. The proposed budget projects a net income of \$28,854.02. Savings of approximately \$6,000 is anticipated through the end of the current fiscal year, and \$14,622 in savings is expected over the next fiscal year. If the estimated savings are realized, a dues reduction will be discussed for the 2015 budget.

The Major Maintenance Chart (MMC) was reviewed. Upcoming projects will continue to be added to provide a long-term plan for necessary expenditures. It is estimated that \$1500 on asphalt crack-fill will likely be the only Reserve expense in the coming fiscal year.

**RESOLUTION: Upon motion made, duly seconded, and unanimously carried, the 2013-2014 budget proposal was approved as presented.**

## **INSURANCE PRESENTATION**

Mr. Reite introduced Leslie Weise of Weise Insurance Agency, the provider of the HOA insurance policy, to provide information on the new policy through American Family Insurance, including:

- Ms. Weise has been in business since 2005. Owners can call anytime with questions about their coverage and, if she is not personally available, can speak with anyone in the office.
- A 24-hour claims service is available.
- In the event of a loss, the unit would be built back with similar materials used in original construction; upgrades to the interior of the units are not covered (i.e. granite countertops).
- Personal coverage can be provided to owners with a positive loss history.
- \$50,000 of loss assessment coverage costs approximately \$10 per year.

## **OWNER REQUEST**

Ms. Laila Johnson presented a letter from Robert and Linda Sivils from unit 124 concerning relatives serving together on the Board of Directors. Mr. White and Mr. Cordy are brothers-in-law, in that their wives are sisters. Mr. Sivils is of the opinion that this relationship should have been disclosed to all owners prior to the Board election. Mr. White explained to owners present that at the time Mr. Cordy was elected to the Board, this relationship did not exist. In addition, the relationship was disclosed in an informal manner at the 2012 Annual meeting. Mr. Cordy stated that he and Mr. White often find themselves on different sides of an issue and have no difficulty disagreeing with each other. It was decided that Mr. White would respond to the Sivils' concern personally, and that going forward all relationships would be disclosed prior to an election. Original letter and Board response are attached.

## **ELECTION OF DIRECTORS**

There are two director positions open for election at this time, and the addition of two additional directors to make a five-member Board was suggested.

**RESOLUTION: Upon motion made, duly seconded, and unanimously carried, The Board will be increased to five members.**

Denny Cordy agreed to run for re-election. Marty Reite offered to step down if there were other owners interested in serving. Dave Kraayenbrink, Eric Olson, and Bill Seamans volunteered to serve. Mr. Reite agreed to serve in an alternate/consultant capacity.

**RESOLUTION: Upon motion made, duly seconded, and unanimously carried, the slate of volunteers was elected as noted.**

Board members were asked to remain after the meeting was adjourned to elect officers.

## **NEXT MEETING DATE**

The next Annual meeting of the Watch Hill Homeowners Association shall be May 24, 2014, at 10:00 a.m. at the Silverthorne Public Library and will be followed by the Annual RMCM barbecue picnic.

## **ADJOURNMENT**

**RESOLUTION: Upon motion made, duly seconded, and unanimously carried, the meeting adjourned at 12:15 p.m.**