

Red Canyon Townhomes Association
Board Meeting Minutes
Tuesday, May 9, 2017, 6:00PM
Eagle Public Library

MEMBERS PRESENT IN PERSON: Chris Juergens, David McMichael, John Hannon
Susan Flock and Erin Carlson

MEMBERS NOT PRESENT: Kat Jahnigen and Michael Lavery

ALSO PRESENT: Sara Thurston McNeill of McNeill Property Management as Secretary
to the Meeting and Shane Fluery (76 Chelsea Court)

- I. Roll Call. With five of seven Board members present in, a quorum was established. Chris Juergens, President, called the meeting to order at approximately 6:05PM.

- II. Review and Approval of the Minutes of April 13, 2017, Board of Directors Meeting. These minutes were previously drafted and distributed to the Board for review, and several changes were returned. After the draft of the minutes was modified, it was recirculated to the Board prior to today's meeting. There being no further suggested changes, there was a MOTION: TO APPROVE THE MINUTES OF THE APRIL 13, 2017, RED CANYON TOWNHOME ASSOCIATION BOARD OF DIRECTORS MEETING AS PRESENTED. The motion was duly seconded and carried unanimously.

- III. Financial Matters. Shane Fluery, RICP and owner of 76 Chelsea Court presented the Board with several options for investment of some of the association's reserve funds into annuities that have the potential for earning more interest than the CDs are currently returning. He suggested that the Board approve a portion (\$50,000) of the over \$350,000 that the association currently hold in certificates of deposit. The CDs earn about 1.5% interest and are easily liquidated if there is an emergency call for capital.

The fixed annuity options that Mr. Fluery presented to the Board could earn upwards of 3.5% interest if left in place for 10 years. Chris Juergens noted that this is the equivalent of saving each homeowner \$5.75 per month over the course of the investment time period.

Some Board members expressed concerns about the safety of the funds invested since they will not be deposited in a bank and insured by the FDIC. Mr. Fluery responded that there are state insurance programs to protect annuity investments (including one called the Colorado Insurance Guarantee Association) and will get more detail to the Board on the levels of insurance available to annuitants.

Mr. Fluery's commission on this investment transaction would be approximately 2% of the amount initially invested and paid for by the insurance company that purchases the annuity. Mr. Fluery agreed to donate part of his commission to a local charitable cause if the association decides to move forward with the investment. His primary objective is to save the homeowners from periodic dues increases in order to fund the capital spending plan according to the reserve study.

After detailed discussion, there was consensus to table a decision on the annuity until both Brandi Resa, bookkeeper and Michael Lavery, Vice President could weigh in with their opinions. A final decision is anticipated by May 19, 2017.

- IV. Window Replacement Specifications. Window replacement specifications, including installation and flashing details were presented by Chris Juergens to the Board. Based upon the recommendations from VMDA, Inc. there was a MOTION: TO SPECIFY PELLA IMPERVIA AND PELLA WOOD CLAD WINDOWS WITHOUT MULLIONS WITH EXTERIOR COLOR OF DARK BRONZE FOR ANY REPLACEMENT OF EXISTING WINDOWS AT RED CANYON TOWNHOMES. The motion was seconded and approved unanimously. The specifications and details will be available to any owner wishing to replace windows (at their expense) in the management office.

VMDA will work to come up with specifications and details for exterior door replacement in a timely manner.

- V. Other Business. Management was directed to change the codes to the trash enclosures.

The Board discussed installing motion detector, outdoor cameras on the inside of the enclosures to try and cut down on the amount of unauthorized household trash (furniture, mattresses and the like) being dumped at Red Canyon. David McMichael will forward management information on these types of cameras. There was consensus to spend up to \$350 on this project.

The Board discussed adding language to the Rules & Regulations regarding service and emotional support pets for renters in order to comply with changing state laws. A standard application form for these types of animals will be incorporated into the Rules & Regulations. There was consensus to fine any owner with a tenant who has an unauthorized pet \$500 immediately without any

warning. All owners are REQUIRED to attach a copy of the current Rules & Regulations to any written lease to ensure that tenants have a copy.

Management will modify the Rules & Regulations according to this discussion and circulate the proposed changes to the Board for review. Once Board-approved, management will distribute the document to the membership for a 15-day comment period.

VI. Adjournment. There being no further business to come before the Board, the meeting adjourned at approximately 7:50PM.

Respectfully submitted,

Secretary to the Meeting

