

THE HIGHLANDS

HIGHLANDS PARK POA

2024 ANNUAL HOMEOWNER MEETING MINUTES

Saturday, February 17, 2024 – 2:00 PM MST

Highlands Park POA Board of Directors

- Bob Salomon
- Dennis Hicks
- Courtney Shelden
- Gus Ploss
- Bud Wheeler

Alpine Edge Representatives

- Steven Frumess – General Manager
- Erik Keefe – HOA Manager
- Jessica Martin – HOA Dir. Communication
- Lindsay Wood – HOA Accounting Manager

AGENDA

I. Welcome

- A. Roll Call; Determine Quorum
 - Quorum was met with 20 % of homeowners in attendance or represented by proxy.
 - The meeting was called to order at 2:03 p.m. by Bob Salomon.
- B. Meeting Protocol Review and Introduction of Board and Management
 - Homeowners were informed of GoToMeeting Protocol.
 - Current Board of Directors and Alpine Edge management team were introduced.
- C. Confirm Notice of Meeting Delivery
 - Meeting packets were sent to homeowners by email and UPSP per CCIOA.
- D. Review and Approval of 2023 Annual Homeowner Meeting Minutes
 - **Motion:** Courtney Shelden motioned to approve, which Bob Salomon seconded, and the motion passed.

II. Other Business

- A. Alpine Edge Implementation of AppFolio
 - Homeowners were reminded of the AppFolio implementation and encouraged to activate their portals.
 - Documents and information related to the HOA are available.
 - Accounting function
- B. Adoption of New Governance Policies
 - Nine governance policies required by the state.
 - Advised by Altitude Law to update these SB100 policies.
- C. 2023 POA Accomplishments and Updates
 - Entryway Beautification & Maintenance
 - Bids for entrance landscaping in 2023 were solicited. Later, it was found that the estimated cost by Highlands Park POA was underestimated.
 - Neils Lunceford was selected as the landscape service provider for 2023.

- The 2023 maintenance plan included the following:
 - Spring Clean-Up
 - Power Raking of Lawn Area
 - Planting New Perennials (40)
 - Flowerbed Maintenance
 - Monthly Lawn Mowing
 - Fall Clean-Up
 - Irrigation System Servicing
- In 2024, \$5k will be donated to the HOA for beautification purposes. The entrance will be re-mulched, and 75 new perennials will be added.
- Homeowner question about landscaping on Hamilton and Gold Run Rd.
 - This parcel of land belongs to the Town of Breckenridge. The HOA will work with the Town on getting this area landscaped.
- The Board explained the breakdown of the landscaping fee.
- DRB Architect Transition & Regulation Updates
 - Highland Park DRB Architect Adam Savage resigned in January of 2023.
 - The DRB Architect of the HOA was changed to Yves Mariethoz of Allen-Guerra Architecture in May 2023.
 - Creation of a program tracking matrix to capture updates on project timelines.
 - The DRB policies have been clarified regarding:
 - Roof Shingle Weight & Alternate Materials
 - Project coordination – Multiple stages
 - Close up-front review with builders
- Good Neighbor Policy Update
 - The Good Neighbor Policy has been updated to align more closely with the Town of Breckenridge Code and Highlands Park Declarations.
 - All owners and their guests are to be treated equally.
 - The Good Neighbor Policy aims to reflect the Highlands Park Declarations and Breckenridge Town Code.
 - Owners should share a simplified policy version with their guests and/or renters.
 - Neighbors are encouraged to work together to create a beautiful and friendly community.
 - Common issues in the neighborhood include noise, litter, and RVs being stored/parked in driveways.
- Owners Contact Directory
 - To connect with your neighbors and build new friendships, opt into the open directory by contacting Alpine Edge Property Management by phone or email.
 - The directory includes your name, Highland's address, phone number, and email.
- Construction & Design Review
 - Construction Update
 - Highland Park POA currently has ten vacant lots within the association.

- Highlands Park has five projects under construction and six in the design review process consisting of 2 new builds and construction and four additional remodels.
 - Sales Update
 - In 2023, there were 15 home sales and seven lot sales in the Highlands community.
 - Two sales were made for Highlands Park POA with an average sale price of \$4,947,500.
 - The average price per square foot was \$1,047, and the sales spent an average of 197 days on the market.
 - Homeowners had questions about the partial ownership sale in Highlands Park.
- Books and Records Cleanup
 - Problems with the books starting the year.
 - Unidentified/unmatched construction compliance bank and liability accounts.
 - Unreconciled balance sheet items.
 - High-Level path to reconciliation
 - Manually reviewing all bank accounts related to Highlands Park POA for matches.
 - Deep-dive review reconciling from 2016-2023 with a CCD lens
 - Review of past fines practice/history informing board action
 - Clean/ reconciled books for FYE 2023
 - CCD Bank Accounts matched and reconciled to associated liability accounts.
 - Outstanding/Unidentified Design Review Liability balances for 2022 and before cleared to expense.
 - Re-evaluated recording and management of Design Review Activities to a revenue and expense model

III. Financial Review

A. Review FY2023 Financials

- 2022 Revisit
 - In 2021, \$111K in construction/design review fines were levied against homeowners.
 - Some fines were re-evaluated, with some of those being rescinded.
 - In 2022, the HOA had total retained earnings of \$116,240.
 - The 2022 income statement was incorrectly presented to homeowners per the prior board president.
- FY2023 Budget v. Actuals
 - Design Review Income and Expenses:
 - Collected around \$25K in design review fees and spent around \$32K.
 - This extra spending was partly due to the previous architect's mishandling of the design fees, and the contract did not include a clause for a refund in the event of incomplete work.

- Homeowners were informed of the new process for collecting design review fees.
 - The Design Review Architect will no longer handle the design review fees. All payments should be issued by check to Alpine Edge.
 - Landscaping and Irrigation: \$9,200 was spent on landscaping but was insufficiently budgeted. Irrigation issues arose due to a lack of maintenance.
 - Accounting and Tax: Tax return costs increased.
 - Legal fee: Over budget due to the nine new policies required by the state.
 - Reconciliation discrepancies: \$11,090 in governance items were written off due to no documentation of the items charges on file.
 - Transfer fees were discussed. A fee of \$200 is charged when a home is sold.
 - There have been issues with the timing of receiving new owner documents from Land Title.
 - Depending on the governing documents, transfer fees may belong to the POA.
- 2023 Balance Sheet
 - The POA ended the year with a considerable amount of cash, some of which was acquired through fines for design review.
 - A few homeowners have yet to pay 2023 homeowner dues and are now in the collection process.
 - There is \$50K in construction deposits.
 - The balance sheet is reconciled.

B. Review Proposed FY2024 Operating Budget

- Review Operational Expense Budget Items and Dues
 - Design review income was not budgeted due to uncertainty regarding its amount.
 - \$5K in costs to be safe
 - Accounting: reduced due to AppFolio implementation, which acts as the accounting software.
 - Now part of the management fee.
 - Annual Meeting: budgeted \$2K this year for happy hour after meeting. It was not able to happen.
 - The board discussed a party this summer.
 - Landscaping: increased due to 2023 actuals
 - Management Fees: 5% increase
 - Budgeting for a \$17K loss.
 - The POA has enough cash to absorb the net loss but will review whether we have to increase due next year.
 - Homeowners asked about potential large hits to the budget going forward.
 - An event requiring legal services was an example of something that could affect the budget.
 - The reserve study was discussed.

- There was a discussion regarding the plan to invest some of the retained earnings into a CD account.

IV. Election

A. Online Election Process Review (*2 seats; 2-year terms*)

- There are two nominees for the two open Board seats: John Hugo and Joe Henderson,
- During the meeting, John Hugo and Joe Henderson were elected to the Board of Directors for two years as there were no other nominations.

V. Open Forum

- Bud Wheeler addressed homeowners regarding issues in years past.

VI. Adjournment

There was a motion to adjourn at 3:36 p.m.