



Little Elk Creek Village
Home Owners' Association
Post Office Box 420
Snowmass, CO 81654-0420

Board Meeting – May 2018

Wednesday, May 9th, 2018

The May meeting was held at the Firehouse. In attendance were Trustees John Ott and Harvey Paparo, Tim Vogel, and Peter Voorhees. Trustee Jeff Edelson was unable to attend. Also present was owner Kara Smart, Manager Keith Edquist and Kim Clinco of Rocky Mountain Accounting Services.

Meeting topics: Financial review, aging statement update, workcomp and crime and fidelity policies and reserve study proposals discussed, approval of the 2018-2019 budget, tax filings update; annual meeting plans, wildfire mitigation and evacuation topic raised, dog stations discussed, covenant changes update, exterior lighting issues raised.

Approval of Minutes—the Board approved the minutes of the April 11th, 2018 meeting without changes. These will be posted to the website.

Public Comment-Owner Kara Smart inquired as to progress on the Jacobs screening of bee hives on that property. Edquist is to contact Jacobs to ascertain how this is going. Trustee Paparo again registered his issues with the Edelson property and conduct of business there disrupting the neighborhood. Kara seconded this concern. There followed a motion and second with unanimous vote to refer the matter to the Pitkin County Community Development office for inspection and follow-up. Edquist is to initiate such contact.

Financials-Kim Clinco of Rocky Mountain Accounting provided financial reports as of the end of April. The balance sheet showed an operating fund balance of \$42,562 and a reserve balance of \$525,926. All of the budgeted reserve contribution of \$118,400 has been allocated to the reserve fund as of the 4th quarter of this fiscal year.

Budget review and approval-Kim also provided a revised draft of the 2018-2019 budget prepared last month. This draft included actual expense for July 2017-April 2018 and a 2017-2018 year end projection. The projection reflects a surplus in the operating budget of \$9,847, meaning projected income exceeded expenses; also included was the 2017-2018 annual budget and a variance column of the annual budget as compared to the year end projection, and finally, a proposed 2018-2019 budget with notes.

Changes were made in the insurance line item to include increased crime and fidelity coverage for association funds, and to add a workman's compensation policy after a motion/second and unanimous vote to do so. The Trustees approved inclusion of \$1500 for an updated reserve study to be conducted this summer, and \$4500 in legal expense to address review of the covenant changes anticipated. The draft budget as then revised was adjusted in the operations and reserve components to keep assessments at the prior year levels.



Trustee Ott made a motion to increase the assessments by 3 percent as per prior Board's recommendations, in order to fully fund reserves. There was a second but the vote failed 3 to 1, Ott in favor. There followed a motion and second to approve this budget without an assessment increase, which passed by vote of 3 to 1, Trustee Ott opposed. A third motion and second to approve the budget as revised passed and the approved budget therefore reflects no change in the per owner assessment of \$785 per quarter and \$3,140 annually. The 2018-2019 contribution to reserves is expected to total \$104,187. The estimated balance of the capital reserve fund at the end of the 2018-2019 budget year after these changes is estimated at \$606,861, if the assumption is made that no capital reserve expenses beyond those included in the \$33,100 proposed by Dan Harris for the water system are incurred between now and then.

Insurance/tax returns/dog stations update-Information requested from the insurance agency regarding storage capacity of the ponds will be forwarded. There was a recommendation for signage on the ponds to state there is to be no swimming or skating. This topic is to be discussed at the annual meeting. Dog stations were again discussed but prior to installation there needs to be better information as to their effectiveness. There is concern that nothing will change, or that doggie bags will just be left on the roadside if used at all. There was discussion regarding the association's tax returns, and the directors requested that Rocky Mountain Accounting send the information out for the 2016-2017 return to be produced. This will be filed and communication from the IRS may be expected thereafter.

Annual meeting plans-There will be three Board seats available at the annual meeting, Vogel, Paparo and Edelson. At this time there was no indication of who will stand for re-election. Candidates will be sought prior to the meeting via email solicitation of names and biographies. There will be refreshments of some nature at the meeting. Topics of inclusion will be signage, covenant changes update and information gathering, budget ratification and election of directors to the Board of Trustees.

Unfinished Business-Only Trustees Ott and Vogel are current signers on the association accounts, and there is need for another signer. Peter Voorhees is the obvious choice here as he will be on the Board for another year. This is the 4th month such requests have been made of the Trustees.

Edquist said he had had complaints regarding new exterior lighting on remodeled homes and/or newly purchased property. President Vogel had also fielded such comments and had asked the affected party to write some potential guidelines for this. Exterior lighting is not addressed in either the covenants or the present ACA Guidelines.

Last, Edquist mentioned recent comments on wildfire dangers this summer and wildfire mitigation and potential evacuation zones should wildfire threaten the neighborhood. This will also be a topic for discussion at the annual meeting and likely for Board actions thereafter.



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Next meeting– the Annual meeting will be held the second Wednesday of the month, June 13th. Notice of the meeting and a proxy will be mailed as soon as possible now the budget is approved.

There being no further business to come before the Board, the meeting was adjourned at 9:05 pm.

Respectfully submitted,

Keith M. Edquist, Association Manager

Tim Vogel, LECVHOA President