

**Out Run Condominiums Homeowner Association
Board of Directors Meeting
October 29, 2021**

Call to Order

The meeting was called to order at 3:33 P.M.

Roll Call

Board members present:

Dusty Demerson
Kevin Adams
Ross MacLean
Alenka Vobornik

Management present:

Mountain Home Management, William Laird and Annalise Smith

Owners Present:

Jerry Tinianow
Tim Tosta
Robert Kennedy
Peggy Toft
Jamie Gorsich

A quorum was established with 4 out of 6 Board of Directors present.

Proof of Notice:

Official notice was sent via email on October 26, 2021.

Reading and Approval of Past Minutes:

Dusty Demerson made the following:

Motion: To approve and accept the minutes as written from the meeting on September 9, 2021 following editing to the last motion.

Seconded: Kevin Adams

Vote: Unanimous Approval

New Business:

Review of FY 20-21 Financials and Proposed Budget

A discussion ensued regarding the expense line item. An owner inquired about the amount that was charged to the association for securing the insurance and asked for justification for the charge. Annalise Smith explained that per the contract, Exhibit B, item 9, "Subject to the approval of the Board of Directors, obtain for and at the expense of the Association and under the best terms available, the following insurance and with Manager named as an additional insured." It was her understanding that the additional efforts above what was typical when using an insurance agent for obtaining insurance, was the expense of the association. William Laird explained it took his office staff almost two weeks to secure the insurance after being told the agency had been unable to secure insurance after 60 days of searching. Kevin Adams explained

it was an emergency situation that was more than a typical renewal. A couple of owners expressed their disagreement with the charge.

An owner stated the membership would like to know that the board will follow Colorado laws and understand their obligations to the membership. Tinianow inquired about the insurance rating per the bylaws. The board explained their choice was to go with Farmers Insurance or take on a high-risk insurance policy with a premium of \$60,000- \$100,000 per year. Tinianow also inquired about disbursements and whether checks were being signed by any board members. The board responded that checks were not being signed by board members. The members expressed their concern with this practice. An owner expressed their desire for the board to improve their communication with the ownership. An owner expressed their interest in seeing a study done regarding the reasoning and usage for the short-term rental fee. The board explained they are trying their best to find a way to be efficient and improve communication.

Robert Kennedy left the meeting at 4:00 PM.

The board discussed the budget line items and expressed their comfort with approving the operating budget with a minor adjustment to MHM's snow removal line item. The board is not comfortable approving a capital budget without two additional estimates.

A discussion ensued regarding the accounting for the short-term rental fee and the reasoning for imposing the fee. Tinianow inquired about the board's plan to pay for education to homeowners per Colorado law. The board expressed their appreciation with the members insights and concerns but would also welcome helpful solutions to some of the bigger issues of the association. The board and members discussed rules and regulations for renters and possibly bringing all short-term rental owners together for a discussion of expectations of owners and their renters.

Alenka Vobornik inquired about adding a chatroom to the website for owners to communicate. Smith stated she wasn't sure how to do this but can find out.

Poplar Elevator

The board and management discussed the issue with Schindler Elevator. Schindler automatically renewed a 5-year contract with no notice to the association. They also attempted to debit the Poplar account with no notice or invoice. The funds were not available in the account which resulted in an NSF fee. Management notified Schindler that they were not interested in renewing the contract on behalf of the association. Schindler threatened legal action, but management was firm that with their less than favorable business practices and being significantly more expensive than what other companies would charge, they did not want to continue business with Schindler. The board and management discussed their options for moving forward and decided to give Schindler 30 days to respond.

The discussion reverted back to discussing expense line items. The board instructed management to move money into the capital account each quarter to keep the balance in the operating account at around \$25,000.

Dusty Demerson made the following:

Motion: To approve the 2021-2022 FY operating budget with a \$300 decrease to MHM snow removal.

Seconded: Ross MacLean

Vote: Unanimous Approval

Dusty Demerson made the following:

Motion: To approve the loose rock repairs, and water meter as capital expenditures.

Seconded: Kevin Adams

Vote: Unanimous Approval

The board and management discussed the backflow preventer bid. The board inquired about why the backflow preventers are failing and stated the repairs should be paid out of the capital account.

Bylaw Revision

The board discussed the bylaw revisions, primarily the insurance requirement. The board discussed researching additional verbiage from other associations and will revisit the bylaw revisions after further review. Tinianow advised the association attorney review Article III, section 2 of the bylaws.

Capital: Painting

The board discussed waiting to get more painting bids to discuss moving forward with the painting.

The following motions was made by Dusty Demerson

Motion: To adjourn the meeting

Second: Kevin Adams

Vote: Unanimous Approval

Meeting Adjourned.

The meeting was adjourned at 6:20 PM