

The Reserve HOA
Board Meeting Minutes

March 3, 2021

Location: ZOOM

Present: President, Ward Nelson
 President Pro Tem, Jim Morriss
 Treasurer, Alan Groesbeck
 Secretary, Tom Dority
 At Large, Marlys Polson

Absent, excused: none

Others present: Lynn Weisenrieder, Emeritus

Ward called the meeting to order at 9:00 a.m. and welcomed Marlys Polson, newly appointed by unanimous vote of the Board to serve the remainder of Gary Christ's term. There were no changes to the proposed agenda.

President's Report

Ward updated the Board about home construction progress and new occupancies. The Kennedys, now living in Florida, are showing their house on lot 29 for sale. The Anderson's construction on lot 12 is moving into framing earlier than scheduled. Gary Christ's home on lot 30 is on track for closure in April. The Johnson's daughter Cynthia and her husband Charles Hargett have purchased lot 28, the last remaining Reserve lot. The Westover builders' multi-faceted development to the East of the Reserve has also moved into framing.

He also assembled some helpful topics to include in a Spring Newsletter to homeowners, such as an update about the 2021 weed control program, a note about how to contact the EP Post Office for the resolution of lost or misdirected parcels, and a copy of the most up-to-date Directory of homeowners. Ward will also invite interested neighbors to form a committee for advise about a plan and to help implement effective improvements for the cul de sacs. Ward will also seek input from Joan Sapp regarding drought tolerant plants.

Ward also recommended that the ACC still examine the original planning details of each new home-builder or alteration, but the plans for completed homes need not be retained. Jim recommended adopting a retention policy that would help avoid hanging onto old or useless plans. There are not many homes or alterations left to be built in the Reserve.

Secretary's Report

Minutes from the November 6, 2020, Board Meeting were approved with corrections by motion of Alan, seconded by Jim, all in favor. Minutes of the January 5, 2021, emergency meeting on email were approved with corrections by motion of Alan, seconded by Jim, all in favor.

Treasurer's Report

Alan delivered the financial statements as of February 28, 2021, in comparison to the 2021 Budget. There are no unusual or unbudgeted items of expense or revenue. All homeowner

assessments were paid fully and on time. All 2020 income tax returns have been timely filed and taxes paid.

He addressed the Annual Review of the accounting and financial records by Lyle Polson. Lyle carried out a thorough process and report. The Review raised the question whether interest income should be allocated proportionally between the Operating Account and the Reserve Account. Historically and currently the practice has been to allocate all interest income to the Operating Account. Alan broadened the question to also include the allocation of income tax expense related to the interest expense. He reviewed applicable Colorado statutes and DORA regulations and determined that there was no guidance on the subject and no requirement to allocate between the accounts.

Tom moved, seconded by Jim, all in favor, that the Treasurer continue the present, practice to allocate all interest income and income tax expense to the Operating Account.

Alan also raised the question whether the Operating Account and the Reserve Account need to be in physically separate bank accounts or whether they could merely be accounted for separately in the accounting records. He referred to the Reserve HOA By-Laws Article 6.8 which states in part: "Reserve funds of the Association shall be deposited in segregated accounts or in prudent investments...". Historically and currently our practice has been to not physically segregate the funds but account for them separately in the accounting records. Alan reviewed applicable Colorado statutes and DORA regulations and determined that there was no guidance on the subject and no requirement to physically segregate the Reserve funds.

Marlys and Jim recommended that an amendment to the By-Laws would be appropriate to clarify and allow us to continue our current practice. Alan will suggest the language for such an amendment to our By-Laws for the Board to consider at our next Board meeting.

New Business

Marlys accepted the responsibility to coordinate the staining of wooden posts on the berm fences.

Adjournment

Ward adjourned the meeting at 9:53 a.m.

Unless the time or place is changed and announced during the year, the HOA Executive Board will meet at the following days and places:

November	6	Ward's
March	3	Zoom
June	2	Tom's
August	4	TBD
October	20	Annual
November	16	Jim's

Next meeting date: June 2, 2021 Location: Zoom