

Riverside Place Owners' Association  
Annual Meeting Minutes  
August 1, 2009

Place: Mount Royal Room, Cross Creek, 223 Creekside Drive, Frisco, CO

The President of the Association, Randy Glover, called the meeting to order at 4:10 PM

1. Roll Call and Certification of Proxies – an attendance log is attached to the minutes on file with the Secretary. One or more owners represented 14 properties and 3 properties were represented by proxies. The Secretary certified the proxies. The requirement for having at least 50% of the members present was met. The prospective owners (Hugh & Michelle Harvey) for Lot 3B were present (non-voting).
2. Proof of Notice – a copy of the email announcing the Annual Meeting is attached to the minutes and is on file with the Secretary. The requirement that the announcement be made no more than 30 days and no less than 15 days before the meeting was met.
3. Reading and approval of the Minutes from the 2008 Annual Meeting – the Minutes from the 2008 meeting were formally approved as written.
4. Reports of Officers
  - a. President – Randy Glover – welcomed everyone to the meeting
  - b. Vice President – Dianne Hunt – no report
  - c. Sect/Treasurer – Norm Stoller – no report at this point in the meeting
5. Election of Officers – none at this meeting
6. New Business
  - a. Tree Spraying Issues – Norm Stoller reported that Preventative Tree Spraying completed the Pine Beetle spraying in a timely fashion. On June 4<sup>th</sup>, 2009, it was brought to the attention of our Association by Preventative Tree Spraying that many of our Spruce and Pine trees were infected with Scale. They recommended that we spray for this pest. The Association members were polled via E-mail and agreed that we should go ahead with the spraying. The timing for window for the spraying process is time sensitive. On the day of the spraying after about 1/2 of the trees were sprayed the weather changed (high winds) and the spraying was terminated for the day. Preventative never managed to come back to complete the process. A number of concerns were voiced regarding the process. 1. Is it really necessary to spray for scale? 2. Is spraying the best technique for managing this problem given the proximity of many of our trees to the creeks? 3. Is Preventative Tree Spraying the best company to do the job (there were complaints that revolved around their apparent lack of concern for shrubs and bushes)?

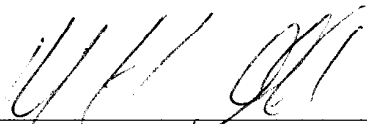
- i) Plan of action:
    - (1) Don Hunt and Steve Smith will contact experts in this field to get their opinions regarding the need to spray for scale, and the best way to manage the problem when trees are in close proximity to running water.
    - (2) If the recommendation is to manage the problem we will get competitive bids. It was noted that so far our Pine Beetle mitigation program has been successful.
  - b. Report of the Architectural Control and review Committee – Marsha Schutt, Chairperson of the Committee reported that there has been only one request this year. The Glovers (Lot 9) requested permission to install a mechanized awning over their back deck. This was approved, although the project will be put on hold until next spring. It was also noted that there is a dead tree in the northwest corner of Lot 8. This tree should be removed, as it is a potential danger to adjacent properties.
    - i) Plan of action: Norm Stoller will notify the owners of the property regarding their obligation to have the tree removed.
  - c. Fractional Ownership – the owner of lot 3B planned to sell quarter shares in their property – in fact the property has sold in its entirety to one owner (not yet closed). Never-the-less we decided to discuss the issue in what turns out to now be a more proactive manner. Given the general lack of specific information regarding the pros and cons as well as the legal ramifications of fractional ownership we decided to table a discussion until we can get an opinion from an expert – apparently one of the attorneys in the law offices with whom we currently do business is knowledgeable in this area.
    - i) Plan of action: Steve Smith will pose the question to the attorney alluded to in the previous paragraph.
7. Review of the proposed budget for FY (11/01/09-10/31/10 – Norm Stoller reviewed the current fiscal year as of this date. He stated that at this point in time we are in fairly good shape for this year. Snow removal was under budget, tree spraying was over budget. We still have to complete some road maintenance and we are likely to incur some legal fees as a result of our inquiry regarding fractional ownership. We are likely to have a deficit of approximately \$1500.
- a. The projected 09-10 budget currently anticipates a deficit of approximately \$5000. This budget presumes that tree spraying will be more expensive next year. This prompted a discussion regarding the need to increase our annual dues. Those in favor of doing so cited the need to maintain reserves at their current levels primarily for future road resurfacing. A motion was made by Eric Long (property 2A) and seconded by Steve Smith (property 11), to increase the annual dues from \$400 to \$600. The motion passed by a vote of 12 to 5. The final budget is on page 4.

8. Other

- a. Gail Reader suggested that next year's Pot Luck be an Appetizer / dessert event – there was general agreement.
- b. Road maintenance- the road is in generally good shape with the exception of some cracks. We decided to fill cracks this year.
  - i) Plan of action: Randy Glover will contact the contractor who has been dealing with the road to arrange for the crack filling.
- c. Erin Pheil asked to discuss the conditions that ought to necessitate having an officer recuse himself or herself from voting on issues at special elections. Erin was specifically addressing last year's discussion regarding her ability to subdivide her property. She felt that one of the officers was biased and should have recused herself from the discussion and vote. It was pointed out by Steve Smith that there are legal remedies to manage such a situation. Several other members of the Association felt that given the small size of our community it would be nearly impossible to not be accused of some sort of bias on almost any issue. Steve Novack felt that there were probably instances where an officer would want to recuse themselves from voting on a specific issue. The general consensus was that the individual officer ought to make the decision on a case-by-case basis.

9. The meeting was adjourned at 6:30PM.

Respectfully Submitted by;



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Norman Stoller, Sec/treasurer of the Association

| <b>Riverside Place Owners' Association</b>         |                           |                          |                     |                           |
|--|---------------------------|--------------------------|---------------------|---------------------------|
| <b>Treasurer's Report</b>                          |                           |                          |                     |                           |
| <b>1-Aug-09</b>                                    |                           |                          |                     |                           |
|  | <b>Actual</b>             | <b>Budget Projection</b> | <b>Actual</b>       | <b>Budget Projection</b>  |
|  | <b>FY 2008</b>            | <b>FY 2009</b>           | <b>FY 2009</b>      | <b>FY 2010</b>            |
|  | <b>11/1/07 - 10/31/08</b> | <b>11/01/08 10/31/09</b> | <b>as of 8/1/09</b> | <b>11/01/09 -10/31/10</b> |
| <b>Revenues</b>                                    |                           |                          |                     |                           |
| Association Dues                                   | \$ 8,800                  | \$ 8,800                 | \$ 8,800            | \$ 13,200                 |
| Interest   | \$ 777                    | \$ 700                   | \$ 543              | \$ 500                    |
| <b>Total Revenues</b>                              | <b>\$ 9,577</b>           | <b>\$ 9,500</b>          | <b>\$ 9,343</b>     | <b>\$ 13,700</b>          |
| <b>Expenses</b>                                    |                           |                          |                     |                           |
| snow removal                                       | \$ 4,724                  | \$ 4,200                 | \$ 3,744            | \$ 4,200                  |
| insurance -Dir & Off                               | \$ 900                    | \$ 900                   | \$ 900              | \$ 900                    |
| insurance - liability                              | \$ 891                    | \$ 950                   | \$ 950              | \$ 950                    |
| legal  | \$ 3,054                  | \$ 2,000                 | \$ -                | \$ 2,000                  |
| road maintenance                                   | \$ -                      | \$ 1,500                 | \$ -                | \$ 1,500                  |
| annual mtgn  | \$ 100                    | \$ 50                    | \$ 50               | \$ 100                    |
| fed & state taxes                                  | \$ 345                    | \$ 350                   | \$ 202              | \$ 200                    |
| tree spraying                                      | \$ 1,320                  | \$ 1,320                 | \$ 3,030            | \$ 4,500                  |
| miscellaneous                                      | \$ 46                     |                          |                     | \$ 100                    |
| <b>Total Expenses</b>                              | <b>\$ 11,380</b>          | <b>\$ 11,270</b>         | <b>\$ 8,876</b>     | <b>\$ 14,450</b>          |
| <b>Net</b>   | <b>\$ (1,803)</b>         | <b>\$ (1,770)</b>        | <b>\$ 467</b>       | <b>\$ (750)</b>           |
| <b>Reserves</b>                                    |                           |                          |                     |                           |
| checking   | \$ 1,082                  |                          |                     |                           |
| savings  | \$ 27,110                 |                          |                     |                           |
|  | <b>\$ 28,192</b>          |                          |                     |                           |
| <b>Current Reserves (7/31/09)</b>                  |                           |                          |                     |                           |
| <b>Savings Account : Lara,Shull &amp; May, LLC</b> |                           |                          |                     |                           |
| Money Market                                       | \$ 15,167                 |                          |                     |                           |
| Taxable Fixed Income                               | \$ 10,097                 |                          |                     |                           |
| <b>Wells Fargo Cking</b>                           | <b>\$ 1,996</b>           |                          |                     |                           |
|  | <b>\$ 27,260</b>          |                          |                     |                           |