

**APPROVED MINUTES
BOARD MEETING, HILLCREST VILLAGE
HOMEOWNERS ASSOCIATION
DECEMBER 10, 2008**

Board Members Present: Donna Franz, President; Dave Ruby, Vice-President; Doug Graves, Treasurer; Val Lawton, Secretary; and Stan Gardenswartz, Vice-President. All Officers and Directors were present.

Home Owners and Guests Present: Doris Craigmile, Len Silverman, Gerry Miller, Vicki Switzer(daughter of Jean Switzer), Marian Miklin, Lorraine Greenstein (daughter of Marian Miklin) Wendy Ruby, Mike Scherer, Devon Bowes, Joe Albert, and Kim Graves

Tracy Mulvihill, Community Manager was also present.

Call to Order: The December Board meeting of the Hillcrest Village Homeowners Association was called to order at 4:30 PM. by President Donna Franz. Ms. Franz recognized Secretary Val Lawton. Mrs. Lawton stated that a quorum of Officers was present to conduct the necessary business.

Approval of the Minutes: It was moved and seconded to waive reading the minutes of the September 24, 2008 Board Meeting and the November 17, 2008 Special Meeting. The motion carried, and the minutes were approved with no corrections.

The Treasurer's Report: Copies of the 2009 proposed budget were passed out to all members present. After thanking Sharon Joseph for her participation in the budget process, Ms. Franz recognized Treasurer Doug Graves. Mr. Graves presented the 2009 proposed budget and made the following points:

- The proposed operations budget requires no monthly dues increase for the coming year. This is the second year in a row that no dues increase has been needed.
- Under interest income, we are looking at better returns on our reserve investments. Last year we earned only about \$900.00.
- Building Repair has been divided into three categories: Exterior, Roof, and Interior. Part of the Exterior expenses has been moved to Roof to more clearly capture those expenses. Interior has been reduced as we are planning on spending around \$2000 to \$3000 on interior improvements through capital expenses from the Reserve account versus the operations budget.
- A new line has been established for Pest Control Services
- Elevator Expense is budgeted at the same amount but should go down due to a newly negotiated contract with Otis.
- Garage Door Repair has been increased.
- Light bulbs are a little lower. New ballasts or equipment changes would come out of the reserve.
- Snow Removal has been increased.

- Sprinkler Repair has been increased.
- The Move In Move Out expense has been eliminated as it was a one time expense in 2008.
- Gas and Electric will remain the same. We have done a very good job conserving energy and we will continue to look at other opportunities.
- Water and Sewer is expected to go up in 2009, so we have significantly increased that line.
- Insurance has gone down slightly.
- Audit and review expenses are higher than we like, so we are looking at a new accounting firm.
- We have added a line for consulting.
- Legal expenses have been lowered to a more reasonable figure reflecting normal operating expenses versus the expenses associated with all the work on the decks.
- The Reserve contribution has been raised from \$13,000 to \$15,000.
- The total projected budget for 2009 is \$113,760.
- Any excess monies not used will be put into the reserve account.

Ms. Franz asked for questions and discussion from the floor regarding the proposed budget before the Board vote.

Although it was not a question on the proposed budget, Len Silverman asked if the Association accounts were going to be taken over by Citywide and needed to be moved to Citywide Bank as a condition of our loan, based on what he read in the loan commitment document. Ms. Franz responded by saying that all of our accounts have been and are already with Citywide Bank, so we do not have to move them. Ms. Franz also assured him that our accounts were not being taken over by Citywide. They are still managed by the Board and Weststar Management.

Len also asked whether those people who had chosen to pay their new special assessment in a lump sum would receive any refund when and if monies come from the insurance company on our claim. President Franz said that any money that comes in will be pro-rated by percent of ownership and refunded as we had discussed in our special meeting in November.

Joe Albert asked how much money is currently in the reserve. Treasurer Graves responded around \$60,000.

Devon Bowes asked how the management company fee was determined. Tracy Mulvihill from Weststar responded that it is negotiated between the Board and Weststar based on the size of the property, number of visits, services provided, etc. The 2009 contract is for \$50 more.

Gerry Miller acknowledged Doug Graves and the Board for the work done on the budget.

There were no more questions from the floor. Treasurer Graves moved and Stan Gardenswartz seconded that the proposed budget be accepted. The motion and vote was carried unanimously.

Committee Reports: Sally Gardenswartz, member of the Architectural Review Committee reported that the ARC has been working with Kari Design for the last several months regarding the new exterior design for the building in conjunction with Palace Construction. The drawings and plans have been approved by the ARC and presented and approved by the Board. The next step is to review the final details with Palace Construction and then present them to the community with the construction and engineering plans. Kari is a highly renowned exterior and interior designer. Much of her work can be seen in the Country Club Area, Cherry Hills, and Cherry Creek North. She has been featured in several magazines. Sally went on to say that her designs and new paint colors are sure to make everyone very pleased.

President's Remarks: Ms. Franz recognized Tracy Mulvihill and asked her to report out on the following:

- We had our first snow of the season. By contract they will come when there is 2 inches or more of snow. This is the norm. Mike Scherer commented that they had neglected to shovel the sidewalk from the driveway ramp to the north. They also did not do the 3rd Avenue steps. Tracy will call them and take care of it.
- Tracy handed out information to the board on two investment companies that she has worked with in the past with other properties relative to reserve account investments. The Board will review these.
- Now that the budget for 2009 has been approved, she will be able to print the payment coupons. The January coupon will be mailed to homeowners separately for the regular January payment only. The new coupon books will follow shortly after beginning with the February payment. It will show the regular monthly dues amount and the special assessment amounts on two separate lines with a total amount due on a third line. The special assessment amounts will not be due until the February payment period.
- Those people wanting direct withdraw from their personal accounts for the additional special assessment will need to fill out an additional form. Please contact Tracy for the necessary form.
- Tracy handed the board copies of two bids for security cameras. There would be a total of six cameras. One on each entrance door: North, South, East, and West; one on the garage and pedestrian door on the East side; and one on the pedestrian door on the South side. A monitor and digital recorder could be set up in the locked closet on the 2nd floor. After discussion, Val Lawton moved and Dave Ruby seconded that the firm of Carter Electronics be retained to provide the installation. The vote was unanimous. A copy of the bid is on file with the Secretary and the management company. The cost is \$6,775.00, plus \$395.94 in taxes, and a warranty for a year will be included.
- The carpet in the North entrance has been restretched.

President Franz asked for a resolution that she be allowed to sign for and execute the loan for the construction project. The motion carried and the vote was unanimous. The loan will be closed on January 7th.

Ms. Franz confirmed with the Board that the preconstruction meeting with Palace Construction, Borne Engineering, Kari Design and the Board will take place on Friday, December 12th in the Community Room.

We will post a construction meeting for the community to review the plans with Palace Construction, Borne Engineering and Kari Design. This will happen after the preconstruction meeting on the 12th. A date and time will be posted at the earliest time available for all parties.

Open Forum: Ms. Franz referred to the Sign-In List for opening questions.

Doris Craigmile asked what would the new construction entail and where would they start the project. Ms Franz responded that as soon as we have the preconstruction meeting on the 12th we will have the information and then we can share it with everyone at a construction meeting. Doris asked when and how would the project start. Ms. Franz responded that we would have that information after the preconstruction meeting and will be able to share that at the construction meeting.

Len Silverman questioned specifically Dave Ruby, asking him whether there was a secret engineering report that Dave had been given regarding the flooding in the garage last June. Donna Franz asked Len if by secret he thought that the Board was hiding information from the Association. Len said that Bob Hofstader told him he had talked to Dave about an engineering report and he (Len) had never heard of any engineering reports. He went on to say that Dave was submitting the report to Dave's insurance company and that if anyone is getting coverage they should share it with everyone. Donna responded by saying there are no secret reports. We have several engineering reports and they have been discussed and noted in previous Board meetings and minutes and in the timeline documents given to everyone. Ms. Franz went on to say that as we discussed in previous meetings if any owner's insurance company needs supporting documentation or reports that we may have, we will make sure they get it. However, what is discussed with ones insurance carrier is between that person and their provider. We cannot make people share personal information. However, if someone does receive coverage from their policy, it would be nice for them to share it. Dave Ruby responded to Len by saying that he used the Borne Engineering report that had been mentioned in previously shared Board communications. He also shared that he is looking at trying to get coverage on the foundation portion of the assessment. He went on to say that if he had any success, he would be happy to share it.

Joe Albert asked if we were considering different colors for painting the trim and decks (it doesn't cost any more). The answer was yes and we will be presenting all of that at the construction meeting following the preconstruction meeting.

No further business was discussed and the meeting was adjourned at 5:35 PM.

.Respectfully submitted, Valerie Lawton, Secretary