

**ENCLAVE AT KEYSTONE ASSOCIATION  
ANNUAL MEETING  
January 29, 2022**

**I. CALL TO ORDER**

The Enclave at Keystone Association Annual Meeting was called to order at 9:07 a.m. in the Enclave Clubhouse and via videoconference.

**II. ROLL CALL - PROXIES & ESTABLISH QUORUM**

Board Members Participating (\*present in person) Were:

Tom Baugh, President, #24\*

Debbie West, Director, #25

Saar Shwartz, Member, #28

Scott Hamilton, Vice President, #26

Richard Nadolink, Secretary/Treasurer, #11\*

Owners Participating Were:

Jill Bergeson, #5

Sharon Bouck, #12

Mimi Claire, #38

Gary & Deb Gerhard, #21\*

Bob Jackson, #13

Terry Lemmerman, #43

Mike Nelson, #36\*

Sandra Shevin, #9

Laura Schneider, #23

Cherilyn & Bruce Lampert, #42

Curt & Kristin Woods, #27

Mimi Clair 38

Ed Berman, #1

Susie Carahalios, #15

Susan Davis, #41

Julie Grunwell, #18\*

Geoffrey Kaeser, #10\*

Barbara Verble, #40\*

Michael & Lauren Rainen, #33

Fred Sousek, #4

Barbara & Mike Truax, #20

Meredith Van Dyne, #16

Jeannine Wyer, #30

Michelle Klingerman (purchaser of #29) was a guest at the meeting.

Representing Basic Property Management (BPM) were Gary Nicholds, Eric Nicholds and Patti Vande Zande. On site Manager Greg Turnbow was present. Erika Krainz of Summit Management Resources was recording secretary.

A quorum was confirmed.

**III. OPENING REMARKS**

Tom Baugh welcomed the future new owners of #29 Michelle and Eric Klingerman. He thanked Meredith Van Dyne, Richard Nadolink and Scott Hamilton for their service on the Board and welcomed Geoffrey Kaeser and Julie Grunwell, who will be the new Board members after this meeting.

Tom stated that it has been a frustrating year. The planned work on the tennis court and asphalt sealing did not get done. Painting bids have been requested from several contractors but only one has responded thus far. The labor shortage is affecting all of Summit County. Five snow removal contractors went out of business this year due to labor shortages and snow plowing has been a problem. On the positive side, the Clubhouse was re-opened.

A contractor working in a unit hit the Clubhouse steps with his vehicle. There is structural damage to the walkway. The contractor paid the Association a deposit that will be refunded after the repairs have been completed. The stairs will be closed until late spring.

#### **IV. APPROVAL OF THE ANNUAL MEETING MINUTES**

**Motion:** Richard Nadolink moved to approve the January 30, 2021, Annual Meeting minutes as presented. Tom Baugh seconded and the motion carried.

#### **V. MANAGER'S REPORT**

##### *A. Project Update*

Greg Turnbow reviewed completed projects.

1. Installed snow stakes.
2. Owners were instructed to turn on their heat tape.
3. Raked leaves and picked up dead branches.
4. Installed snow fence at #37 and directed the drainage to the drainage ditch.
5. Obtained one painting bid.
6. Checked Clubhouse emergency exit signs to confirm functionality.
7. Checked spa heater and went with new vendor.
8. Repaired outdoor lighting at Clubhouse path.
9. Replaced the air handler motor in the Clubhouse.
10. The backflows were inspected. Two failed and will be replaced in the spring.
11. The Snake River Water District tested the water.
12. All American will be replacing three heat valves this month. There is condensation in the racquetball court. All heater valves are original and he will be getting bids to replace them.

##### *B. Information for Fixing Window Seals*

Tom Baugh said owners are responsible for their windows. Many windows have outside flashing that is bowing. A couple of years ago, a contractor provided a bid of \$200/unit to repair it, but that cost has probably increased. The contractor information was forward to all owners.

##### *C. Inputs for List of Contractors*

The list of recommended contractors is updated as owner feedback is received. It will be placed on the website.

#### **VI. FINANCIAL REPORT**

##### *A. Review of Operating Budget & Reserve Budget*

In the 2022 Operating Budget, dues were increased \$75/month, with \$50 going to Reserve and \$25 to Operating. The significant changes to the budget were reviewed:

1. Tax Preparation & Review - \$7,000 increase for a full audit per governing document requirements.
2. Directors Expense – increased to \$3,000. Any employee incentive will be paid from this account.

3. Insurance Workman's Comp – increased for inflation.
4. Insurance Building – the premium renewal quote is not received until February. The broker believes the increase will be around 10%.
5. Snow Removal – roof shoveling is being done in select areas only. The budget is based on the five-year average plus 5%.
6. Utilities – increased Electric, Gas, Trash Removal and Water line items.

The Reserve Budget includes funding for tennis court resurfacing (crack filling and striping), asphalt repair/maintenance (sealing), golf cart replacement, a mailbox cluster, building exterior repairs and painting, ceiling fan replacement, space heater replacement and legal expense for the fire.

**Action Item:** The Board will look at adding new poles and net for the tennis court to the contract.

The 2021 year-end Reserve balance was \$144,988. Expected insurance payments are \$173,374 and fire lawsuit legal expenses to date are \$127,185 (but will be close to \$200,000 after receipt of a pending invoice). The project Reserve balance after the final insurance payment and lawsuit settlement is \$445,547.

As of December 31, 2021, the Operating cash balance was \$36,633 and the Reserve cash balance was \$405,659 for a total cash balance of \$442,293. Patti Vande Zande noted this may be adjusted after the audit.

There is a large upcoming expense in 2025 for roof replacement. A few Clubhouse items have been deferred several times. Even with a \$50 dues increase, the Reserve balance goes negative in 2028, 2031, 2032 and 2033. The Reserve Study will be updated every two years. Some actions can be taken to mitigate the deficits, such as approaching some projects on a case by case or building by building basis.

*B. Dues Comparison to Similar HOAs*

Dick Nadolink provided a comparison of the Enclave dues with ten other comparable properties. He noted that none of the properties have all the amenities offered at Enclave. The average for the other properties was \$0.64/sq.ft. compared to \$0.30 - \$0.33/sq.ft. for The Enclave.

**Action Item:** The Board will explore options and costs for an on-call shuttle service.

*C. Approval of 2022 Budget*

There were no owner objections and the 2022 Budget was deemed ratified.

## VII. UNFINISHED BUSINESS

*A. Status of Insurance Lawsuit*

Judge Thompson is back on the case. The insurance company continues to throw up roadblocks and is fighting against providing the redacted evidence. The Board has agreed to mediation. The mediation date is set for March 3, 2022. Post meeting correction – the date is March 10<sup>th</sup>. Tom Baugh feels there is a 50% chance the mediation will be

successful. Three of the insurance adjusters who were on the case were removed because they could not provide a good estimate without the engineering report.

## VIII. NEW BUSINESS

### A. *Clubhouse Parking*

Tom Baugh said the Board looked at options for providing regular and handicapped parking at the Clubhouse. On weekends, the potential spots are being used for overflow parking. The goal would be to provide two spots on an honor system. There was an owner comment that Clubhouse parking was not necessary.

### B. *Incorporation of Keystone*

Richard Nadolink said the Keystone Citizens' League is discussing the possibility of pursuing incorporation of Keystone in order to bring County tax money to Keystone for items such as road improvement. Ken Riley, who is the President of the League, has asked Richard to serve on the Board. The matter of incorporation will be taken up by the new Board but they should seek owner consensus before taking any action.

### C. *Staffing*

The Board voted to give Greg Turnbow notice. His last day will be March 31, 2022. The Board is starting the process of updating the job description.

### D. *Board of Directors Appointment*

**Motion:** Tom Baugh moved to appoint Julie Grunwell and Geoffrey Kaeser to the Board by acclamation. Richard Nadolink seconded. The candidates introduced themselves and provided biographical information. The motion carried.

## IX. OWNER FORUM

Owner questions and comments addressed the following topics:

1. Mailboxes – The mailboxes will be located off the asphalt by the Clubhouse.
2. Water Test Results – The testing did not identify any water quality issues.
3. Board Priorities – The Board will be focusing on the lawsuit and painting.

## X. SET NEXT ANNUAL MEETING DATE

The next Annual Meeting will be held on Saturday, January 28, 2023 at 9:00 a.m.

## XI. 2022 BOARD MEETING DATES

The next Board Meetings will be April 23, 2022 and July 16, 2022 at 5:00 p.m.

## XII. ADJOURNMENT

**Motion:** Richard Nadolink moved to adjourn the meeting at 11:00 a.m. Geoffrey Kaeser seconded and the motion carried.

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
Board Member Signature