

CARLSON FARMS SPECIAL HOMEOWNERS MEETING MINUTES

Wednesday, February 22nd 2017

7:00pm

1. **Call to order** at 7:18pm. Members present Tiffany, Deb, Chris, Scott.
2. **Chris went over the agenda for the meeting and introduced the Board members.**
 - Ballots for Board members, volunteer forms and proxy forms for the covenant updates were distributed to homeowners attending the meeting.
3. **Discussion of issues facing Carlson Farms HOA**
 - Income, delinquency rate. – Chris went over the budget for 2017 and explained what a healthy HOA budget should look like. He explained that for a community of our size, with a pool, basketball court and walking paths, we should have a reserve fund of \$200,000. The current budget shows an annual income of \$212,280 generated by quarterly dues. From that total revenue deduct the moneys that go into the pool reserve fund: \$21,960 (\$190,320). There are annual expenses (snow removal, mowing, sprinkler repairs, water and electric bill totaling \$174,700. (\$15,620), and budgeted projects of \$15,000. (\$ 620). There are delinquencies currently at \$21,954 which give the budget a **negative** balance of \$21,334. Chris explained that the delinquencies are one of the budget's significant issues. The delinquencies generally increase once the pool has closed for the season and generally decrease in the two months prior to the pool opening.
 - An increase in dues was discussed prior to completing of the 2017 budget and it was determined at that time that an increase would not be necessary and baring any significant costs the budget will be in good shape for 2017 and 2018 unless it necessary to hire people to do activities instead of having homeowners volunteer.
 - Chris explained in a perfect world: without the delinquencies, there would be a balance of \$620 left in the budget at year end. Chris also explained briefly the delinquency procedure that Poudre Property Services (PPS) initiates.
4. **Chris addressed the cost of the activities that the Board offers to the Carlson Farms homeowners each year.**
 - Cleanup day \$3,000.00
 - BBQ day/pool opening \$1,600.00
 - Projects \$18,000.00

If these activities were eliminated the cost savings would total \$22,600.00

While it is not the intent of the Board to eliminate these activities the concern is that, since Chris will no longer be on the Board, that the remaining Board members, even with the addition of a new member; it will be difficult to coordinate these activities. Since Chris was retired he was performing a number of duties such as winterizing and dewinterizing the pool and repairs as needed. As the current Board members work and have children these types of duties, if not performed by volunteers, would have to be hired out and would add cost to the budget.

What is needed is volunteers to help make these activities feasible, 6 volunteers for cleanup day to setup, unload trash, and check ID's, 6 volunteers for BBQ day to help set up, ready the pool, and clean up after the activity.

Volunteers are also needed for landscaping to keep the roundabout looking good, flag display & maintenance: to place flags on the appropriate holidays and to raise and lower the flag at the roundabout for special occasions as directed by the Governor and the President.

5. Challenges for the Board and Carlson Farms homeowners

- Additional use from neighboring subdivisions. Corbett Glen continues to add homes to their subdivision and many new homeowners there do not understand that the pool is not a part of their subdivision.
- How do we protect our pool and basketball court from unauthorized use? With the addition of the apartments on Highway 60 and the continued building of homes in Corbett Glen the pool and the basketball court will continue to be a gathering place for people that do not pay dues in Carlson Farms. While there are signs posted indicating these are for private use of Carlson Farms homeowners these are many times ignored.
- How do we protect our pool and basketball court from vandalism? Chris asked the homeowner to think about these issues and help to come up with some solutions and to also consider how to take control of these issues. It cannot be just the Board members responsibility to take care of these. Chris encouraged the homeowners to be more proactive, to address the problems if they felt comfortable doing that, or calling a Board member with the concern, or to contact the police department. Use of the pool and basketball court by persons that do not live in Carlson Farms can be considered trespassing.

6. Covenant Updates

- Chris explained why the covenant was updated. All of the Carlson Farms governing documents were developed over 10 years ago by the developer. All of these documents except the covenant can be updated without the need for homeowners to vote on the changes. All of the other documents had been updated.

Chris explained that the changes made to the covenant were done by the HOA attorneys. The changes made were to update the Colorado laws pertaining to HOA's, correction of the plat lines, removal of address that did not exist, and clarification to the definition of excessive noise and commercial vehicles. Chris also explained that if the updates to the covenant were not approved the covenant would not go away. This means that the outdated Colorado laws would still be in the covenant AND that excessive noise and what constitutes a commercial vehicle would be determined by the Board members, the restrictions on the commercial vehicles would not go away nor would the covenant go away. Chris also explained that to ratify the covenant updates it requires 67% of all the homeowners including any homes owner by banks. The changes to the covenant were sent out in June 2016 which included the original covenant and the changes red lined. There have been two other mailings urging homeowners to respond to the updates. Board members have also gone door to door.

If the updates are not approved with the updated laws sometime in the future this will need to be done at an additional cost to the homeowners. Chris encouraged the homeowners to consider this and to either submit their proxy votes or attend the ballot count meeting scheduled on March 1st, 2017 at 7:00pm at the Senior Center.

- Homeowners indicated that there were more changes than just the excessive noise and the commercial vehicle definition clarification such as wood burning and weeds sections. Tiffany explained that the wood burning section was updated to reflect the town's restriction for wood burning and that the section on weeds was amended because the old language indicated weed mitigation on empty lots and there are no longer any empty lots in Carlson Farms.
- One homeowner stated that the covenant was too strict and felt that the homeowners should have had an opportunity to make changes to the covenant before it was updated. Chris explained that any changes initiated to the covenant would still have to have 67% of homeowners to approve and with 366 homes in the subdivision, this endeavor, with potentially multiple changes, would be very difficult to accomplish.
- One homeowner indicated that his understanding was that the changes made to the covenant were to make this document current with all town and state laws. Chris indicated that was correct.

7. Homeowner questions

- Pool fund – Chris clarified that the pool fund, when initiated with the due increase, would not be used as a backup fund for expenses. This money would strictly be used should the pool require significant work. Once the fund reaches \$100,000 any additional funds would then be added to the overall reserves or for additional projects, such as the fencing in the subdivision. Tiffany also explained that the reasoning behind not using the pool reserves and allowing it to reach the intended \$100,000 amount and keeping this as a reserve was to avoid having to do a special assessment which would mean additional cost to homeowners.
- Project list – Scott indicated a list of all the intended projects and the cost of these projects could be found in the 2017 budget posted on the PPS website.
- Budget breakdown – Chris indicated that a more detailed budget breakdown could be found in the 2017 budget posted on the PPS website.
- Delinquencies – Chris explained again that the delinquencies generally increase once the pool has closed for the season and decrease in the two months prior to the pool opening. Chris has been working with PPS to decrease the threshold of the delinquent amount that would initiate the collection process.
- Pool cards – one homeowner suggested using the pool cards to track those using them. Chris explained that the current system uses addresses to track card usage verses name because the addresses are static but there is no way to determine if the person using the card actually lives at that address. One of the problems identified is that there has been a homeowner in a neighboring subdivision that has been using a valid pool card and has been using the Carlson Farms pool for a number of years. This homeowner also suggested that those homeowners with delinquencies have their pool cards shut off for a year.
- Pool computer – A new computer for the pool had been discussed prior to the finalized budget for 2017 and it was decided not to purchase a new one due to the budget constraints. One homeowner suggested when purchasing a new computer to get one that could do more to monitor the pool usage. Scott indicated that would be considered when a new computer would be purchased.

- PPS website – not all homeowners use the PPS website and asked if we could use snail mail. Chris encouraged all homeowner's to use the PPS website to get the most current information but also to use the Carlson Farms Facebook page. Also to make sure that Sandra has everyone's email addresses. These are all ways to maintain communication regarding what is happening in Carlson Farms.
- Tool boxes on trucks making it a commercial vehicle. Tiffany read the revised definition of a commercial vehicle which does address tool boxes as potentially identifying the vehicle as commercial but was not the only qualifier.
- Parking passes – at one time there were parking passes distributed to the homeowners for parking at the pool but are no longer used. Chris explained that there was no mechanism to monitor the parking passes so it is not feasible to use them.
- One homeowner felt it was unrealistic for people to confront others at the pool and that the best avenue would be to hire someone to do that. Chris indicated that it would certainly be reasonable to contact the police for any issues if a homeowner was not comfortable with a confrontation.
- One homeowner felt that there would not be a need for security except for a couple times a week. Tiffany responded that that may be something to consider but initially felt that 2 times a week would not address the problems but could be possible in the future. Tiffany felt that it would be necessary to be fairly aggressive initially so that people would know that the homeowners are serious about maintaining the pool and basketball court for private usage by Carlson Farms only.
- Cleanup Day – one homeowner felt cleanup day should stay on the schedule of activities but if there were not 6 volunteers one month prior to the cleanup day it should be cancelled.
- Bullying at the bus stops – Chris indicated that this was not a HOA issue and that this would be better addressed by parents and the Johnstown police department.

8. Board member Ballots, Proxies, and Volunteer forms

- Board member ballots – There were 48 ballots signed and returned at the meeting to vote in the three Board members, Tiffany, Deb and Scott. All were yes votes. The required quorum was 37 homeowner votes (10%) which was met and exceeded.
- There were 24 signed and dated proxy forms returned with a yes vote for the covenant amendments.
- There were 3 signed and dated proxy forms returned with a no vote for the covenant amendments.
- There were 6 signed and dated proxy forms returned with a yes vote but there was no proxy identified on the form.

The meeting was adjourned at 9:15 pm.

Thank you all for attending.

I verify that these minutes are true and correct.
