

MIRASOL HOA EXECUTIVE BOARD MEETING

JULY 27, 2012

In attendance: Moofie Miller, Sharlet Lee, Rich Ekwall and Wendy Barth

Others in attendance: Bill Rumley and Mark Betz

Moofie opened the meeting at 8:35 AM.

Financial statements were discussed first. For the common areas, it was observed that general maintenance was \$3000 over budget and water was over budget by \$500. Repairs to the firepit area accounted for the general maintenance extra expenses. Total operating expenses were over budget by approximately \$5000; it was thought that excessive sprinkler system problems were the primary reason.

It was acknowledged that the working capital reserve has approximately \$17,000. *An action item was noted to check the HOA declarations for a definition of "capital expenditures" and make a decision about where to put extra sprinkler/maintenance costs.*

It was observed that the event center surplus was actually a "wash" and that this budget is basically a break-even budget. Income is slightly over projections with a \$3000 surplus which will go to capital reserve. Excessive contract repairs were noted, partly due to numerous ballast (light fixture) repairs. *It was noted that the fire pit repairs should actually be under the event center, not the common areas where it is currently. Furthermore, this repair work should be categorized as a capital expense.*

For the rentals budget, maintenance fees were over budget by only \$400. (Bill was congratulated here.) It was noted that the rentals budget does not have a working reserve.

For the homeownership budget, it was observed that it was "right where it should be." Income is slightly low, possibly due to the new Pagosa units.

Insurance was discussed next. The question of insurance for water line repairs, as discussed in a recent edition of the City Updates, was brought up. Wendy stated that, based on her meeting with the other homeowners, she thought homeowner residents would buy their own insurance for water line repairs if they wanted and that they wanted a copy of the current insurance policy through Middleoak. It was recommended that homeowner residents first ask the city's water and power department about the city's possible self-insurance for these costs. A key question was raised: Is the city liable for repair costs if the problem started in the street and then affects a private residence? Wendy agreed to call the city about its self-insurance coverage for water line repairs. Otherwise, it was recommended that no HOA insurance coverage was necessary for this.

Rich discussed the closure of the west entrance of the apartment building parking lot for construction purposes.

It was announced that there would be an entitlement hearing for the upcoming Green House construction addition which would be held at the event center on Monday August 6th at 4:00 PM. One hundred and fifty invitations had been mailed out to residents in the immediate vicinity of Mirasol. The core issue is that current permission for building is for 56 units, not 60 as the original plan calls for. The hearing's main purpose will be to seek public approval for the "additional" four units.

It was noted that the walking path ballast lights are now functional. The excessive weeds along the walking path will be mowed today.

It was noted that the insurance claim regarding a visitor's trip & subsequent injury on the property in September 2011 was still pending.

There was a question about Belmire's modification of the sprinkler system and the extra watering required for the replacement sod. *Bill will discuss these extra costs more in-depth with Moofie and Rich.*

Moofie confirmed that she has been meeting with the homeowners on a monthly basis and will continue that pattern through the end of the year.

Mark suggested the idea of having a budget planning meeting with residents in late September for the purpose of transparency and resident input. An idea was suggested to meet in mid-September to "crunch numbers" and then have a meeting with homeowners in early October. Sharlet asked that Tracie Thompson be included in this scheduling process.

The meeting was closed at 9:20 AM.

Respectfully submitted,

Mark Betz