

**MESA RIDGE TOWNHOME ASSOCIATION
BOARD OF DIRECTORS MEETING
Minutes of January 15, 2015**

PRESENT: Ray Fallon President
Jim Arnold Out Going Vice President
Dana Barker Incoming Director
Fred Gray Secretary/Treasurer
Derek Hansen Director
Pat Englehart Director

ALSO PRESENT: Keith Lammey Association Manager & BMSA Delegate

ABSENT: None

Board of Directors Meeting

The meeting was called to order at 3:02 PM by Ray Fallon, President.

Approval of Minutes

A **motion** was duly made by Fred Gray and seconded by Pat Englehart to approve the November 16, 2014 Board of Directors meeting minutes. *Passed.*

Approval of Financial Reports through November 2014

A **motion** was duly made by Pat Englehart and seconded by Fred Gray to approve the financial reports through November 2014, subject to audit. *Passed.*

New Business

Jim Arnold, Board Resignation

President Fallon explained that Jim Arnold had recently submitted his letter of resignation from the board effective on January 15, 2015. He thanked Jim Arnold for his service on the board of directors. He then explained that the board of directors has the option to leave the position open or to appoint someone to serve the remainder of Jim Arnold's term, (until the Annual Meeting is held in March 2016). President Fallon explained that he believed the remaining board members should appoint a replacement to fill the open term rather than to leave the position open and that his preference was to fill the position with someone who has strong prior board experience since, after the March Annual Meeting of the Members, the most senior board member would have one year of board experience. Further he explained that Gene Pickett had expressed interest in being appointed to the position but stated that since Gene had no prior tenure on the Mesa Ridge board of directors, he suggested that the board consider appointing Dana Barker, who has previously served on the Mesa Ridge board, to fill the open position. When asked, Dana Barker stated that, if appointed, he was willing to serve the remainder of Jim Arnold's term. Following a brief board discussion of the importance of prior Mesa Ridge board experience, and Jim Arnold's statement that he would make his resignation effective immediately rather than at the end of the meeting, a **motion** was duly made by Pat Englehart and seconded by Fred Gray to appoint Dana Barker to the board. *Passed.* Dana Barker joined the board at that time and participated in the remainder of the meeting. His term runs until March 2016.

Review/Approve FYE 03.31.2016 Budget

The Association Manager reviewed the draft FYE March 31, 2016 budgets in substantial detail and stated that if this budget was approved as drafted, the assessment rates would remain at \$819 per quarter. Further, that the association would be able to fund projected 2016 operating expenses and continue the current \$61,220 contribution to the reserve fund. After a thorough discussion regarding the importance of keeping realistic assessments while still assuring that the association had sufficient operating and reserve funds, a **motion** was duly made by Fred Gray and seconded by Dana Barker to approve the draft budget for the FYE March 31, 2016 as prepared. *Passed*

Confirm Annual Meeting Date

Although the Annual Meeting date had been selected nearly a year earlier, the Association Manager asked the board to confirm that the Annual Meeting would be held on March 19, 2015. The board members indicated that they would still be able to attend on that date. After a Board member, as well as a few Unit Owners, indicated they would like to change the Annual Meeting time from 3 PM to 5 PM, the board reached a general consensus to change the start time of the Annual Meeting to 5 PM.

Old Business

There was no old business to be discussed.

Committee Reports

Architectural/Landscape Committee

Gene Pickett was not at the meeting; however, his December 15, 2015 report had been included in the board packet.

Elections Committee

E.J. Rivet from the Elections Committee addressed the board stating that he was serving as the Chair of the Committee since Pat Englehart and now Dana Barker, were members of the Board of Directors. E.J. Rivet explained that the committee had discussed various aspects of the upcoming board member and delegate elections including:

- Nominations process
- Proxies
- Vote counting
- Return proxy address

He distributed copies of a Forest Heights Homeowners Association Directed Proxy, as an example, and a draft of a Mesa Ridge Townhome Association (combined) general and limited proxy. As prepared, the draft of the (combined) general/limited proxy states that completed proxies should be returned to E.J. Rivet, Chair of the Elections Committee, 46 North Ridge Court, Battlement Mesa, CO 81635. In the past, proxies could be given to whoever the proxy was granted to or could be mailed to the Association office. Despite prior practice, E.J. stated that he believed that the proxies should not be returned to the Association office.

E.J. explained that the Mesa Ridge Townhome Association has used a general proxy in prior Annual Meetings. Further, that a general proxy allows unit owners to grant their proxy to someone who will be present at the Annual Meeting. A general proxy does not direct a proxy holder how to vote, thus the

proxy holder may vote as they wish. In contrast, a directed proxy, like the Forest Heights example, allows unit owners to specify how their proxy vote is to be cast. E.J. emphatically stated that he believed directed proxies were better than general proxies because the proxy holder had to vote as directed by the unit owner who granted the proxy.

Per E.J., this year's election process should invite board and delegate candidates to submit biographies which then would be sent out with the Annual Meeting Notice. Some questioned the wisdom of sending out a directed proxy that only listed candidates who had submitted bios prior to the Annual Meeting Notice because the association's declarations allow candidates to be nominated until a motion to close nominations was made, seconded and passed at the Annual Meeting of Members. E.J. stated that, even though this procedure discriminated against candidates nominated after the Annual Meeting Notice was sent, he believed that directed proxies were better. E.J. acknowledged that anyone voting by directed proxy wouldn't know there were additional candidates to consider.

Finally E.J. stated that the Election Committee had formed a sub-committee they have named the Teller Committee. The Teller Committee will consist of two members which they have selected and who will count ballots at the Annual Meeting.

After a brief board discussion regarding the committee report, the board expressed no objection but took no official action on either the suggested process of accepting nominations, obtaining bios and listing candidate names on a proxy that would be sent with the Annual Meeting Notice.

BMSA Delegate Report

Keith Lammey's BMSA Delegate report was brief and primarily included a short discussion about a) the new landscaped medians and approximately 30 new trees that have been planted in the community, b) the upgrades that have been made to the BMSA's Facebook, You Tube and Google+ pages, c) that the BMSA assessments will continue at \$148 per year per owner and d) that the BMSA and the Town of Parachute had entered into a Memorandum of Understanding regarding Battlement Mesa citizen's being able to participate in the town's new Comprehensive Planning process.

Owners Open Forum

There were no significant owners open forum comments.

Adjournment

With no further business to come before the Board, a **motion** was duly made by Fred Gray and seconded by Derek Hansen to adjourn the meeting at 5:38 PM. **Passed.**