

**RECORD OF PROCEEDINGS OF THE  
THE FARM AT ARAPAHOE COUNTY BOARD OF DIRECTORS MEETING  
FEBRUARY 10, 2015**

**MEETING CALLED TO ORDER:**

The Board of Directors for The Farm at Arapahoe County Homeowners Association, Inc., met at Fox Hollow Elementary School on February 10, 2015. Board members present were Kimberly Armitage, Rory Lamberton, Michael McNeil, Karl Sheldon and Marina Takacs. Also, in attendance were homeowner members Pauline Seminaro, Douglas Brooks, Ron Salazar, Steve and Cheryl Pierce and Jessica Moser and Mark L. Eames, PCAM with PCMS. Director Armitage called the meeting to order at 6:06 p.m. and noted that there was a quorum.

**DISCLOSURE OF POTENTIAL CONFLICT INTEREST:**

Director Armitage noted that the general disclosure statements for those Board members present at the meeting have been updated and filed on behalf of the members of the Board of Directors as required by Colorado State Statute and are maintained as part of the Association corporate files.

**CONSENT AGENDA:**

Upon review, a motion was made by Director Sheldon, seconded by Director McNeil and without public comment, unanimously passed to approve the following consent agenda items as presented:

- a. Record of Proceedings for October 6, 2014
- b. Unaudited Financial and delinquency reports through December 31, 2014
- c. 2015 Legal Services - Basic Retainer and Risk Share Fee Programs

**OFFICER REPORTS:**

**NOMINATION AND ELECTION OF OFFICERS:**

The following Directors were approved for nomination for the following positions as Officers of the Corporation for 2015:

Kimberly Armitage	President
Karl Sheldon	1 <sup>st</sup> Vice President
Marina Takacs	2 <sup>nd</sup> Vice President
Rory Lamberton	Treasurer
Michael McNeil	Secretary

A motion was made by Director Lamberton, seconded by Director Sheldon and with no public comment unanimously passed to close nominations and to elect the above-listed Board members for the 2015 Officers.

**LEGAL UPDATES:**

The Board reviewed the status update from the Association's legal counsel.

**COMMITTEE REPORTS:**

**2015 Committee Appointments:** A motion was made by Director Sheldon, seconded by Director Lamberton and without public comment, unanimously passed to appoint Ralph Ferullo as the chairperson of the DRB and Brian Burns, Ray Seggelke, Saket Srivasta and Steve O'Leary as members of the DRB and to appoint Steve O'Leary as the chairperson for the Landscape Committee and Brian Burns and Karl Sheldon as members of the Landscape Committee.

**Design Review Board (DRB):** Mr. Eames noted to the Board that the DRB is currently reviewing plans electronically, but will continue to meet quarterly. The Board also reviewed and approved a revised Design Review Form based on feedback from homeowners submitting requests and from the DRB.

**Landscape Committee:** Mr. Eames noted that the Committee will be meeting this week to review tasks for 2015 and will provide an update to the Board at the next meeting.

**Social Committee:** The Board requested that the 2015 social events list be created and sent out to the community via Enews and to also post on the website. Mr. Eames noted that we would be looking at possibly adding additional events for this year.

**SALAD Committee Charter:** No official report.

**The Farm at Arapahoe County Homeowners Association**  
**Board of Directors Meeting**  
**February 10, 2015 – Page 2**

**OTHER REPORTS:**

Goodman Metropolitan District Update: Director Armitage updated the Board on several items the Metropolitan District is currently working on including reapplying for a design grant for Central Park improvements and several new trash cans and dog stations that have been added on the Districts property. The District is also looking at options to elevate the trail under the bridge at Creekside Park that continually gets washed out with heavy rains or snow melt.

**HOMEOWNER HEARING:**

Steve and Cheryl Pierce were in attendance for their scheduled hearing to discuss the unapproved fencing they have installed on their lot to block view of the lot adjacent to their home that is not being maintained. After discussion, the Board of Directors let the owners know that an agreement would be put together for them to sign and kept on file until the concerns at the home adjacent to theirs are brought into compliance. It was noted to the homeowners that legal action will be commencing against the adjacent homeowners regarding their complete lack of maintenance and regard for the covenants of the Association to try and gain their compliance.

**MANAGEMENT REPORT:**

Mr. Eames reviewed the correspondence sent out and received for the month and provided an update to the Board regarding several items that have been resolved since the last meeting.

**UNFINISHED BUSINESS:**

Metro District/HOA Consolidation: Mr. Eames noted that he did not have any updates to report at this time regarding this matter, but hopes to have additional information for the Boards review at their next meeting.

Trash Receptacles at Dog Stations Discussion: The Board of Directors reviewed a proposal for daily removal of trash at the dog stations if receptacles were added per discussion at the last meeting. After review and discussion, the Board requested that management obtain bids to look at adding larger trash cans and dog stations similar to what the District has recently installed. This matter will be reviewed at the next Board meeting for further discussion.

Homeowner Request for Snow Removal: A homeowner in the community has requested that the Board of Directors look at providing snow removal for all streets in the community. Information was obtained from Arapahoe County indicating that the Association could potentially look at adding this service which would entail having to take responsibility for any road damage that might occur on the streets from the private contractor, and several other conditions. After a lengthy discussion, it was determined that the Board of Directors does not feel they have enough specific information to make a good business decision on the pro's and con's in considering taking on this type of outside additional service, including evaluating associated costs and added liability.

2015 Board Meeting Schedule: The Board of Directors confirmed the 2015 Board meeting schedule as follows and requested that the dates be added to the Associations website and newsletter: March 24, 2015, May 26, 2015, July 28, 2015, September 22, 2015 and the Annual Meeting in November.

**HOMEOWNER MEMBER PUBLIC FORUM:**

The homeowners in attendance mentioned a few items related to the Goodman Metropolitan District.

**ADJOURNMENT:**

The meeting was adjourned at 7:20 p.m. The next tentative regularly scheduled meeting of the Board was set for March 24, 2015 at Fox Hollow Elementary School.

IN WITNESS WHEREOF, the foregoing has been duly executed by the Board of Directors as of the 24<sup>th</sup> day of March 2015.

THE FARM AT ARAPAHOE COUNTY BOARD OF DIRECTORS

By Michael J. McNeill  
Secretary/Authorized Agent

**RECORD OF PROCEEDINGS OF THE  
THE FARM AT ARAPAHOE COUNTY BOARD OF DIRECTORS MEETING  
MAY 26, 2015**

**MEETING CALLED TO ORDER:**

The Board of Directors for The Farm at Arapahoe County Homeowners Association, Inc., met at Fox Hollow Elementary School on May 26, 2015. Board members present were Kimberly Armitage, Rory Lamberton, Michael McNeil, Karl Sheldon and Marina Takacs. Also, in attendance were homeowner members Pauline Seminero and Ron Salazar and Jessica Moser and Mark L. Eames, PCAM with PCMS. Director Armitage called the meeting to order at 6:07 p.m. and noted that there was a quorum.

**DISCLOSURE OF POTENTIAL CONFLICT INTEREST:**

Director Armitage noted that the general disclosure statements for those Board members present at the meeting have been updated and filed on behalf of the members of the Board of Directors as required by Colorado State Statute and are maintained as part of the Association corporate files. Director Takacs noted the disclosure that she is now on the Goodman Metropolitan District Board of Directors.

**CONSENT AGENDA:**

Upon review, a motion was made by Director Lamberton, seconded by Director Takacs and without public comment, unanimously passed to approve the following consent agenda items as presented:

- a. Record of Proceedings for February 10, 2015
- b. Unaudited Financial and delinquency reports through April 30, 2015
- c. Electronic Consent Ratification (18131 E. Euclid Place maintenance)

**OFFICER REPORTS:**

**LEGAL UPDATES:**

The Board reviewed the status update from the Association's legal counsel.

**COMMITTEE REPORTS:**

**2015 Committee Appointments:** The Association solicited for volunteers to fill 1-2 spots on the DRB and up to three spots on the Landscape Committee. Based on the list of volunteers that submitted their interest in serving on one or both of the committee's, a motion was made by Director McNeil, seconded by Director Sheldon and without public comment, unanimously passed to appoint Suzanne Swenson to the DRB and if the current member on the DRB is no longer interested in serving on the Committee, Jenn Shaddock will be the 2<sup>nd</sup> volunteer appointed. Also, upon review a motion was made by Director Lamberton, seconded by Director Sheldon and without public comment, unanimously passed to appoint Chad Burns, Esperanza Ybarra and Jenn Shaddock to the Landscape Committee.

**Design Review Board (DRB):** Mr. Eames noted to the Board that the DRB is currently reviewing plans electronically, but will continue to meet quarterly.

**Homeowner Appeal to DRB Decision:** Homeowners at 17319 E. Lake Drive submitted an appeal to the DRB's decision regarding a proposed new garage door style for their home. The request was denied as the proposed style does not currently match existing styles in the community. It was unclear if the proposed door has already been installed on the home or not. The Board noted that they would drive by the home to take a look at how the proposed style might look and will respond back to the management company with their thoughts. If the door has not yet been installed, it is the feeling of the Board that the appeal can be approved contingent that the hardware is not installed on the door. A vote will be taken via electronic consent regarding this matter.

**Landscape Committee:** No official report.

**Social Committee:** No official report.

**SALAD Committee Charter:** No official report.

**OTHER REPORTS:**

**Goodman Metropolitan District Update:** No official report.

**The Farm at Arapahoe County Homeowners Association**  
**Board of Directors Meeting**  
**May 26, 2015 – Page 2**

**MANAGEMENT REPORT:**

Mr. Eames reviewed the correspondence sent out and received for the month and provided an update to the Board regarding several items that have been resolved since the last meeting. Mr. Eames provided a photo of the proposed new monument design and received feedback from the Board to move forward in obtaining bids for this work to be completed. It was also reported that unfortunately, two backflow units have been stolen in the community and will need to be replaced along with adding cages to all backflow units to prevent this from occurring in the future. A homeowner submitted a complaint regarding an owner who is placing an advertising sign for his landscape company in the front yard of his home whenever he is doing yard work. Based on the concerns submitted, the Board will look at revising the sign section in the Community-wide Standards document to try and avoid this type of situation in the future.

**UNFINISHED BUSINESS:**

**Metro District/HOA Consolidation:** Director Armitage indicated that the Metro District does not need to obtain approval from the membership to move forward with a consolidation, but that the Association will need to obtain 67% approval. It was determined that a work session will be scheduled to further discuss this matter and what the next steps will be moving forward.

**Trash Receptacles at Dog Stations Discussion:** After discussion, a motion was made by Director Sheldon, seconded by Director Takacs and without public comment, unanimously passed to order four trash cans at a cost not to exceed \$3,600 to be placed at each end of the path where the Association's dog stations are currently installed.

**Homeowner Request for Snow Removal:** A homeowner in the community has requested that the Board of Directors look at providing snow removal for all streets in the community. After a lengthy discussion that included information compiled by PCMS on the projected costs per lane mile to provide snow removal services, the Board determined that the cost for said service and the potential added liability is too great for the Association to take on and will not be providing this type of service at this time.

**HOMEOWNER MEMBER PUBLIC FORUM:**

The homeowners in attendance did not have any items for discussion during the public forum portion of the meeting.

**ADJOURNMENT:**

The meeting was adjourned at 7:02 p.m. The next tentative regularly scheduled meeting of the Board was set for September 22, 2015 at Fox Hollow Elementary School.

IN WITNESS WHEREOF, the foregoing has been duly executed by the Board of Directors as of the 22<sup>nd</sup> day of September 2015.

THE FARM AT ARAPAHOE COUNTY BOARD OF DIRECTORS

By   
Secretary/Authorized Agent

**RECORD OF PROCEEDINGS OF THE  
THE FARM AT ARAPAHOE COUNTY BOARD OF DIRECTORS MEETING  
AUGUST 19, 2015**

**MEETING CALLED TO ORDER:**

The Board of Directors for The Farm at Arapahoe County Homeowners Association, Inc., met at the PCMS offices on August 19, 2015. Board members present were Kimberly Armitage, Michael McNeil, Karl Sheldon and Marina Takacs. Also, in attendance were several members of the public and Mark L. Eames, PCAM with PCMS. Director Armitage called the meeting to order at 6:04 p.m. and noted that there was a quorum.

**DISCLOSURE OF POTENTIAL CONFLICT INTEREST:**

Director Armitage noted that the general disclosure statements for those Board members present at the meeting have been updated and filed on behalf of the members of the Board of Directors as required by Colorado State Statute and are maintained as part of the Association corporate files. .

**CONSENT AGENDA:**

Upon review, a motion was made by Director Sheldon, seconded by Director McNeil and without public comment, unanimously passed to approve the following consent agenda items as presented:

- a. Record of Proceedings for May 26, , 2015
- b. Unaudited Financial and delinquency reports through July 31, 2015
- c. Electronic Consent Ratifications (Approval of Revisions to Sign Guideline and Approval in moving forward with having management put together a sample packet that would be presented to The Farm members related to consolidation of the Association and the Goodman Metropolitan District)

**OFFICER REPORTS:**

**LEGAL UPDATES:**

The Board reviewed the status update from the Association's legal counsel.

**OTHER REPORTS:**

**Homeowner Requests to Remove Penalties:**

Homeowner at 6630 S. Waco Way submitted a request to the Board for their consideration in removing \$50 in penalties regarding the exterior of their home not being painted. Upon review, motion was made by Director Takacs seconded by Director McNeil and without public comment, unanimously passed to approve removing the \$50 fine that was applied as the work has been completed.

Homeowner at 17350 E. Euclid Avenue submitted a request to the Board for their consideration in removing \$125 in penalties regarding the exterior of their home not being painted. Upon review, motion was made by Director Sheldon, seconded by Director McNeil and without public comment, unanimously passed to approve waiving 50% of the \$125 in fines applied, provided the owner pays the balance of the penalties by September 30, 2015.

**COMMITTEE REPORTS:**

**Design Review Board (DRB):** Mr. Eames noted to the Board that the DRB is currently reviewing plans electronically, but will continue to meet quarterly.

**Homeowner Appeal to DRB Decision:** Homeowners at 6377 S. Ouray Way submitted an appeal to the DRB's decision regarding the stain they have applied to their fence without approval which was denied by the DRB. Upon review, motion was made by Director Takacs seconded by Director Sheldon and without public comment, unanimously passed to require that the owner bring the appearance of the fence back to a natural or new look by either applying a stain that would first need to be approved by the DRB or power-washing the fence as may be necessary to remove the current unapproved stain.

**Landscape Committee:** No official report.

**Social Committee:** No official report.

**SALAD Committee Charter:** Directors Armitage provided a brief update to the members in attendance regarding the SALAD Committee.

**The Farm at Arapahoe County Homeowners Association**  
**Board of Directors Meeting**  
**August 19, 2015 – Page 2**

**OTHER REPORTS:**

Goodman Metropolitan District Update: Director Armitage provided a brief update regarding activities of the Metro District that included discussions with Verizon on installing an additional cell tower near the baseball fields and their on-going efforts to create a District website.

**MANAGEMENT REPORT:**

Mr. Eames reviewed the correspondence sent out and received for the month and provided an update to the Board regarding several items that have been resolved since the last meeting. Correspondence included a homeowner submitted complaint regarding a request to have the covenants changed to add a rental clause and an email that Pauline Seminario distributed to various residents regarding her thoughts on the possible HOA/District consolidation.

**UNFINISHED BUSINESS:**

Metropolitan District/HOA Consolidation: Director Armitage provided a detailed overview of the HOA and Metropolitan District preliminary conversation regarding possible consolidation at some point down the road. It was noted that there has been information being posted by a couple of owners that does not provide accurate information related to this subject, which has caused some unwarranted concerns by other members within the community.

Director Armitage went on to state that due to the current disclosed conflicts with those members that sit on both the HOA and Goodman Metropolitan District Board of Directors, to make certain that any process regarding a consolidation review of the two entities on behalf of the HOA Board is made without bias, prejudice and with complete transparency, she asked for consideration of a motion that the HOA Board would establish an ADHOC Consolidation Review Committee, made up of three (3) homeowners that reside in The Farm and (1) one HOA Board member liaison, with the understanding and allowance that the appointed Committee has the authorization to utilize community homeowner volunteers to assist with this task, to investigate the pro's and con's of a consolidation and come back to the HOA Board with their recommendation regarding not only if a consolidation makes sense, but if it does, which entity should ultimately oversee the consolidated operations and have those recommendations to the Board for review by October 19th.

Motion was made by Director Sheldon, seconded by Director McNeil, and without public comment unanimously passed to establish the AdHoc Consolidation Review Committee with three (3) owners, one (1) Board Liaison, who will be Director McNeil and additional volunteer homeowners participation as may be needed by the Committee and identified above in greater detail of these minutes, with the appointments of Ralph Ferullo, Steve O'Leary and to offer the third appointed position to Jeanie O'Connor, if she so declines, the position will be offered to Denise Anacker and if she so declines, the Board will take electronic action for the formal appointment of a third member to the Committee.

**NEW BUSINESS:**

2016 Budget Preparation: Mr. Eames reviewed the draft 2016 proposed budget and narrative with the Board. Upon review, motion was made by Director Armitage, seconded by Director Sheldon and without public comment, unanimously passed to approve the proposed draft and provide in the mailing that will be sent to the membership with the annual meeting notice (Attachments A).

Annual Meeting Preparation: Mr. Eames noted that the Annual Membership Meeting is scheduled for November 17, 2015 at Fox Hollow Elementary School and that there are three (3) board positions up for election this year.

**HOMEOWNER MEMBER PUBLIC FORUM:**

Homeowners in attendance were provided the opportunity to address the Board on matters that had not been previously discussed during the business portion of the meeting. Ralph Ferullo suggested that the Board may want to consider investigating what it would take to have the mailing address for The Farm changed from Aurora to either Centennial or Foxfield. Mr. Ferullo noted that the postal service does not have a position on the City listed for mail and to his understanding any change would need to be made through the County Assessor as Aurora is the listed City address on record. He has contacted the Assessor regarding this matter and has not heard back. Directors Armitage stated that once he receives a response, if he would like to share that information, it will be reviewed for consideration at the next regular meeting of the Board of Directors.

**The Farm at Arapahoe County Homeowners Association**  
**Board of Directors Meeting**  
**August 19, 2015 – Page 3**

**ADJOURNMENT:**

The meeting was adjourned at 7:25 p.m. The next tentative regularly scheduled meeting of the Board was set for September 22, 2015 at Fox Hollow Elementary School.

IN WITNESS WHEREOF, the foregoing has been duly executed by the Board of Directors as of the 22<sup>nd</sup> day of September 2015.

THE FARM AT ARAPAHOE COUNTY BOARD OF DIRECTORS

By Michael J. McNeil  
Secretary/Authorized Agent

The Farm at Arapahoe County Homeowners Association, Inc.  
 2015 Approved Budget, 2015 Estimated Actual, 2016 Proposed Budget

Attachments A

	2015 Approved	2015 Estimated	2016 Proposed
<b>HOA Operating Income</b>			
Assessments	\$866,160	\$866,160	\$866,160
Fines Income	\$3,400	\$7,500	\$3,400
Legal Income	\$4,500	\$8,000	\$4,500
Late Fee Income	\$6,000	\$5,800	\$6,000
Miscellaneous	\$1,200	\$4,300	\$2,000
Goodman Bill Back	\$15,000	\$15,000	\$15,000
Carry Over (Loss)	\$122,000	\$158,000	\$104,590
<b>Total Income</b>	<b>\$1,018,260</b>	<b>\$1,064,760</b>	<b>\$1,001,650</b>
<b>HOA Operational Expenses</b>			
Water/Sewer/Stormwater	\$239,640	\$189,000	\$248,500
Electric	\$15,800	\$15,200	\$15,850
Trash Removal	\$224,000	\$218,000	\$224,000
Snow Removal	\$12,000	\$6,800	\$12,000
Landscape/Contract Maint.	\$145,000	\$148,600	\$150,000
Sprinkler Repair	\$24,000	\$23,600	\$24,000
Trees Maint. and Replacement	\$35,000	\$35,400	\$35,000
Grounds/Maint. Supplies	\$8,220	\$8,000	\$8,000
Social/Recreational	\$18,000	\$17,450	\$18,000
Capital Improvements	\$85,500	\$88,600	\$50,000
<b>HOA General/Administrative</b>			
Holiday Decorations	\$7,500	\$7,500	\$7,500
Legal-General	\$9,000	\$8,800	\$12,000
Legal Covenant Expenses	\$5,000	\$8,250	\$6,000
Legal Risk Share	\$5,000	\$3,500	\$5,000
Legal Collection Expenses	\$6,000	\$4,200	\$6,000
Audit/Income Taxes	\$4,000	\$3,800	\$4,000
Professional Fees	\$78,000	\$76,900	\$78,000
Insurance	\$14,400	\$13,900	\$14,800
General Administration	\$32,000	\$28,900	\$32,000
Bad Debt	\$4,200	\$5,000	\$5,000
<b>Reserves</b>			
Reserve Contribution	\$46,000	\$46,000	\$46,000
<b>Grand Total Expenses</b>	<b>\$1,018,260</b>	<b>\$957,400</b>	<b>\$1,001,650</b>
<b>Net Income (Loss)</b>	<b>\$0</b>	<b>\$107,360</b>	<b>\$0</b>



**The Farm at Arapahoe County Homeowners Association  
2016 Operations, Maintenance  
and Reserves Budget Narrative**

**OPERATING REVENUES**

***Homeowner Assessments***

Budgetary estimate is based upon 1604 homes paying a monthly assessment rate of \$45.00. There is no projected increase in the assessment rate for 2016 from 2015.

***Fines/Legal/Late Fees Income***

Late fee and fine revenue estimates are based upon historical data from previous year's data. Legal income is based upon projected costs associated with either assessment collection and/or covenant enforcement which the Association would seek to be reimbursed for costs from the owner.

***Miscellaneous Income***

Miscellaneous income includes but may not be necessarily limited to; operating account interest, outside income from social activities and reimbursement costs associated with professional services billed back for the care of a lot and/or home in the community that is not being maintained, such as a foreclosure.

***Goodman Metropolitan District Bill Back***

In late 2012 the Association and the Goodman Metropolitan District, hereinafter referred to as the "District" agreed to transfer over certain maintenance responsibilities related to the Arapahoe Road corridor maintenance to the District. As part of that transfer and agreement both parties agree that the District would reimburse the Association for the irrigation water costs associated with the Arapahoe Road corridor.

***Carry-Over Funds***

Carry-over funds are income in excess of projected expenses, in this case from 2015 that the Board of Directors has authorized to carry forward in 2016 as revenue.

**HOA OPERATING EXPENSES**

***Water/Sewer/Stormwater***

Costs associated with the irrigation (watering) of all properties owned and maintained by the Association. The 2016 estimates are based upon a more normal seasonal moisture pattern for 2016 versus 2015, but does anticipate an increase in the cost of water by ECCV in 2016 of 6%.

***Electrical Usage***

Costs associated with the electrical usage of all properties owned and maintained by the Association. The 2016 estimates are based upon projected 2015 estimated actual, with an anticipated increase in the cost of electricity in 2016 of 8%.

***Trash Removal***

Budgeted figure includes all trash removal for all private residences in the Association. The contract was negotiated and renewed in 2015.

***Snow Pushing Contract***

Budget figures reflect current estimated costs for customary snow removal operations for all properties owned and maintained by the Association through the current landscape contractor. Estimates are based upon the lineal footage of sidewalks adjacent to all of the tracts owned by the District, with an estimate of fourteen (14) snow storms during the year.

***Landscape/ Contract Maintenance***

Budget figures reflect the current contract for day-to-day seasonal landscape maintenance and operations of the properties owned and maintained by the Association through the current landscape contractor.

***Sprinkler (Irrigation) Repairs***

Those costs associated with continuing day-to-day maintenance of the irrigation system during the Spring, Summer and Fall 2016, for the properties owned and maintained by the Association.

***Tree Maintenance and Replacement***

Budget figures reflect the estimated costs associated with preventative tree maintenance for all property owned and maintained by the Association along with projected costs for certain tree and/or shrub replacements that may be approved by the Board of Directors based upon recommendation by the Landscape Committee.

***Grounds/Maintenance & Supplies***

Those costs associated with continuing day-to-day maintenance for vandalism, lighting, signage repairs, electrical repairs, etc., that would not fall under the contractual agreement with the current landscape contractor and would not be considered a reserve expense for all of the tracts owned by the Association.

***Social/Recreational Activities***

Budget figures reflect the continued support of the Board of Directors of a social/recreational budget for the Association to continue to convey a sense of "community" to the neighborhood and its respective members. This budgetary line item requires the continued organization, participation and SUPPORT of volunteer homeowners.

## HOA OPERATING EXPENSES CONTINUED

### **Capital Improvements**

Budgeted funding for potential capital landscape projects that may be recommended by the Landscape Committee in 2016 for certain common properties owned and maintained by the Association. All proposed projects must be approved by the Board of Directors.

### **Holiday Decorations**

Budget figure reflects the estimated costs associated with purchasing as necessary and installing decorations on the main monuments in the community owned by the Association for the holiday season. All proposed holiday lighting must be approved by the Board of Directors.

### **Legal-General**

This budget category includes estimated costs associated with all general legal processes and opinions initiated by The Farm Board of Directors for the benefit of the Association members.

### **Legal-Covenant Expense**

This budget category includes estimated costs associated with all types of potential legal covenants enforcement activities initiated by The Farm Board of Directors for the benefit of the Association members.

### **Legal-Risk Share (Collection) Expense**

This budget category includes estimated costs associated with the risk share program the Board of Directors entered into with the Associations Collection Attorney's in the Fall of 2012. The risk sharing fee structure gives the Association everything a collection agency and law firm combined could provide all under one service and allows the attorney to share the risk with the Association. The benefits of the program are much lower up front costs to the Association for delinquent accounts turned over to the Attorney. The program provides for the Attorney to receive an agreed upon percentage of all funds collected on accounts turned over. If funds are not collected the Attorney does not receive payment for the collection activity, outside of normal associated costs to be recouped.

### **Legal-Collection Expense**

This budget category includes estimated costs associated with all types of potential legal assessment and/or penalty collection activities initiated by The Farm Board of Directors for the benefit of the Association members, not associated with the legal risk share program.

### **Audit, Tax Preparation**

This budget category includes estimated costs associated with the preparation of the 2015 audit and tax return for the Association.

### **Professional Fees**

Estimated costs associated with outside professionals utilized by the Association for services such as but not necessarily limited to; management/accounting and assessment collection; engineering; drafting services; courtesy patrol and lot clean up on abandoned/foreclosed homes.

### **Insurance**

Budget estimate includes costs associated with maintaining the general liability, hazard and Director and Officer insurance policies for the Association. This figure does not include required and currently maintained insurance costs associated with those homeowners that are also a part of The Farm.

### **General Administration**

Budget estimate includes costs for paper, postage, faxes, assessment payment coupons, envelopes, banking service charges, electronic newsletters, subscriptions and memberships along with a variety of other office type supplies that may be utilized by the Association through its Board of Directors or appointed Committees.

### **Bad Debt**

This budget category is established for potential loss of income by the Association for members that for one reason or another are not paying their monthly assessments in 2016.

### **Reserves Contributions**

Reserve contributions are based upon the 2011 reserve study as prepared by Aspen Reserve Specialists for all properties owned and maintained by the Association. The Associations reserve contributions are based upon the estimated useful life and associated replacement costs for current capital assets of the Association and should not to be utilized for capital improvements and do reflect an increased contribution for 2016.

**RECORD OF PROCEEDINGS OF THE  
THE FARM AT ARAPAHOE COUNTY BOARD OF DIRECTORS MEETING  
SEPTEMBER 22, 2015**

**MEETING CALLED TO ORDER:**

The Board of Directors for The Farm at Arapahoe County Homeowners Association, Inc., met at Fox Hollow Elementary School on September 22, 2015. Board members present were Kimberly Armitage, Michael McNeil and Karl Sheldon. Also, in attendance were several members of the public and Mark L. Eames, PCAM with PCMS. Director Armitage called the meeting to order at 6:04 p.m. and noted that there was a quorum.

**DISCLOSURE OF POTENTIAL CONFLICT INTEREST:**

Director Armitage noted that the general disclosure statements for those Board members present at the meeting have been updated and filed on behalf of the members of the Board of Directors as required by Colorado State Statute and are maintained as part of the Association corporate files.

**CONSENT AGENDA:**

Upon review, a motion was made by Director McNeil, seconded by Director Sheldon and without public comment, unanimously passed to approve the following consent agenda items as presented:

- a. Record of Proceedings for August 19, 2015
- b. Unaudited Financial and delinquency reports through August 31, 2015
- c. Electronic Consent Ratifications (Approval to appoint Rob Hansen to the ADHOC Consolidation Review Committee)

**OFFICER REPORTS:**

**LEGAL UPDATES:**

The Board reviewed the status update from the Association's legal counsel.

Draft Marijuana Policy: The Board of Directors reviewed the draft marijuana policy that was provided by legal counsel based on a concern from one homeowner in the community related to a rental property next door to their residence that is allegedly growing marijuana in the basement. After a lengthy discussion, with member input, the Board agreed to seek assistance from legal counsel in putting together an amendment to the Declaration to not only address the marijuana growing concerns, but also look at a provision to strengthen the Association's enforcement policies related to the rental of a home within the community.

**OTHER REPORTS:**

**Homeowner Requests to Remove Penalties:**

Homeowner at 17371 E. Weaver Avenue submitted a request to the Board for their consideration in removing \$525 in penalties regarding the exterior of their home not being painted. Upon review of the account and noting that the work as been completed, a motion was made by Director McNeil seconded by Director Sheldon and without public comment, unanimously passed to approve removing \$400 of the fines that were applied, provided the owner pays the remaining balance within thirty (30) day of notice.

Homeowner at 18168 E. Weaver Drive submitted a request to the Board for their consideration in removing \$125 in penalties regarding the exterior of their home not being painted. Upon review of the account and noting that the work has been completed, a motion was made by Director Sheldon seconded by Director McNeil and without public comment, unanimously passed to approve removing the \$125 in fines.

**COMMITTEE REPORTS:**

Design Review Board (DRB): No official report.

Landscape Committee: No official report.

Social Committee: No official report.

SALAD Committee Charter: No official report.

**The Farm at Arapahoe County Homeowners Association**  
**Board of Directors Meeting**  
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**COMMITTEE REPORTS CONTINUED:**

**ADHOC Consolidation Review Committee:** Director Armitage provided a detailed overview of the HOA and Metropolitan District's preliminary conversation regarding possible consolidation at some point down the road. Director Armitage reported that at the last Board meeting, the Board appointed three (3) homeowners to a newly created ADHOC Consolidation Review Committee, with Director McNeil being the Board's Committee liaison.

Director McNeil reported on the process for the selection and final appointment of the three (3) member Committee consisting of homeowner members Ralph Ferullo, Steve O'Leary and Rob Hansen. The floor was opened to general comments and discussion regarding the consolidation process, the Committee and their role and how members would be involved in the initial discussions and final decision if the proposed consolidation moves forward at some point in the future.

**OTHER REPORTS:**

**Goodman Metropolitan District Update:** No official report.

**MANAGEMENT REPORT:**

Mr. Eames reviewed the correspondence sent out and received for the month and provided an update to the Board regarding several items that have been resolved since the last meeting. Mr. Eames reviewed the proposal from Prep-Rite Coatings to have the exterior of the home repainted at 18232 E. Peakview Place. The Association obtained a judgment against the owner to have the work completed by the end of September 2015. Director McNeil reported that it appeared the home may have been painted within the last couple of days and requested that the current condition of the home be confirmed by management prior to the Board taking any formal action on the Prep-Rite proposal.

Mr. Eames provided the Board with information regarding the proposed community contact magnets for homeowner use and his outline on the August irrigation water usage and recommendation to be addressed to the current landscape contractor, Cox Professional Landscape Services. After a review of both discussion points, the Board provided direction to management

**NEW BUSINESS:**

**HOMEOWNER MEMBER PUBLIC FORUM:**

Homeowners in attendance were provided the opportunity to address the Board on matters that had not been previously discussed during the business portion of the meeting. Discussion took place regarding the HOA/Metro District Consolidation review process, common area landscaping and a number of issues through the summer in the timing of broken irrigation heads getting repaired, park rental procedures and policies of the Goodman Metropolitan District and covenant enforcement practices, policies and procedures.

**ADJOURNMENT:**

The meeting was adjourned at 7:25 p.m. The next tentative regularly scheduled meeting of the Board was set for November 17, 2015 following the Annual Meeting at Fox Hollow Elementary School.

IN WITNESS WHEREOF, the foregoing has been duly executed by the Board of Directors as of the 17<sup>th</sup> day of November 2015.

THE FARM AT ARAPAHOE COUNTY BOARD OF DIRECTORS

By Michael J. McNeil  
Secretary/Authorized Agent