

**RECORD OF PROCEEDINGS OF THE  
THE FARM AT ARAPAHOE COUNTY BOARD OF DIRECTORS MEETING  
JANUARY 16, 2018**

**MEETING CALLED TO ORDER:**

The Board of Directors for The Farm at Arapahoe County Homeowners Association, Inc., met at Fox Hollow Elementary School on January 16, 2018. Board members present were Kimberly Armitage, Rory Lamberton, Michael McNeil and Michael Spanarella. Also, in attendance were four members of the public and Jessica Moser and Mark L. Eames, PCAM with PCMS. Director Armitage called the meeting to order at 6:30 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 Lamberton, seconded by Director Spanarella and without public comment, unanimously passed to approve the following consent agenda items as presented:

- a. Record of Proceedings for October 17, 2017
- b. Unaudited Financial and delinquency reports through December 31, 2017
- c. 2018 Legal Services – Non-Retainer and Risk Share Fee Programs

**OFFICER REPORTS:**

Appointment of Board Member to Fill Vacant Seat: The Board of Directors inquired if any residents submitted their name and interest to volunteer to fill the vacant seat of Karl Sheldon through November 2018 and unfortunately, not one person in the community submitted their name. The Board of Directors asked the members present at the meeting if they had any interest in this position. Mr. Brad Hughes said that he would volunteer and the Board went on to ask Mr. Hughes a few questions regarding himself and why he would like to volunteer to serve on the Board of Directors. Upon review, a motion was made by Director Armitage, seconded by Director McNeil and without public comment, unanimously passed to appoint Brad Hughes to the Board of Directors to fill the vacant seat of Karl Sheldon through November 2018, effective January 17, 2018.

**NOMINATION AND ELECTION OF OFFICERS:**

The following Directors were approved for nomination for the following positions as Officers of the Corporation for 2018:

Kimberly Armitage	President
Michael Spanarella	1 <sup>st</sup> Vice President
Brad Hughes	2 <sup>nd</sup> Vice President
Rory Lamberton	Treasurer
Michael McNeil	Secretary

A motion was made by Director Lamberton, seconded by Director Spanarella and with no public comment unanimously passed to close nominations and to elect the above-listed Board members for the 2018 Officers. It was also noted that Director Hughes will also be the Landscape Committee liaison.

**LEGAL UPDATES:**

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

Legal Service RFP: The Board of Directors reviewed proposals from three legal firms to look at possibly utilizing in 2018 in addition to the Association's current legal counsel, Hindman Sanchez. It was determined that Directors Armitage and Spanarella will conduct interviews with the candidates and report back to the Board via email to look at obtaining an electronic consent on additional counsel.

**COMMITTEE REPORTS:**

2018 Committee Appointments: A motion was made by Director McNeil, seconded by Director Spanarella and without public comment, unanimously passed to appoint Ralph Ferullo as the chairperson of the DRB and Steve O'Leary, Jenn Shaddock, Malcolm Anderson and Ray Seggelke as members of the DRB and to appoint Steve O'Leary as the chairperson for the Landscape Committee and Brad Hughes, Esperanza Ybarra, Jenn Shaddock and Bob Bock as members of the Landscape Committee.

Design Review Board (DRB): No official report.

Landscape Committee: No official report.

SALAD Committee Charter: No official report.

**The Farm at Arapahoe County Homeowners Association**  
**Board of Directors Meeting**  
**January 16, 2018 – 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.

Request to Remove Penalties: The owner at 18226 E. Lake Avenue submitted a letter to request that the \$125 in penalties that were applied against his lot regarding lack of landscape maintenance and have since been placed into abeyance through October 2018, be removed completely from the account. The Board discussed this and felt the fines should remain in abeyance as originally indicated so that if the yard violations continue this spring/summer, the process will not have to start completely over.

**UNFINISHED BUSINESS:**

Community-wide Standards Discussion: The Board of Directors discussed the current Play & Sports Equipment guideline, along with the Trash Containers, Enclosures and Storage Areas guideline and noted that there are several sections that should be updated and requested that management send the two sections to the Design Review Board to gain their input on proposed updates/changes and once received, the Board will provide the final review of those sections.

Metro District/HOA Consolidation: The Board of Directors discussed the proposed Metro District/HOA Consolidation and determined that based upon some of the sentiment that is within the community at this time that no further action will be taken regarding the merge and that this business matter will be placed on temporary hold for six months.

**NEW BUSINESS**

Board Terms Discussion/Review: The Board of Directors discussed the current Bylaws that outline the Board Terms and the comment that had been brought up at the Annual Meeting in November that a few residents felt there should be term limits for the Board of Directors. After a lengthy discussion, it was unanimously agreed that the current election process of the Association is done by secret mail-in ballot and not via a proxy process, which provides and allows for all members of the Association to run on a fair, impartial and even platform. With that process in place and the fact that after this discussion at the Annual Meeting, everyone in attendance at the meeting was notified that the Association had a vacant position on the Board to fill, along with a notice that was placed in the December 2017 community newsletter to solicit volunteers, not one community member submitted their name prior to the January 16, 2018 Board meeting to be considered for appointment to the Board for the remaining term of Karl Sheldon's vacant Board seat. Based on that, the Association would be remis in limiting its ability to maintain continuity on the Board, and to be able to retain Board members that have actual knowledge and understanding regarding the community and its operation. With that, in respect to considering Board term limits, the Board of Directors unanimously agreed that no action would be taken on the comment made at the Annual Meeting and therefore the Bylaws regarding Board of Directors terms would be left as currently written.

**HOMEOWNER MEMBER PUBLIC FORUM:**

The homeowners in attendance had a few comments/questions during the public forum portion of the meeting regarding monument lighting in the community and trash cans being put out too early or left out too late after trash service.

**ADJOURNMENT:**

The meeting was adjourned at 8:17 p.m. The next tentative regularly scheduled meeting of the Board was set for April 17, 2018 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 April 2018.

THE FARM AT ARAPAHOE COUNTY BOARD OF DIRECTORS

By Michael J. McNeil  
Secretary/Authorized Agent

**RECORD OF PROCEEDINGS OF THE  
THE FARM AT ARAPAHOE COUNTY BOARD OF DIRECTORS MEETING  
APRIL 17, 2018**

**MEETING CALLED TO ORDER:**

The Board of Directors for The Farm at Arapahoe County Homeowners Association, Inc., met at Fox Hollow Elementary School on April 17, 2018. Board members present were Kimberly Armitage, Rory Lamberton, Michael McNeil, Brad Hughes and Michael Spanarella. Also, in attendance were sixteen members of the public; Rich Johnston with Tobey & Johnston PC; Scott Ansel and Adam Ness with UBS Bank; and Jessica Moser and Mark L. Eames, PCAM with PCMS. Director Armitage called the meeting to order at 6:30 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 Hughes, seconded by Director Lamberton and without public comment, unanimously passed to approve the following consent agenda items as presented:

- a. Record of Proceedings for January 16, 2018
- b. Unaudited Financial and delinquency reports through February 28, 2018
- c. Electronic Consent Ratification – Legal Counsel

**OFFICER REPORTS:**

**LEGAL UPDATES:**

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

Proposed Amended Enforcement Policy: Rich Johnston with Tobey & Johnston PC was in attendance to introduce himself to the Board of Directors and to review the proposed Amended Enforcement Policy that he drafted for the Board's review. Upon review, a motion was made by Director Lamberton, seconded by Director Spanarella and without public comment, unanimously passed to approve the Amended and Restated Enforcement Procedure for The Farm at Arapahoe County Homeowners Association, Inc. (Attachment A). The updated document will be added to the community website.

**GUEST SPEAKER:**

Mr. Scott Ansel and Adam Ness with UBS Bank were in attendance to discuss questions that some of the Board members had regarding the Association's reserve account funds and how they are being managed.

**COMMITTEE REPORTS:**

Design Review Board (DRB): No official report.

Landscape Committee: No official report.

SALAD Committee Charter: 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.

Republic Services-Collection Notice: Republic Services retained a collection agency regarding what they feel is an outstanding balance due. A response and back up information was sent back to the collection agency indicating that not only does the Association not have a balance due, but that Republic owes the Association \$6,280 due to the trash/recycling cart pick-up matter that occurred.

Commercial Vehicle Variance Request – 6079 S. Yampa Street: The owner at 6079 S. Yampa Street submitted a request for a variance regarding his commercial vehicle being parked in the community. The owners' employer is Denver Heating & Air Conditioning and they have indicated that this is an emergency vehicle that needs access for his on-call duties. The owner was in attendance at the meeting and provided a copy of a letter dated June 30, 1999, which was prior to his purchase of his home, signed by the Associations Design Review Board which indicated that the Design Review Board interpreted that regular size commercial vehicles were exempt from the commercial vehicle restriction. After discussion, legal counsel suggested that since the owner had reasonable cause to believe he was not in violation of the commercial vehicle restriction because of the letter, that no action be taken by the Association.

**The Farm at Arapahoe County Homeowners Association**  
**Board of Directors Meeting**  
**April 17, 2018 – Page 2**

**MANAGEMENT REPORT CONTINUED:**

Commercial Vehicle Variance Request – 6018 S. Walden Court: The owner at 6018 S. Walden Court submitted a request for a variance regarding his commercial vehicle being parked in the community. The owners' employer is the City of Aurora Water Department and they have indicated that this is an emergency vehicle that needs access for his on-call duties. Upon review, the Board of Directors determined that this vehicle is not an emergency vehicle as outlined in the Associations Emergency Vehicle Resolution dated September 3, 2013 and therefore a variance would not be granted. The Board of Directors provided suggestions that since the size of the vehicle is within the guidelines of the Association, if the owner parks the vehicle on his driveway and either covers the vehicle with a tarp or magnets cover any company or municipality logo while parked in the community, no further action would be taken.

Alleged Garage Door Damage Dispute – 18147 E. Weaver Drive: The owner at 18147 E. Weaver Drive was sent a letter regarding several dents that were noted on the owner's garage doors. The owner was in attendance to dispute the allegation. After a lengthy discussion, the owner did concur that there are multiple dents in the garage door from balls hitting it, but felt that it was unreasonable for the Association to request that either repairs and/or replacement of the damaged garage door panels be made. Based on the covenants for the Association, the Board requested that the owner attempt to take out the dents to see if that will make the garage doors aesthetically pleasing and if that does not work, then the owner may need to look at replacing the panels that are damaged.

Variance Request to Maintain Chickens on Lot – 18156 E. Caley Circle: The owners at 18156 E. Caley Circle submitted a request for consideration to the Board regarding chickens (hens) that are being maintained as pets, at their home. The owner and several of her neighbors were in attendance at the meeting. After a lengthy conversation the Board of Directors agreed to not take any further action on this matter at this time.

Community E-News Process: The Board of Directors reviewed four complaints that were submitted to the Association regarding an E-news that was sent out regarding fundraising for Fox Hollow Elementary School. After discussion, the Board of Directors provided direction to management to only send out an E-news if there is an actual fundraising event and not simply a solicitation for funds.

**UNFINISHED BUSINESS:**

Metro District/HOA Consolidation: This business matter has been tabled until such time that the Goodman Metropolitan District's debt has been paid off.

Community-wide Standards Discussion: The Board of Directors reviewed the revised proposed Play & Sports Equipment guideline, along with the Trash Containers, Enclosures and Storage Areas guideline. Upon review, a motion was made by Director Spanarella, seconded by Director Hughes and without public comment, unanimously passed to approve the proposed revisions as amended. The revised guidelines will be added to the community website.

**HOMEOWNER MEMBER PUBLIC FORUM:**

The homeowners in attendance had a few comments/questions during the public forum portion of the meeting regarding advertising signs being placed in the common areas and on light posts in the community and concerns about several homes that are in need of painting.

**ADJOURNMENT:**

The meeting was adjourned at 8:05 p.m. The next tentative regularly scheduled meeting of the Board was set for July 17, 2018 at a location to be determined.

IN WITNESS WHEREOF, the foregoing has been duly executed by the Board of Directors as of the 17<sup>th</sup> day of July 2018.

THE FARM AT ARAPAHOE COUNTY BOARD OF DIRECTORS

By Michael J. Murrell  
Secretary/Authorized Agent

**AMENDED AND RESTATED ENFORCEMENT PROCEDURE FOR THE FARM  
at ARAPAHOE COUNTY HOMEOWNERS' ASSOCIATION, INC.**

The following enforcement procedures were adopted by resolution of the Board of Directors of The Farm at Arapahoe County Homeowners' Association, Inc. ("the Association") pursuant to Colorado law at a regular meeting of the Board.

**RECITALS:**

- A. Pursuant to Colorado Revised Statute ("C.R.S.") 38-33.3-209.5 (1)(b)(IV) the Association is required to adopt a policy concerning the enforcement of the Association's governing documents.
- B. C.R.S. 38-33.3-302(1)(k) allows the Association to levy reasonable fines for violations of the declaration, bylaws, and rules and regulations ("the Governing Documents") provided notice and an opportunity to be heard is given to the Member prior to the fine being imposed.
- C. C.R.S. 38-33.3-302(1)(d) authorizes the Association to institute, defend, or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Unit Owners on matters affecting the Common Interest Community. In the event the Association prevails with its claim C.R.S. 38-33.3-123 allows the Association to seek reimbursement of its reasonable attorney fees and costs.
- D. For the benefit and protection of the Association and its Members, the Board deems it desirable to establish and operate by procedures to insure due process in cases where an Owner or tenant, their family Members, their guests or invitees are alleged to have violated provisions of the Governing Documents, other than failure to pay assessments.

**THEREFORE, IT IS RESOLVED:**

That the following procedures shall apply to a violation of the Declaration, Bylaws, or the Association's Rules and Regulations. However, this resolution shall not apply to those sections of the Declaration and Bylaws concerning payment and collection of assessments.

**1. Informal Resolution of Violation**

Any Owner, Owner's tenant, or agent of the Association may directly request that an Owner or resident cease or correct any act or omission, which appears to be in violation of the Governing Documents. It is the preference of the Board that residents of the community attempt informal resolution prior to seeking formal resolution.

In the event the perceived violation is also a violation of Federal, State, or local laws, codes, or regulations, the Board may request the complaining resident to contact the appropriate governmental entity to report the perceived violation.

In some cases the Association may be more reluctant to institute litigation than is the complaining Member. The Association would like this opportunity to advise the Members that any person subject to the Declaration and the Colorado Common Interest Ownership Act may institute legal or equitable proceedings to enjoin violations of the Declaration or the Act, and if successful, the complaining party is entitled to seek reimbursement of their reasonable attorney fees and costs.

## **2. Mediation**

The Association encourages residents of the community to mediate with their neighbors on issues that impact the parties involved but not necessarily other Members of the community. The Association intends to use mediation as a tool to address complaints alleging violations of the Association's governing documents; the decision of whether or not to employ mediation will be within the reasonable discretion of the Board of Directors.

## **3. Formal Resolution of the Violation**

A. The Board or its agent may initiate Formal Resolution of violations upon observation of a violation, no written notice of violation is necessary.

B. Residents of the Association may initiate Formal Resolution of violations by filing a written notice of violation with the Association via mail or hand delivery to its management company, in care of the Board. Said notice of violation must clearly indicate the specific nature of the violation, the date, time and location of the violation, the witnesses of the alleged violation, and the name(s) or Unit number of the violator(s). At this time, the name of the Owner(s) or resident(s) making the complaint will not be divulged to persons other than the Board of Directors and its agents.

C. If within the discretion of the Board, the written notice does not allege facts necessary to constitute a violation, the complainant will be notified in writing as to why no action was taken. The complainant may request a reconsideration of the complaint at a subsequent meeting of the Board. The complainant is required to attend this meeting.

D. If the Board, having reviewed the allegations contained in the notice, believes a violation of the Association's governing documents has occurred, the accused individual, or the Owner if the accused individual is a tenant, family Member, guest, or invitee, will be notified in writing that a complaint has been made citing the nature, date, time and location of the violation. The person charged shall have twenty-one (21) days from the receipt of this notification to request a hearing with the Board. Failure to respond to such notification may be construed as an admission of the violation, at which point the Board may levy a reasonable fine against the Owner(s) for the alleged violation.

E. If the Board, after the Owner has been provided with at least 15 days notice and the opportunity to be heard, determines the Owner, resident, guests or invitees have

violated provisions of the Association's governing documents, the Board may suspend the Owner's voting rights, for the period the covenant violation continues; written notice of the suspension shall be provided to the Owner or resident.

F. The hearing procedures shall be as follows:

1. The Chair shall direct the proceedings at the hearing. The person charged, the person's representative, the other Members or residents may speak only after being recognized by the Chair.

2. The Chair will describe the specific provision of the declaration or rule or regulation which is said to have been violated, including the date and place, or read the written complaint to the person charged.

3. The person charged shall be asked to admit or deny the charge. The person charged may speak for himself or may be represented by counsel throughout the hearing. Failure to respond or attend the hearing may be construed as an admission of the alleged violation.

4. If the charge is denied, the complaining witness or other witnesses having personal knowledge of the facts supporting the alleged violation shall be required to describe the details and circumstances giving rise to the violation of the Governing Documents at the hearing.

5. The person charged shall have the opportunity to confront each witness who testified against him and offer a defense to the actions or omissions giving rise to the alleged violation of the Association's Governing Documents.

6. When all complaining witnesses have been heard, the person charged may make statements in rebuttal, and may provide witnesses in support of that position. The Chair may ask questions of each such witness in turn.

7. The Directors shall have the opportunity to question any witness or involved parties if it so desires.

8. At the conclusion of the hearing, the Board of Directors will vote to determine if the alleged should be fined, the amount of the fine, and other terms of the sanctions to be imposed for the violation.

9. The Board's determination will be kept as a record of the Association.

10. In the event the Owner fails to pay the fine (penalty) consistent with the Board's determination, appropriate legal action may be initiated by the Board of Directors to collect the fine (penalty).

11. The following are presumptive fines for normal violations the Board exercising its judgment in light of extraordinary violations, habitual violations, and violations affecting the health, safety, or welfare of the Association, the property, or the residents may increase the fine in excess of the presumptive fine:

Alleged Violation	a warning letter
First Violation	up to \$50.00

Second Violation up to \$75.00

Third and Subsequent Violation Up to \$100.00

**4. Miscellaneous Provisions:**

The Person obligated to pay the fine shall be the record Owner of real property subject to the Association's Governing Documents whether it is a natural person or a legal entity.

Continuing violations shall constitute a separate violation for each 24-hour period the violation exists.

Fines for violations of the governing documents will be imposed against the Owner and the real property subject to the Declaration.


Any and all money collected from such fines may be deposited in the Association's general operating fund.

In the event the violation is of a continuing nature or if the violation constitutes a threat to the health, safety, or welfare of the residents or the property within the community, the Association acting through the Board of Directors may institute an action in a court of competent jurisdiction seeking injunctive relief to abate the violation without proceeding through procedures set forth in 3(D), 3(E), or 3(F) above. Nothing in this paragraph constitutes an election of remedies nor precludes the Board from levying fines as set forth above while at the same time seeking injunctive relief for violations of a continuing nature or violations that affect the health, safety, or welfare of the residents or the property.

In the event it is determined the Association was the prevailing party in the suit the Association shall be entitled to seek reimbursement of its costs including reasonable attorney fees, court costs, and other legal costs; conversely, if it is determined the Owner was the prevailing party, the Owner shall be entitled to reimbursement of the same expenses and costs.

In the event a Court of competent jurisdiction finds a provision of this Enforcement Policy void or otherwise unenforceable, the other provisions shall remain in full effect.

Adopted this 17<sup>th</sup> day of April 2018 by Resolution of the Board of Directors of The Farm at Arapahoe County Homeowners' Association, Inc.

By   
Its President



**Notice of Violation**

Date: \_\_\_\_\_

Your Name: \_\_\_\_\_

Your Address: \_\_\_\_\_

Your Telephone Number: \_\_\_\_\_

Your E-mail address: \_\_\_\_\_

**Information regarding incident(s):** (Please include as much information as possible.)

Name of person committing the alleged violation: \_\_\_\_\_

Address of person committing the alleged violation: \_\_\_\_\_

\_\_\_\_\_

Date(s) of alleged incident(s): \_\_\_\_\_

Please describe the incident(s) in as much detail as possible (use additional sheet(s) if necessary):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

What statutes, covenants, or other rules were violated (please identify specific sections):

\_\_\_\_\_  
\_\_\_\_\_

Did anyone else witness these incidents: \_\_\_\_\_

If the answer is "Yes," please state the witnesses' names, addresses and telephone numbers: \_\_\_\_\_

\_\_\_\_\_

Please sign below:

Date

\_\_\_\_\_

**Please send completed form to:**

The Farm at Arapahoe County Homeowners' Association, Inc.  
c/o PCMS  
7208 South Tucson Way, Suite 125  
Centennial, CO 80112

## Notice of Complaint

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Re: Alleged Violation

Dear \_\_\_\_\_:

The following information has been brought to the attention of the Board of Directors:

### **Information regarding alleged incident(s)**

Date(s) of alleged incident(s):

If true, the alleged incident(s) violate the following statutes, covenants, bylaws, rules, regulations, policies, or procedures (include citations to specific provisions):

Pursuant to Colorado Revised Statute 38-33.3-302(1)(k) and the Association's policies this letter shall serve as written notice of the alleged violation of the provisions mentioned above. Violation(s) of the/these provision(s) may subject the Owner of real property within the community to fines which may also result in a lien against the real property subject to Colorado Revised Statute 38-33.3-316.

This letter shall also serve to allow you an opportunity to be heard with regard to the alleged violation(s) prior to the Board considering fines for the alleged violation(s).

In order to be heard by the Board of Directors you must respond to this notice of Complaint within 21 days of the date of this Notice of Complaint by completing, signing, and returning this form as set forth below.

**The information regarding the alleged incident(s) is not accurate or the alleged incident(s) should not be a violation of the cited authority because:**

(Use additional sheets of paper if necessary)

Please sign below:

Date

\_\_\_\_\_

\_\_\_\_\_

**Please send completed form to:**

The Farm at Arapahoe County Homeowners' Association, Inc.  
c/o PCMS  
7208 South Tucson Way, Suite 125  
Centennial, CO 80112

You will be contacted in writing to be advised of the date, time, and location for the hearing, or in the alternative that no hearing is necessary and no fine will be imposed.

**RECORD OF PROCEEDINGS OF THE  
THE FARM AT ARAPAHOE COUNTY BOARD OF DIRECTORS MEETING  
JULY 17, 2018**

**GUEST SPEAKER:**

Deputy Presley with the Arapahoe County Sheriff's Department was in attendance to provide a presentation to the members present regarding crime tips and statistics. This discussion took place prior to the meeting being called to order at 7:03 p.m. A question and answer question followed.

**MEETING CALLED TO ORDER:**

The Board of Directors for The Farm at Arapahoe County Homeowners Association, Inc., met at the PCMS office building on July 17, 2018. Board members present were Kimberly Armitage, Rory Lamberton, Michael McNeil and Brad Hughes. Also, in attendance were six members of the public; Nate Adams and Justin Ketner with Terracare; and Jessica Moser and Mark L. Eames, PCAM with PCMS. Director Armitage called the meeting to order at 7:03 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 Hughes, seconded by Director McNeil and without public comment, unanimously passed to approve the following consent agenda items as presented:

- a. Record of Proceedings for April 17, 2018
- b. Unaudited Financial and delinquency reports through June 30, 2018

**OFFICER REPORTS:**

**LEGAL UPDATES:**

The Board reviewed the status update from the Association's legal counsel. The Board also reviewed a proposed foreclosure resolution provided by legal counsel for Account Number PF26892EC. Upon review, a motion was made by Director Hughes, seconded by Director Lamberton and without public comment, unanimously passed to move forward with the foreclosure proceedings.

**COMMITTEE REPORTS:**

Design Review Board (DRB): No official report.

Landscape Committee: No official report.

SALAD Committee Charter: No official report.

**OTHER REPORT(S):**

Goodman Metropolitan District Update: Director Armitage updated the Board on several items the Metropolitan District is currently working on and the renovations taking place at Central Park.

**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 also went through a review of several performance concerns with the current landscape contractor, Terracare.

Variance Request Account Number PF25971ZN: The owner for account number PF25971ZN submitted a request for a variance to not replace the front yard tree on his lot as he has replaced it previously and it died due to the small area. The plat and guidelines require at least one front yard tree in this filing. Mr. Eames noted that he will get a meeting set up with one of the Landscape Committee members, the owner and himself to come by and take a look at the area to see if any additional options or suggestions can be provided to the owner to bring the lot into compliance.

**The Farm at Arapahoe County Homeowners Association**  
**Board of Directors Meeting**

**July 17, 2018**

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**UNFINISHED BUSINESS:**

Terracare Update: Nate Adams and Justin Ketner with Terracare were in attendance to provide the Board with updates regarding several maintenance items that have not been resolved. Mr. Adams noted that Mr. Ketner will be the new Association liaison for Terracare.

**NEW BUSINESS:**

2019 Budget Preparation: Mr. Eames reviewed the draft 2019 proposed budget and narrative with the Board. Upon review, motion was made by Director Hughes, seconded by Director Lamberton 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 once Fox Hollow has their rental schedule available, management would be requesting to utilize a room at the school for the Annual Meeting on Tuesday October 23, 2018 at 6:00 p.m.

**HOMEOWNER MEMBER PUBLIC FORUM:**

The homeowners in attendance had a few comments/questions during the public forum portion of the meeting regarding tree removal/replacement on a lot and general neighbor complaint comments.

**ADJOURNMENT:**

The meeting was adjourned at 8:15 p.m. The next tentative regularly scheduled meeting of the Board was set for January 15, 2019 at Fox Hollow Elementary School.

IN WITNESS WHEREOF, the foregoing has been duly executed by the Board of Directors as of the 15<sup>th</sup> day of January 2019.

THE FARM AT ARAPAHOE COUNTY BOARD OF DIRECTORS

By Michael J. Murrell  
Secretary/Authorized Agent

The Farm at Arapahoe County Homeowners Association, Inc.  
 2018 Approved Budget, 2018 Estimated Actual, 2019 Proposed Budget

Attachment A

	2018 Approved	2018 Estimated	2019 Proposed
<b>HOA Operating Income</b>			
Assessments	\$866,160	\$866,160	\$866,160
Fines Income	\$5,000	\$8,400	\$5,000
Legal Income	\$5,000	\$9,200	\$5,000
Late Fee Income	\$5,000	\$10,700	\$5,000
Miscellaneous	\$2,000	\$1,650	\$1,000
Goodman Bill Back	\$15,000	\$18,000	\$20,000
Carry Over (Loss)	\$103,040	\$70,930	\$105,240
<b>Total Income</b>	<b>\$1,001,200</b>	<b>\$985,040</b>	<b>\$1,007,400</b>
<b>HOA Operational Expenses</b>			
Water/Sewer/Stormwater	\$265,000	\$267,400	\$278,000
Electric	\$17,000	\$16,720	\$17,400
Trash Removal	\$219,000	\$220,700	\$222,000
Snow Removal	\$10,000	\$4,000	\$10,000
Landscape/Contract Maint.	\$156,000	\$155,300	\$158,000
Sprinkler Repair	\$23,000	\$21,800	\$23,000
Trees Maint. and Replacement	\$35,000	\$32,600	\$30,000
Grounds/Maint. Supplies	\$8,000	\$8,400	\$8,000
Social/Recreational	\$18,000	\$17,860	\$18,000
Capital Improvements	\$25,000	\$25,000	\$25,000
<b>HOA General/Administrative</b>			
Holiday Decorations	\$12,000	\$9,400	\$11,000
Legal-General	\$12,000	\$8,450	\$10,000
Legal Covenant Expenses	\$8,000	\$6,300	\$8,000
Legal Risk Share	\$5,000	\$3,800	\$5,000
Legal Collection Expenses	\$5,000	\$12,600	\$5,000
Audit/Income Taxes	\$3,200	\$3,400	\$3,500
Professional Fees	\$78,000	\$77,200	\$78,000
Consolidation Expenses	\$5,000	\$0	\$0
Insurance	\$14,000	\$13,760	\$14,500
General Administration	\$28,000	\$27,350	\$28,000
Bad Debt	\$5,000	\$3,000	\$5,000
<b>Reserves</b>			
Reserve Contribution	\$50,000	\$50,000	\$50,000
<b>Grand Total Expenses</b>	<b>\$1,001,200</b>	<b>\$985,040</b>	<b>\$1,007,400</b>
<b>Net Income (Loss)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**The Farm at Arapahoe County Homeowners Association  
2019 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 2019 from 2018.

***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 2018 that the Board of Directors has authorized to carry forward in 2019 as revenue.

**HOA OPERATING EXPENSES**

***Water/Sewer/Stormwater***

Costs associated with the irrigation (watering) of all properties owned and maintained by the Association. The 2019 estimates are based upon a more seasonal moisture patterns but does anticipate an increase in the cost of water by ECCV in 2019 of 4%.

***Electrical Usage***

Costs associated with the electrical usage of all properties owned and maintained by the Association. The 2019 estimates are based upon projected 2018 estimated actual, with an anticipated increase in the cost of electricity in 2019 of 4%.

***Trash Removal***

Budgeted figure includes all trash removal for all private residences in the Association.

***Snow Pushing Contract***

Budget figures reflect current estimated costs for customary snow removal operations for all properties owned and/or maintained by the Association based upon the current provisions in the landscape contractor.

***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 2019, 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 2019 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 2018 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.

### ***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 2019.

### ***Reserves Contributions***

Reserve contributions are based upon the most recent independent reserve study as prepared by Aspen Reserve Specialists for all properties owned and maintained by the Association. The Association's reserve contributions are based upon the estimated useful life and associated replacement costs. For the year 2019, the Association's projected funded reserve balance is still ahead of the scheduled projections, so no increase in contributions for 2019 have been implemented for the projected 2019 budget.



**THE FARM AT ARAPAHOE COUNTY HOMEOWNERS ASSOCIATION, INC.  
ANNUAL MEMBERS & BUDGET RATIFICATION MEETINGS MINUTES  
OCTOBER 23, 2018**

**CALL TO ORDER**

The meeting was called to order at 6:12 p.m. by Kimberly Armitage, The Farm at Arapahoe County Homeowners Association President. Notice was given to all members in accordance with the Bylaws of the Association. Director Armitage noted that we did have a quorum to conduct the meeting.

Director Armitage introduced the current Board Members:

Kimberly Armitage - President  
Michael Spanarella- Vice-President  
Brad Hughes - 2<sup>nd</sup> Vice-President  
Michael McNeil - Secretary  
Rory Lamberton - Treasurer

Director Armitage introduced Mark Eames with PCMS, the managing agent for the Association

**APPROVAL OF THE 2017 ANNUAL MEETING MINUTES**

Director Armitage asked the homeowners in attendance to review the November 2017 Annual Meeting Minutes, if they had not already done so. Motion was made and seconded to approve the minutes as written and presented. The minutes were unanimously approved as presented.

**OFFICER AND COMMITTEE REPORTS**

Mark Eames identified each Committee currently in place at The Farm as follows:

Design Review Board  
Landscape Committee  
SALAD Committee

Director Armitage updated the membership on various activities of the Association throughout the past year and current projects the Board and Committee's are working on.

**2018 FINANCIAL REPORT AND 2019 BUDGET PRESENTATION AND RATIFICATION**

Mark Eames reviewed the 2018 financial condition of the Association and then presented the 2019 Budget. Key points discussed were as follows:

- Based upon anticipated operational expenses for 2018, the Board of Directors were able to maintain the assessment at \$45.00 per month for the 2019 assessment year.

As provided for under the Declarations, Article 7 Section 7.03 and Bylaws Article 4, Section 4.2 for The Farm at Arapahoe County Homeowners Association, Inc., with ten (10) owners who provided their absentee ballot that voted no on the proposed 2019 budget, the 2019 budget was ratified as presented. The assessment will remain at \$45.00 per month for the 2019 assessment year.

**ELECTION OF DIRECTORS**

Mark Eames announced that two homeowners had expressed an interest in serving on the Board of Directors: Brad Hughes and Michael Spanarella and write in nominees Laura Hayes, Ralph Ferullo and Tracy Rinehart to fill the two open Board seats and the following individuals were elected to serve a two year term on the Board of Directors based on the ballots received: Brad Hughes and Michael Spanarella.

**UNFINISHED BUSINESS**

Goodman Metropolitan District/The Farm HOA Consolidation Update: Director Armitage reported that this matter has been tabled by the Board of Directors at least until the Goodman Metropolitan Districts bond debt is paid off, which is currently projected to occur sometime in December of 2019.

**HOMEOWNER ITEMS RELATED TO ASSOCIATION BUSINESS**

The floor was opened to general questions.

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 6:56 p.m.