

**Meeting Minutes of the Executive Board
November 13, 2005
The Springs at Mariana Homeowners Association, Inc.
Loveland, Colorado**

The executive board of The Springs at Mariana Homeowners Association, Inc (SMHOA) convened for a budget review meeting on November 13, 2005, at 5360 Lighthouse Point Court (the home of Bob and Marilyn Wiltgen, the property managers). Greg Muhonen, Mark Vaughn, Heath McVay, Bryce Giesey, and Bob and Marilyn Wiltgen attended.

Review of the proposed 2006 budget by line item:

1. Under Income:
 - a. Line 4, Other income is proposed to come in from possible fines and reimbursements

2. Operating Expense: LAWN MAINTENANCE
 - a. Line 9 Mowing (entry): proposed budget of \$3120 is a combination of central area and pond combined.

 - b. Line 11 Fertilizer and weed control: estimate a increase due to oil price increase, budget at \$610

3. Operating Expense: PATH & FENCE MAINTENANCE
 - a. Line 17 proposed a change to call this line item Project Cleanup (including drainage). Proposing a \$150 charge to all lot builders as a cleanup fee. This fee will include trash pick up, street sweeping and drain cleaning as needed. The budget is based on 10 lots in construction phase in 2006 at \$150 each for a total of \$1500. Bryce will review the agreement used at Mariana Cove and suggest we use the same agreement per contractor for each lot build out. **Adoption of this fee will require a vote by the HOA membership as a revision to the covenants. This will be scheduled for the December 2005 HOA meeting.**

4. Operating Expense: LANDSCAPING MAINTENANCE
 - a. Line 22, Pond Maintenance (front pond): the front pond maintenance is expensive due to leaves and other debris. It was suggested that we consider removing this pond due to high maintenance cost but retain the waterfall feature with existing landscaping. This will be discussed at the next HOA meeting. Another thought was to wait to make this change until more lots are sold, as this is an attractive feature and makes a positive first impression of the neighborhood. No change to the budget at this time. Bob also said we have a problem with runoff from 1st street bringing dirty water into pond. Possible solutions would be a French drain to move water from front of property to the drainage system on Alpine Laurel Dr. or have a curb built to divert water.

 - b. Line 25, Winter Water: Bob suggested that we water the trees planted this season once a month, as needed. He pointed out that it is cheaper to pay for water than to replace one dead tree due to drought.

- c. Line 26, Tree Replacement: look to line 49 for an estimate of \$800. We have already replaced two trees at \$300 each and have another one yet to replace at \$300. Bob suggested that we add \$100 to the budget to cover the replacement of the existing dead tree in front open space. We need to receive an invoice from Brower (the landscaping company used thus far) for the two replaced trees in back (\$600) and we need to receive the hard copy landscaping plan and schematics of water pump and sprinkler system. Bryce volunteered to call the landscape company so we can receive this invoice soon and pay it off this year.
5. Operating Expense: UTILITIES:
- a. Line 31, Raw Water Rental: Bryce asked if we could look into securing water for future irrigation of common areas by contacting other board members or officers of the South Side irrigation ditch. Bryce will contact Steve McMillan one of the officers and shareowners of the South Side irrigation ditch to inquire about the possible long-term water leasing or renting. We talked about the possibility of buying a half share for future secure water. We estimated the cost of one half share to be around \$20,000, which we cannot consider at this time due to budget constraints.
6. Operating Expense: OTHER:
- a. Line 36, Property Tax: If Timber Wind Land LLC gets the quit claim deed turned in by end of this year the common outside lots will be owned by SMHOA, which is considered a non-profit organization and no property tax will be owed.
 - b. Line 37, Liability Insurance: We discussed the possibility of buying extra liability insurance for the officers and property manager. This is estimated at around \$1000 extra on this line item per year. Marilyn Wiltgen will review the policy held for officers at Mariana Cove as an example.
7. Capital Improvements:
- a. Line 46, Central Pond Improvements: There are two concerns with central pond improvement, which must work together for long-term benefits: (1) safety for all who use the area; and (2) water quality and visual aesthetics. It was suggested that we have the expert who reviewed the pond for water quality come to our next HOA meeting to make a presentation of his findings and provide suggestions on how to improve or maintain the quality needed and expected. We will also need to prioritize the improvements needed with the central pond with regards to the two concerns. The current budget is based on a decision passed at our last HOA meeting to line to pond with rock (that is, a carry over budget item from 2005).
 - b. Line 52, Sprinkler System Upgrade: Bryce suggested that a few of us get together with him to replace the sprinkler heads in the common area behind lot 21 with new heads that don't spray as far to help keep water off the walking path. Bryce said he has all the equipment needed and this will not cost the HOA as much money, only the cost of the new heads.

- c. Line 53, Drain Pan (Path): Greg said he was going to try to have it looked at next week for budget purposes, as we need to address the poor drainage problem in common area behind lot 21.

The minutes need to reflect any action taken on the draft budget. It cannot be presented to the HOA membership until approved by the Board. Could we say:

The President called for a vote on the proposed 2006 budget, as amended during this meeting. The 2006 Budget was approved with 3 directors voting in favor and none in opposition. Greg Muhonen left the meeting early due to a previous commitment and did not vote.

A copy of the approved 2006 Budget is attached.

The date for the next HOA meeting for all to be invited has been scheduled for December 12th at 6:00pm ??? to be held at the home of Mark and Anna Vaughn at 5615 Mountain Iris Court. Please RSVP as soon as possible.

Respectfully submitted this 13th day of November, 2005.

Mark Vaughn, Secretary