

Buckskin Heights Road Association

MINUTES for Wednesday, May 4, 2022

Zoom Meeting • 6:30 pm

ATTENDANCE:

Board Members: Glenn Heeney, Allan Heese, Luke McOmie, Dan McQueen, Sue Weber (Brian Abbott, excused)

Community Members: Mary Arnold, Erik Dolph, Mike Lowe, Sarah/Calvin Simpkins, Bill Torrey

CALL TO ORDER, WELCOME/INTRODUCTIONS, QUORUM:

The meeting was called to order by President Glenn Heeney with quorum present at 6:33pm.

APPROVAL OF AGENDA:

Allan Heese made a motion to approve the agenda. It was seconded and **approved**

Community Input: None at this time.

Secretary's Report: Secretary Luke McOmie made a motion to confirm the email approval of the minutes from the January 17 & 26, 2022 BHRA Board Meeting and the Informational Meeting on February 17, 2022 as distributed. It was seconded and **approved**.

Treasurer's Report:

1. Treasurer Sue Weber reviewed the attached Treasurer's Report. It summarized cash on hand; collection of dues for 2021 and to date for 2022; the 14 property sales to date since the Cameron Peak Fire in October 2020; and provided a tentative budget update as of May 1, 2022. Discussion and adjustments to this budget will be made during the Road Report below.
2. One highlight: Our 11-year delinquent property was recently sold. \$10,849 in delinquent dues/fees/interest was paid to BHRA at closing. A release for all seven liens on the property was filed with the Larimer County Clerk & Recorder on May 4, 2022.
3. Sue reported that the 2021 BHRA financial records were reviewed by independent auditors Jodi Abbott and Bonnie Torrey. They determined that the financial position and cash flows of BHRA were in conformity with generally accepted accounting principles as of December 31, 2021.
4. Sue made a motion to accept the Treasurer's Report, with the understanding that the budget going forward will likely be modified during the Road Report discussion. It was seconded and **approved**.

Road Report:

1. VP Allan Heese reported on the project that students in the CSU Engineering Department did for us regarding the steep incline and sharp curve at road marker 9 below the McBride windmill house. The new road cut they engineered would cost \$200K and go through the south portion of the McBride property so will never be implemented, but the results are interesting. Allan and Sue Weber worked on the project with the CSU team; Allan will post the results on GroupsIO.
2. Allan reported that one grading at a cost of \$2,825 has already happened since the first of the year; it leveled/smoothed the road significantly, but we are already seeing some heavy wear due in part to transport of several large storage units and construction materials up the road.
3. Allan reviewed the attached tentative plan for the major work on the road in 2022. The proposed work is described starting from the bottom of Otter Rd up through each of the interior roads. See columns labeled "work items" and "est costs" for details on the various work items and anticipated costs.
 - A. Allan presented the rationale for each of the typical fixes needed (e.g., ditch work, culvert repair, grading, materials application) for each of the road locations on the list – what/where/why/when the work is needed.
 - B. Allan also discussed a special experimental \$10,000 project using reactivation chemicals for road stabilization for steep/sharp turns on lower Otter Rd that he currently has marked with flags (e.g., first sharp turn above the sign at road marker 9; two sharps turns above windmill house near road markers 12 and 14). Erik Dolph commented that a trucking friend agreed with the use of the reactivation agent. Allan described the water needs for this option: 80' requires 1 water truck (1 load/80' of material). Some money from our saving/emergency account (~\$5,000) would probably be necessary to complete this new project.
 - C. Allan described the breakdown between interior road work (\$19,800) versus exterior road work (\$24,000) and culverts/ditch work (\$8,500) versus materials/grading (\$35,300). Both total \$43,800.

NOTE: Road Stabilization effort placed on hold at June 6 Board meeting

D. Allan made a motion to accept the plan. It was seconded. Discussion ensued.

- Erik Dolph asked about the spending proposal and if this locks us in for the budget. Sue responded that yes, a vote to approve would commit us to the plan, with the expectation that as in other years, actual conditions might make modifications necessary. However, no more funds could be spent over the total authorized if approved.
- There was general agreement that: (i) we no longer need as much as \$5,000 in the emergency fund, which was established when we had machinery to maintain; and (ii) this seems like a worthwhile experiment. Sue pointed out that whenever we have needed emergency snow plowing in the last decade, donations from the community have more than covered the expense.
- Dan McQueen recommended that we spend the extra money from our

savings/emergency account on the bad spots with the road chemicals. Allan replied that we might not have to pull from the emergency fund to get it done; it all depends on the actual availability and cost of materials during the summer. This proposal is his best estimate based on discussion with Foster and past experience. If we spend \$2,000 from the savings/emergency fund, we would still have \$3,000 left.

- The motion was **approved**.

E. Allan made a motion to amend the budget based upon needed culvert/ditch work to \$8,500 and grading/road base to \$35,300 (with a 50:50 estimated split for now) for a projected total of \$43,000 by leveraging \$2,000 out of the savings/emergency account. The "Expected Remaining Expenses & Income" budget column F will be changed to make the budget update match the approved work plan. The motion was seconded and **approved**.

| AVAILABLE FUNDS | | EXPECTED EXPENSES | | | REMAINING FUNDS | LOADS REQ'D | PROJECT / TOTAL |
|------------------|------------------------|--|-------------------------------------|-----------|------------------|-------------|--|
| AMOUNT | SOURCE | WORK ITEM | LOCATION | EST COST | | | |
| \$ 1,000 | PRIVATE DONATION | STARTING BALANCE | | | \$ 46,724 | | |
| | | DITCH CLEANOUT | OTTER RD .15 | \$ 3,000 | \$ 43,724 | | |
| | | CULVERT REPLACEMENT | OTTER RD .15 | \$ 1,500 | \$ 42,224 | | LOWER OTTER ROAD DRAINAGE IMPROVEMENT |
| \$ 32,700 | REGULAR BUDGET | ROAD BASE / MATERIAL PLACEMENT | OTTER RD .15 | \$ 1,500 | \$ 40,724 | 4 | \$6,000 |
| \$ 10,849 | DEBT PAYMENT | MATERIAL PLACEMENT | OTTER RD 4.7 | \$ 2,800 | \$ 37,924 | 5 | |
| \$ 5,000 | EMERGENCY FUND | MATERIAL PLACEMENT | OTTER RD 5.0 | \$ 1,800 | \$ 36,124 | 3 | |
| \$ 49,549 | TOTAL | DITCH CLEANOUT | OTTER RD 5.0 | \$ 1,000 | \$ 35,124 | | |
| | | | | | \$ 35,124 | | |
| (\$2,825) | APRIL GRADING | ROCK BREAKUP, DITCH CLEANOUT | RACCOON CT | \$ 2,000 | \$ 33,124 | | |
| | | ROAD REPAIR | RACCOON CT | \$ 5,000 | \$ 28,124 | | |
| \$ 46,724 | TOTAL AVAILABLE | CULVERT REPLACEMENT | RACCOON CT | \$ 1,000 | \$ 27,124 | 10 | RACCOON COURT ROAD IMPROVEMENT \$ 8,000 |
| | | | | | \$ 27,124 | | |
| | | MATERIAL PLACEMENT | WOODCHUCK DR | \$ 2,800 | \$ 24,324 | 5 | |
| | | | | | \$ 24,324 | | |
| | | MATERIAL PLACEMENT | WOLVERINE | \$ 1,700 | \$ 22,624 | 3 | |
| | | | | | \$ 22,624 | | |
| | | MATERIAL PLACEMENT | GRAY SQUIRREL | \$ 1,700 | \$ 20,924 | 3 | |
| | | | | | \$ 20,924 | | |
| | | EXPERIMENTAL USE OF CHEMS FOR ROAD STABILIZATION | LOWER OTTER ROAD, VARIOUS LOCATIONS | \$ 10,000 | \$ 10,924 | 10 | EXPERIMENTAL ROAD STABILIZATION PROJECT \$10,000 |
| | | | | | \$ 10,924 | | |
| | | MATERIAL PLACEMENT | OTTER RD, VARIOUS | \$ 8,000 | \$ 2,924 | | |
| | | | | | \$ 2,924 | 43 | |
| | | | | | \$ 2,924 | | |
| | | INTERIOR ROAD WORK COSTS | | \$ 19,800 | | | |
| | | EXTERIOR ROAD WORK COSTS | | \$ 24,000 | | | |
| | | | | \$ 43,800 | | | |
| | | | | | | | CULVERT/DITCHWORK \$8,500 |
| | | | | | | | MATERIAL/GRADING \$35,300 |
| | | | | | | | \$43,800 |

NOTE: Road Stabilization effort placed on hold at June 6 Board meeting

Gate Report/Security: Glenn Heeney reminded us that a few of us need to meet with Bob Faris to make sure that others are trained in how to maintain the gate. He also reminded people to lock the gate behind each load and thanked Sue Weber for fixing the sign at the gate.

Fire Committee Report: Glenn Heeney reminded everyone that there is a fire ban in place and that a list of restrictions is active right now. Sue Weber will replace the “fire restriction” signs to post on the gate when needed. Allan Heese asked members to remove branches in the easement that are encroaching on emergency vehicle clearances.

Old Business: Update from committee to investigate purchase/rental of equipment for BHRA to maintain road – Mary Arnold, Erik Dolph, Keifer Jacobson, Mike Lowe, Max McGowan and Brian Abbott (BHRA liaison).

1. Erik reported that the group has met several times to discuss purchasing a modest priced piece of equipment (grader) to be able to reduce the number/need of outside work and money being spent. It’s a tow-behind, a few thousand dollars versus large expenditure to start with that can be pulled by heavy machines that are already privately owned in the community. The group want to create a path to get it voted on by the Board and then the Association as a whole.
2. Glenn Heeney wanted to make sure that all members of the committee are involved in any decision to purchase/use any equipment and that there are controls in place for the use of any equipment. Allan asked if this discussion is a progress report and if the committee is going to formalize the proposal in writing to bring to the board at a later date.
3. Erik pointed out that there are folks willing to spend private money to purchase the equipment but they need to coordinate with the board for using it on our roads. He spoke about the difference between private use/repairs versus something that is board-associated.
4. Glenn pointed out that Board members, not private citizens, are responsible for maintaining the road. The committee needs to offer a written plan that the Association can approve and the Board can implement. [NB: Our *Bylaws* state that road maintenance is the job of the Board on behalf of the members of the Association, which carries liability insurance for Board decisions. If any road work results in injury/death or vehicle damage, the Board could be held responsible; Association insurance may not cover Board members or reimburse costs if work was unauthorized or the Board was negligent.]

5. Michael Lowe commented that the Board does not have the authority to do snowplowing. Sue Weber explained that we usually pay contractors who are hired to do the snowplowing and have their own insurance; donations, never dues funds, are used.
6. There was discussion about how individuals have done other work on the road without Board authorization. Erik and Mike asked what is the difference between somebody who graded with the approval versus what Erik and the road committee are trying to accomplish independently? The committee wants to demonstrate their concept so that it can be added to the budget. See 4 above.
7. Allan Heese made a motion to table further discussion until the rest of the committee and the liaison can meet again. It was seconded. Discussion ensued. Luke McOmie stated that the board is expecting a written plan so that everyone can vote on it and approve it. Glenn stated that everyone who wants to do something new on the road needs to propose their ideas in writing; present it to the board so it can be forwarded for a vote to the Association at the annual meeting; then the Board can implement it or not based upon what the Association decides. Allan recommended that the committee hold a meeting of all members, including Board liaison Brian Abbott, as soon as possible to get this done. The motion to table was **approved**.

New Business:

1. Sue Weber made a motion to clarify the auto signature for forwarded messages by GroupsIO account administrators by changing it to “*Forwarded by Buckskin Heights GroupsIO Administration.*” The motion was seconded and **approved**.
2. Sue pointed out that we need to replace the numbers on some of the road markers. Allan Heese will work on this when he has time.

Adjournment to Executive Session: Glenn Heeney made a motion to adjourn the public meeting at 8:05pm to discuss delinquent dues. The motion was seconded and **approved**.

Final Adjournment: Glenn Heeney made a motion to adjourn the executive session at 8:27pm. The motion was seconded and **approved**.

Respectfully submitted,

Luke McOmie, Secretary

Buckskin Heights Road Association Treasurer’s Report

Sue Weber – May 4, 2022

| | | |
|---|---|-------------|
| 1. Checking account balance 5/1/22 | = | \$40,269.05 |
| Subsequent Expenses | = | -\$36.20 |
| Subsequent Deposits | = | \$0.00 |
| Checking Available | = | \$40,232.85 |
| Savings account balance 5/1/22 | = | \$5,006.78 |
| TOTAL AVAILABLE 5/4/22 | = | \$45,239.63 |

2. Dues:

- 2021 – Dues for 66 of 67 properties (64 of 65 owners) were paid in full, 98% compliance.
- 2022 – Dues for 58 of 67 properties (53 of 61 owners) are paid in full; 9 properties (8 owners) remain unpaid. Our long-term delinquent property (2011-22) was recently sold; \$10,849 in outstanding dues/fees/interest was paid to BHRA at closing; a release for all seven liens on the property was filed with the Larimer Clerk & Recorder on 5/4/22.

3. 14 Completed Property Sales Since the Cameron Peak Fire, October 2020:

- 2/12/21 – Cole Deines (13000 Woodchuck Dr) to Shana Longo
- 2/23/21 – Ryan Green (3724 Woodchuck Dr) to Bryon & Amy Brockel
- 6/18/21 – Robert Gonzalez (13512 Otter Rd) to David & Cynthia Smith
- 8/6/21 – Scott Roth (10100 Otter Rd) to Kaitlyn & Samuel McBride
- 8/30/21 – Jo & Paul Hesson (13428 Otter Rd) to Jacob Jandrew & Samantha Walker
- 9/10/21 – Steven & Sherri Stinnett (14296 Otter Rd) to Paul Rutt
- 11/5/21 – Richard Dixon & Charlene Ferra (8266 Gray Squirrel Ct) to Sean Cloutier
- 12/23/21 – Kyle Recchia (13735 Otter Rd) to Sanjeev & Krystal Karki
- 1/7/22 – Jeremiah & Sandra May (8857 Otter Ct) to Luke & Melanie McOmie & Jonathan Dilley
- 1/7/22 – Heather Speicher (13728 Raccoon Dr) to Justin Wilson
- 2/8/22 – Pamela Robinson (8315 Gray Squirrel Ct) to Cameron & Alice Louie
- 4/8/22 – Estate of Gregory Nelson (13451 Raccoon Dr) to Justin Wilson
- 4/15/22 – Estate of Stanley Long (13888 Otter Rd) to Sarah Simpkins, James Leslie & Robert Leslie
- 4/26/22 – Joshua Embrey (8220 Raccoon Ct) to Jeffrey Moe

4. Current Properties for Sale/Pending Closings: NA

5. **2021 Year-End Audit Report** (attached) – I submitted the 2021 BHRA financial records to independent auditors Jodi Abbott and Bonnie Torrey. They determined that the financial position and cash flows of BHRA were in conformity with generally accepted accounting principles as of December 31, 2021.

6. **Budget Update, May 4, 2022** (attached)

BHRA EXPENSE & INCOME SUMMARY • May 4, 2022 REVISED

| A | B | C | D | E | F | G | H |
|--------------------------------------|-----------------|----------------------|---------------------------------------|----------------------------------|---|---------------------------------------|------------------------------------|
| Category | 2021 Actual | 2022 Approved Budget | 2022 Actual Expenses & Income to Date | 2021 Budget Over (Under) to Date | 2022 Expected Remaining Expenses & Income | 2022 Projected Total Expense & Income | 2022 Projected Over (Under) Budget |
| Bank Fees | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Emergency Expense | \$2,025 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Gate Maintenance | \$0 | \$200 | \$0 | (\$200) | \$200 | \$200 | \$0 |
| Grant Expense | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Insurance | \$1,235 | \$1,300 | \$0 | (\$1,300) | \$1,300 | \$1,300 | \$0 |
| Legal/Financial | \$61 | \$100 | \$20 | (\$80) | \$80 | \$100 | \$0 |
| Mailings | \$104 | \$100 | \$37 | (\$63) | \$63 | \$100 | (\$0) |
| Miscellaneous | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Signs | \$0 | \$200 | \$0 | (\$200) | \$200 | \$200 | \$0 |
| Supplies | \$99 | \$100 | \$0 | (\$100) | \$100 | \$100 | \$0 |
| Fire Expense | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Transfer to Savings/Emergency Acct | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Road Base Homeowner | \$3,950 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Road Ditches & Culverts | \$1,372 | \$4,000 | \$0 | (\$4,000) | \$8,500 | \$8,500 | \$4,500 |
| Road Grader Operator | \$14,006 | \$14,700 | \$2,825 | (\$11,875) | \$17,650 | \$20,475 | \$5,775 |
| Road Base | \$12,933 | \$14,000 | \$0 | (\$14,000) | \$17,650 | \$17,650 | \$3,650 |
| BHRA Road Expense Subtotal | \$28,311 | \$32,700 | \$2,825 | (\$29,875) | \$43,800 | \$46,625 | \$9,425 |
| Expense Subtotal | \$35,784 | \$34,700 | \$2,882 | (\$31,818) | | \$48,625 | \$13,925 |
| Dues & Late Fees | \$30,410 | \$29,700 | \$37,125 | \$7,425 | \$4,050 | \$41,175 | \$11,475 |
| Emergency Donations | \$2,175 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Interest | \$1 | \$1 | \$0 | (\$1) | \$0 | \$0 | (\$1) |
| Grant Income | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Remote Control Sales | \$16 | \$0 | \$48 | \$48 | \$0 | \$48 | \$48 |
| Homeowner Road Base Reimburse | \$3,950 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Miscellaneous | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Transfer from Savings/Emergency Acct | \$0 | \$0 | \$0 | \$0 | \$2,000 | \$2,000 | \$2,000 |
| Income Subtotal | \$36,552 | \$29,701 | \$37,173 | \$7,472 | | \$43,223 | \$13,522 |
| Checking Cash Flow Balance | \$767 | (\$4,999) | \$34,292 | | | (\$5,401) | |

NOTES

*Expected expenses should leave at least \$500 in projected ending balance

Budget: 66 properties @\$450 = \$29,700
 Dues total includes \$10,849 from 11-years (2011-22) of dues/fees/interest from delinquent property estate.
 Dues total also includes undesignated donations.

BHRA ASSET SUMMARY

| A | B | C | D | E | F | G | H |
|-----------------------|----------------------------|------------------------------|-----------------------------|---|---|--------------------------------|---|
| Category | 2021 Actual Ending Balance | 2022 Budgeted Ending Balance | 2022 Actual Balance to Date | | | 2021 Projected Ending Balance* | |
| BHRA Checking Balance | \$5,978 | \$979 | \$40,269 | | | \$576 | |
| BHRA Savings Balance | \$5,007 | \$5,008 | \$5,007 | | | \$3,007 | |
| Total Assets | \$10,984 | \$5,986 | \$45,276 | | | \$3,583 | |

*Target is \$500 to avoid bank fee. For proposed 2022 roadwork, totals include \$2,000 transfer from Savings/Emergency account.

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Buckskin Heights Road Association
P.O. Box 352, Masonville, CO 80541

Report on the Financial Statements

We have audited the Treasurer's Report; Audit Summary; expense invoices and authorizations; income receipts; and bank statements and check register of Buckskin Heights Road Association as of December 31, 2021.

BHRA's Board of Directors Responsibility for the Financial Statements

The Board is responsible for the preparation and fair presentation of these statements, and management of them to be free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we perform the audit to obtain reasonable assurance about whether the statements are free of material misstatement.

The procedures we have performed include but are not limited to: 1) reviewing invoices, receipts and deposits of the organization; 2) reviewing the check register, bank statements, and BHRA Membership Roster, comparing the three for consistency; 3) reviewing expenses for reasonableness as to their use; 4) confirming all invoices had notations that they had been reviewed; and 5) confirming the beginning and ending cash balance in the checking and savings accounts match the Asset Summary report.

Conduct of Audit

We conducted our audits in accordance with auditing standards generally accepted in the United States of America, specifically those defined by the Association of International Certified Professional Accountants (AICPA). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether


the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements.

An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Opinion

In our opinion, the statements referred to previously present fairly, in all material respects, the financial position and cash flows of Buckskin Heights Road Association as of December 31, 2021, in conformity with generally accepted accounting principles in the United States of America.

Both Bonnie Torrey and Jodi Abbott are residents and members of the Buckskin Heights Road Association and have performed this audit free of charge.



Bonnie Torrey

4/19/22

Date



Jodi Abbott

4/19/22

Date