

**FAIRWAY VILLAS HOMEOWNERS ASSOCIATION
SPECIAL BOARD OF DIRECTORS MEETING
Minutes of February 26, 2014**

PRESENT:	Keri Jensen Jeff Hill	Director Secretary/Treasurer
ALSO PRESENT:	Keith Lammey	Association Manager
ABSENT:	Eric Schmela	President

Homeowners Open Forum

Meeting attendees included Jeff Hill, Keri Jensen, Dan Rzonca, Nancy Brown, Sher Long and Keith Lammey, (Association Manager). Owner's comments were welcomed during the entire meeting discussion rather than just in the Owners Open Forum.

Board of Director's Meeting

The meeting was called to order at 9:48 AM by Jeff Hill. Initially there was no quorum of the board, thus the Association Manager, Jeff Hill, Sher Long, Dan Rzonca and Nancy Brown spent several minutes reviewing all of the budget documents that were presented at the prior board of directors meeting as well as additional worksheets projecting the reserve fund needs of the Association if maintenance responsibilities for selected assets were shifted from the Association to the Members.

Keri Jensen joined the meeting at 10: 23 AM and apologized for being late due to confusion regarding her need to join board meetings since the period of Declarant control had ended.

Approval of Minutes

No minutes were reviewed or approved.

Financial Report

No financial report was reviewed or approved.

New Business

No new business was discussed since this Special Meeting had been called to (again) consider the FYE March 31, 2015 budget.

Old Business

Review/Approve FYE March 31, 2015 Budget

The board and Members that were present reviewed and discussed the extensive budget documentation that had been prepared for this and the prior board of director meeting. Comments were made indicating that both board members and owners would like to be able to cover the short fall in the reserve needs by reducing the operating expense budget. As a result, the Association Manager reviewed the entire operating budget line by line requesting recommendations regarding what items should be cut. Most meeting attendees seemed to agree that it would be difficult to save enough from the operating budget to

make up for the reserve fund deficit. Nevertheless, all agreed that landscape maintenance offered some possibility of reduced expenses, if the level of service was altered or if alternative, less expensive providers could be identified. The Association Manager agreed to seek alternative landscaping bids. Sher Long suggested Jim Waters, Waters Landscape Maintenance, 970.618.6529.

A discussion developed between board members, Keri Jensen and Jeff Hill regarding a board member's fiduciary responsibility to approve a budget that was sufficient to meet the needs of the association. The Association Manager acknowledged same and pointed out that the February 24, 2014 letter from the Association's attorney suggested the same.

Despite his personal reluctance to approve a substantial increase in the quarterly assessment rate, Jeff Hill stated that as a board member, he saw no suitable alternative to the increased assessments and acknowledged his fiduciary responsibility by making a **motion** to increase the quarterly assessments for the fiscal year ending March 31, 2015 from the current \$772.86 to \$1,016.60 per quarter. The motion was seconded by Keri Jensen. **The motion passed.**

Committee Reports

There were no committee reports.

Adjourn

With no further business to come before the Board, a **motion** was duly made by Jeff Hill and seconded by Eric Schmela to adjourn the meeting at 11:56 AM.