



APPROVED
ARROWHEAD IMPROVEMENTS ASSOCIATION
SPECIAL BOARD MEETING
Saturday, October 21, 2023
ARROWHEAD FIREHOUSE

AFTERNOON OPEN SESSION – 1:00 PM

This session was digitally recorded and owners may access the audio file at:

https://www.dropbox.com/scl/fi/zns7uamtvnwznnceoh5pi/October-21-2023_Special-Mtg.mp3?rlkey=95i1dl2q65ec11updv8eshcdn&dl=0

The recording position for the start of each agenda item and vote is highlighted in yellow.

CALL TO ORDER: President Lowell Kindschy called the meeting to order at 1:00 p.m. 00:00

PLEDGE OF ALLEGIANCE: Kindschy led the owners in the Pledge of Allegiance. 00:13

DETERMINATION OF QUORUM: All officers and members of the Board were present. Kindschy, Vice President Brad Fowler, Treasurer Rosanna Harris, Secretary Keith Dalton and Members Rachel Grasmick, Bill Brassfield & Dennis Roberts.

About 35 owners were also in attendance.

TOPIC (OLD BUSINESS):

1. Further discuss the proposal to increase Annual Assessments (Quarterly Dues) per *2003 Amendments to Declaration of Protective Covenants and Restrictions - Article VI, paragraph 3(a)* – Kindschy 01:58

Owner and/or Board Member suggestions, observations & actions:

- a) The September 16th Resolution was determined by legal counsel to be lawful but not advisable.
- b) AIA Covenants require all increases to be approved by owner vote. Must be fixed amounts.
- c) Include trash fees in annual assessment.
- d) An initial increase to \$600 to be insufficient for 2024 since any increase would not be in effect until the second quarter of 2024.
- e) Operational reserves would cover a 2024 budget deficit.
- f) Additional fixed increases in following years could potentially eliminate short term budget deficits.
- g) Costs to AIA associated with rental properties (VRBO, AirBNB) should be investigated.
- h) Collection of approved future increases not optional.
- i) Historically the Reserve Fund has only been funded when excess funds are available at year end.
- j) Including in the annual budget the required \$55,000 for the Reserve Fund.
- k) Total 2024 deficit of \$90,159 / 834 lots = \$108.10 yr. (\$120 yr. = 25% - minimum increase required).
- l) A 25% annual increase would be the equivalent of “breaking even” moving forward.
- m) Owner participation in voting is critical, as a quorum (500) is required for the results to be valid.
- n) A 25% increase is a reasonable annual amount considering the last increase was in 2009.
- o) Election process discussed. Law of the Rockies to receive and hold ballots, Election Committee to tabulate results.
- p) Voting electronically is being investigated. However, AIA Bylaws require that ballots must be mailed.
- q) If increase approved, the Reserve Fund will be fully funded in 2024 and budgeted in future years.
- r) Cost associated with Maintenance and Patrol are increasing, additional annual increases are needed.



- s) An immediate increase is critical, if additional increases are a divisive, proceed with only the immediate.
 - t) Conducting owner outreach to assure ballot returns is critical and an increase needs to be palatable to most owners.
 - u) A lesser initial increase followed by additional fixed increases may be preferable.
 - v) An increase to \$600 followed by three additional \$20 per year increases results in an additional \$133,440 at 2027 year end. Considering 2024 deficit of \$90,159, both the Treasurer and AIA bookkeeper/manager find this level of increase reasonable and likely sufficient.
 - w) A straw vote of owner attendees for a single increase to \$700 did not receive majority support.
 - x) A straw vote of the owner attendees on the replacement motion did receive majority support.
- a. **Vote – (AWM motion) to recommend to owners a 2024 annual assessment increase from \$480 to \$624 (additional increases based on CPI/financial data removed)** - No affirmative votes – Not passed. 42:05
- b. **Vote – (replacement motion) to recommend to owners a 2024 annual assessment increase from \$480 to \$600 followed by annual fixed increases in 2025, 2026 & 2027 of \$20 per year, trash fee inclusive-** motion by Dalton, seconded by Harris – Unanimously approved. 59:24
- Note:** *Ballot, supporting materials, mailing and return dates to be approved at the November 11, 2023 Regular Board Meeting*

ADJOURNMENT: 01:01:49

The meeting adjourned at 2:02 pm.

Submitted by:
KEITH DALTON
Secretary/Member
AIA Board of Directors

10/26/2023

During the DRAFT phase of the Meeting Minutes, some reports, letters and/or correspondences presented by employees, committee members or BOD members may not be available for posting. They will be attached upon receipt if received before the DRAFT has been approved by the Board of Directors.