

**MILLER RANCH CONDOMINIUM ASSOCIATION
ANNUAL HOMEOWNERS MEETING
DECEMBER 12, 2011**

MINUTES

CALL TO ORDER

The meeting was called to order by Steve Stafford, Property Manager for the Association, at 7:00 p.m. The meeting was held in the Event Room on the second floor of the Miller Ranch Community Center.

ATTENDANCE

The following Board Members were present:

- Linda Williams, Unit C112
- Camille Thurston, Unit H239
- Paul Amicucci, Unit C212
- Ashley Perrigaud, Unit I144
- Aaron Veldheer, Unit B206

Other homeowners present were as follows:

- Deirdre Smith, Unit J146
- Kristan Carey, Unit J245
- Erik Martin, Unit J147
- Leah Morrison, Unit J248
- Ashley Weaver, Unit D118

No homeowners were present by proxy.

Other persons present at the meeting were as follows:

- Steve Stafford, Slifer Management Company
- Stephanie McKinnerney, Slifer Management Company
- Vincent Vigliotti, Slifer Management Company

MINUTES FROM PREVIOUS ANNUAL MEETING

There was a brief discussion about the Minutes from the previous Annual Homeowners Meeting, which had been held on December 17, 2010. The Minutes had been distributed to all owners prior to the Annual Meeting. The Minutes were then approved.

FINANCIAL STATEMENTS

Stephanie McKinnerney presented the most current financial statements, including the October 31, 2011 balance sheet and the October 31, 2011 profit and loss budget performance report, including year-to-date budget comparisons. A brief discussion followed.

2012 PROPOSED BUDGET

Stephanie McKinnerney presented the proposed 2012 budget. A brief discussion followed. Steve Stafford noted that a special owners meeting had been held on December 3, 2010, to discuss the results and recommendations from the replacement reserve study that had been completed by Borne Engineering in 2010. In prior years, only \$4,000 per year had been budgeted for the replacement reserve fund. Borne Engineering had determined that this amount was not nearly adequate to pay for future repairs and replacements without the need for special assessments. Based upon their estimates of repairs and replacements that will be needed in future years, they recommended substantial increases in the portion of Condominium Association dues allocated to the replacement reserve fund. They felt that this would be necessary in order to avoid very large special assessments in the future as large projects such as reroofing, exterior painting, concrete replacement, asphalt replacement, etc. are needed. Their original recommendation was to increase the annual replacement reserve from \$4,000 in 2010 to \$80,000 in 2011 with an annual 3% inflation increase thereafter. The consensus from the special owners meeting was that this increase was too much for the owners to afford in a one year period, therefore the increase should be spread out over a three year period. Including a 3% inflation factor, that would have meant the following:

- 2011: Increase from the 2010 amount of \$4,000 per year to \$25,333 per year
- 2012: Increase from \$25,333 per year to \$52,187 per year
- 2013: Increase from \$52,187 per year to \$84,872 per year

After advising Borne Engineering of the owners' consensus from the special owners meeting and also suggesting some areas in which cost savings could be achieved in future repair and replacement projects, they came up with a funding schedule that calls for the following, which is less of an increase in each year of the three years referred to above and all future years than what was tentatively decided at the previous special owners meeting:

- 2011: Increase from the 2010 amount of \$4,000 per year to \$20,000 per year
- 2012: Increase from \$20,000 per year to \$45,000 per year
- 2013: Increase from \$45,000 per year to \$70,000 per year with annual 3% inflation increase thereafter

Stephanie pointed out that the recommended increase in replacement reserve funding from the 2010 amount of \$4,000 per year to \$20,000 per year had been included in the approved 2011 budget and that the recommended increase from \$20,000 per year to \$45,000 per year was included in the proposed 2012 budget. A discussion followed. Those present then approved the proposed 2012 budget.

ELECTION OF BOARD MEMBERS

There was a brief discussion about the election for Board Members. Steve Stafford invited anyone that wished to be considered for election as a Board Member to let those present know their background and why they would like to be a Board Member. Linda Williams, Paul Amicucci, Camille Thurston, Ashley Perrigaud and Aaron Veldheer all gave short presentations. An election followed and the following homeowners were then elected to be Board Members for the 2012 calendar year:

- Linda Williams
- Aaron Veldheer
- Paul Amicucci
- Camille Thurston
- Ashley Perrigaud

MAINTENANCE AND REPAIRS

Vincent Vigliotti gave a brief presentation about maintenance and repair issues and upcoming projects. Projects completed in 2011 included the following:

- Replacement of malfunctioning heat tape on the B building
- Installation of heat tape thermostats / controllers. This was done to reduce electricity costs and to prolong the life of the heat tapes.
- Repainting of the wood in all condominium breezeways. The replacement reserve study had this project broken down into three years; however the Association completed the entire project in 2011.
- Repainting of the garage buildings. A small portion (pro rata share attributable to the dumpster enclosures) was paid by the Association and the remainder was paid by those owners who own garages
- The Association had the dumpster enclosure doors refitted with welded steel to prevent damage from the trash removal trucks.

Proposed projects for 2012 include the following:

- Crack fill and seal the asphalt parking areas.
- Restripe the parking areas.
- Remove and replace damaged concrete. This was originally scheduled for 2011 per the replacement reserve study; however it was pushed back to 2012.
- Repair and/or replace the block retaining wall adjacent to the A building.

These proposed projects are in addition to the regular maintenance that must be performed as needed. That includes roof repairs, shingle replacement, reattaching loose siding, fixing leaks and other normal day-to-day maintenance and repair items.

ADJOURNMENT

There being no additional business before the members, the meeting was adjourned.

Respectfully Submitted,



Steve Stafford, Property Manager