

**MILLER RANCH TOWNHOME ASSOCIATION
ANNUAL HOMEOWNERS MEETING
DECEMBER 9, 2021**

MINUTES

CALL TO ORDER

Steve Stafford, Property Manager for the Association, called the meeting to order at 6:00 p.m. The meeting was held via Zoom.

ATTENDANCE

The following Board Members were in attendance:

- Bill Lansdowne, 12 Flat Top
- Kris Larsen, 112 Marble Street
- Kori Beckman, 65 Tames Creek, by proxy to Bill Lansdowne

Other members in attendance were as follows:

- Stacy and Dave Thibedeau, 11 Tames Creek
- Olga Wilkins, 55 Tames Creek
- Jen Schrader, 69 Tames Creek, by proxy to Bill Lansdowne

Others in attendance were as follows:

- Steve Stafford, Slifer Management Company
- Heidi Hanson, Slifer Management Company
- Karen Parra, Slifer Management Company

ESTABLISHMENT OF QUORUM

Steve Stafford said that he had proxies from Kori Beckman and Jen Schrader. Both of those proxies were given to the Board President, which is Bill Lansdowne. Steve asked if anyone else had any proxies, and no one had any. Steve said that the Amended Bylaws require 10% of the voting shares of the membership to be present in order to establish a quorum. Based on attendance at the meeting in person and by proxy, a quorum was established.

APPROVAL OF MINUTES

Steve Stafford had previously emailed, mailed or hand delivered copies of the Minutes from last year's Annual Meeting to all members of the Association. He asked those present if anyone had any questions or comments regarding the Minutes. No one had any questions or comments. Those present then approved the Minutes.

FINANCIAL REPORT

Steve Stafford had previously emailed, mailed or hand delivered copies of the September 30, 2021 balance sheet and income and expense budget performance report to all members of the Association. Steve turned the financial report over to Heidi Hanson. She said that she had pro

forma financial statements as of November 30, 2021 on her computer. Income was right on budget as of that date. Expenses were all in line with what was projected except for the painting and staining. The Association had only budgeted \$1,500 for exterior painting and staining but all of the decks were power washed and stained, so that line item was a little bit over budget. Repairs and maintenance was way under budget mainly because no roof snow removal was needed. Heidi then reviewed the pro forma balance sheet as of November 30, 2021. As of that date, the Association had about \$69,000 in the operating account. She needed to transfer about \$50,000 of that into the replacement reserve account. About \$111,000 was invested with Edward Jones. Jeremy Lepore, a Miller Ranch townhome owner is the money manager for those funds. He has been doing a great job buying certificates of deposit with varying terms. The cd's are earning significantly more than when the funds were at FirstBank. Insurance was prepaid through October 2022. At the end of the year, the replacement reserve fund should be approximately \$205,200. Heidi asked if anyone had any questions about the financial statements. Kris Larsen asked if past power washing and staining of the decks was about \$1,500 or was additional work required. Heidi said that power washing and staining wasn't budgeted for in 2021. The most recent power washing and staining of the decks, prior to 2021, cost about \$7,500. In 2016, the power washing and staining of the decks was about \$6,000. Kris asked if power washing and staining of the decks happens every year and Steve said that it was more like every two years. Steve said that the garage doors on Cross Timber were repainted. The reason that those garage doors were repainted but not any others in 2021 was because the garage doors on Cross Timber have much more sun exposure, therefore they fade much quicker. Management looked at all of the garage doors and the Board decided that the Association should paint the ones on Cross Timber in 2021 because they were faded so badly. Kris Larsen said that the other reason was that one owner on Cross Timber had replaced his garage door and it needed to be painted so it would match the other garage doors. When management tried to help that owner find a color to match the other doors, it became obvious that the other doors were so faded that the newly painted garage door would still not match the others. So the Board decided to go ahead and paint all of the garage doors on Cross Timber. Dave Thibedeau said that one of his garage doors has some damage that occurred quite some time ago. Steve asked Dave to call him or send him an email in the spring and he would take a look at it. Steve asked if there were any other questions or comments and there were none.

2022 PROPOSED BUDGET

Heidi Hanson went over the 2022 proposed budget, which had previously been emailed, mailed or hand delivered to all members of the Association. She said that operating dues would go up a little bit less than 2%. Items that were going up in the 2022 budget were insurance and the property management fee. Heidi said that this is the first time the management fee has been increased since the start of the Association in 2003. Steve Stafford said that the fee had increased by 3%. All of the other homeowner associations that are managed by Slifer Management Company ("SMC") have received increases of 4.5% and this is the first time in 18 years that SMC has increased their management fee in Miller Ranch. SMC's operating expenses have been going up just like everyone else's have, so they put a small 3% increase in this year. Insurance is the biggest line item that has increased. That line item has been increased by 14%. Insurance has gone up significantly in almost all of SMC's Associations, in some cases by 40%. SMC did bid out the insurance to three other insurance agencies, but Farmers Insurance remained the low bidder, so the Association renewed with them. Steve said that any time the renewal premium

goes up more than the Consumer Price Index, he bids the insurance out. This year the Denver CPI went up 4.5% and the US City Average went up 6.2%. Since the renewal premium was more than either of those CPI percentages, he bid it out. Insurance premiums in Colorado have been going up substantially due to wildfire and hail losses. Stacy Thibedeau asked when the Association last increased the dues. Bill Lansdowne said that the Association didn't increase them last year (2021). Most years the dues do increase. Most of the past increases have been done in an effort to increase the replacement reserve fund. Heidi Hanson said that in 2017 and 2018 the dues were not increased but they were increased in 2019 and 2020. She said that the replacement reserve study calls for an annual increase of 15% in the replacement reserve dues every year. Steve said that the proposed 2022 budget calls for a 1.9% increase in the operating dues and a 15% increase in the replacement reserve dues, as called for in the replacement reserve study, so that means there's a 9.56% increase in total dues. Stacey reminded everyone that we're in deed restricted housing, which only allows increases in value of townhomes of 3% per year. Steve said that he understands that concern, however that has nothing to do with what things like utilities, contractors, materials, etc. cost. Utility providers, contractors and service providers don't discount their prices when they are providing utilities, repair and maintenance work, services, etc. for deed restricted homes. Stacey said that higher dues are an issue for owners who are on restricted incomes and budgets. Steve said that he understands that, but the Association and management is dealing with contractors and service providers who don't have those kinds of restrictions. Kris Larsen said that he had noticed Turner Morris Roofing doing a roof inspection and he asked if Steve had seen the report yet. Steve said that he has not seen the report yet. He had told them that if they noticed missing shingles or other minor repairs, to go ahead and get those things done. Those present then approved the 2022 budget with one vote against.

BOARD MEMBER ELECTION

Steve Stafford said that the Board Member terms are three years and the position that has an expiring term at this meeting is the one that is held by Kori Beckman. Steve asked if anyone was interested in serving as a Board Member and no one was interested. Steve said that he thought that Kori would be open to continuing as a Board Member if reelected. Those present then approved a motion to reelect Kori Beckman for another three year term.

MAINTENANCE AND REPAIRS

Steve Stafford asked if anyone had any questions or comments about repairs and maintenance. Stacy Thibedeau said that their garage door needed some repair or replacement. Heidi Hanson said that she had that on the list. Stacey said that since they're an end unit, they have two single car garage doors. Steve asked if they are both damaged and Stacy said just one is damaged at the current time. Steve said that it is very helpful if owners point out things that they notice any time of the year by sending an email or calling the office. Pictures can be very helpful. Dave Thibedeau said that he would email some pictures of his garage door to Steve. Bill Lansdowne said that he thought the townhomes looked very good and that the deck staining looked the best it's been in years. He said that he personally felt good about the direction that the townhomes were going.

MISCELLANEOUS

Steve Stafford asked if there were any other questions or comments on any miscellaneous items. Olga Wilkins said that her bottom step is different and it's very smooth and slippery. Steve said

to take a picture of it and to email it to him so he could take a look at it. Stacey said that's something that's pretty normal with the wood entry steps. They are usually pretty slick when it snows. Olga said that her bottom step is kind of different than her other steps, so it tends to be slicker.

ADJOURNMENT

There being no additional business to discuss, the meeting was adjourned.

Respectfully Submitted,



Steve Stafford, Property Manager