

**MILLER RANCH CONDOMINIUM ASSOCIATION
ANNUAL HOMEOWNERS MEETING
JANUARY 31, 2022**

MINUTES

CALL TO ORDER

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

ATTENDANCE

The following Board Members were present:

- Paul Amicucci, Unit C212
- Cassie Scales, Unit A203
- Erica Ryan, Unit H136
- Larry Benway, Unit C216
- Susan Moran, Unit E221

Other homeowners present were as follows:

- Cathy Heller, Unit A201
- Mike Spaid, Unit H138
- Michael Devins, Unit E224
- Ellen Miller, Unit F230 by proxy to Cassie Scales

Other persons present at the meeting were as follows:

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

ROLL CALL

Steve Stafford went through the roll call to verify all those present. He asked if there were any proxies and there was one. That proxy was from Ellen Miller, Unit F230, to Cassie Scales.

MINUTES FROM PREVIOUS ANNUAL MEETING

Steve Stafford had previously emailed, mailed or hand delivered the minutes from the previous annual owners meeting to all members of the Association. The previous annual owners meeting had been held on January 25, 2021. Steve asked if anyone had any questions or comments about the minutes and there were none. Those present then approved the minutes.

FINANCIAL STATEMENTS

Steve Stafford had previously emailed, mailed or hand delivered the estimated year-end 2021 balance sheet and income and expense statements to all members of the Association. Heidi Hanson reviewed those documents for those present. Total income was above budget projections by about \$2,743, mainly because of interest income from the replacement reserve funds being

held by Edward Jones (\$1,744 over budget) and finance charges (\$881 over budget). The Association ended the year with approximately \$1,627 of net ordinary income. The Association ended the year with \$81,900 of reserve fund income, which has been transferred into the replacement reserve fund. The Association incurred a reserve expense of \$5,000, which was the deductible on a water leak damage insurance claim. There was approximately \$126,578 in the operating account. There was approximately \$356,056 in the FirstBank reserve account and various certificates of deposit being managed by Jeremy Lepore with Edward Jones. He has done a very good job of managing those funds for the Association. Insurance was prepaid through October 2022. Alarm monitoring was prepaid through January 2023. Unrealized dividends/interest/gains/loss of \$5,644 are associated with the certificates of deposit. The year-end 2020 replacement reserve balance was \$357,540. The 2021 replacement reserve dues of \$81,900 has been moved into the replacement reserve fund and the Association incurred replacement reserve expenses of \$5,000 due to the insurance deductible for a water leak claim, resulting in a year-end 2021 replacement reserve balance of \$434,440. Heidi asked if anyone had any questions about the financial statements. There were none.

2022 PROPOSED BUDGET

Steve Stafford had previously emailed, mailed or hand delivered the proposed 2022 budget to all members of the Association. Heidi reviewed the budget. The operating budget has increased from \$245,216 to \$274,710, an increase of approximately 12%. The main reason for this is substantial increases in utilities, insurance and water. Water use and rates are both up from prior years. The Association is trying to follow the recommendations from the replacement reserve study that was done by Borne Consulting. The study recommended replacement reserve dues of \$106,000 in 2022, but the Board felt that was a bit too much. That being the case, the replacement reserve dues have gone from \$81,900 in 2021 to \$94,000 in 2022. Steve Stafford said that he bid out the insurance this year, but Farmers Insurance was still the lowest bidder. Insurance premiums have been coming in much higher this year than in past years. One of SMC's Associations in Vail Village had an insurance renewal bid 40% higher than the previous year and that was the low bid. An owner asked how Eagle River Water & Sanitation District meters the water for the condominiums. Steve said that there is one meter for each building. One owner asked about installing individual water meters. Steve said that it's his understanding that ERWSD will not install individual water meters in condominium buildings, but he will ask them to make sure. One owner asked if the replacement value has been reevaluated for insurance purposes. Steve said Farmers Insurance raises their property damage coverage every year, but he doesn't know how reliable that might be due to rising construction costs. He said that he had recently asked Roger Pack, a local appraiser, if he would be interested in doing a replacement cost analysis for another HOA and Roger turned him down. Unfortunately, all of the appraisers and general contractors in the valley are so busy with more lucrative projects that they don't appear to be interested in doing this kind of an analysis. Those present then approved the proposed 2022 budget.

ELECTION OF BOARD MEMBERS

Steve Stafford said that at the current time, there are five Board Members: Paul Amicucci, Erica Ryan, Cassie Scales, Larry Benway and Susan Moran. Steve said that no one had indicated an interest in being a Board Member. He asked if anyone present would be interested in being a Board Member. An owner asked if the Board Member terms were always one year. Steve said

that this Association has always elected all of the Board Members each year for one year terms, mainly because there has been so little interest from owners in being Board Members. That could certainly be changed. The Bylaws provide for three year terms with at least two Board Member positions being up for election each year. The main reason for that is to assure some continuity on the Board and not end up with five new Board Members in any particular year. On the other hand, the Association has never had a problem with that. All five current Board Members indicated that they would be willing to continue serving as Board Members if reelected. Those present then voted in favor of reelecting all five current Board Members for new one year terms. An owner asked what buildings each Board Member is in. It was determined that Paul is in Building C, Erica is in Building H, Larry is in Building C, Susan is in Building E and Cassie is in Building A.

MAINTENANCE AND REPAIRS

Steve Stafford said that the Board and management is still working on the trash dumpster enclosure improvement project. Management has asked three different contractors for proposals. Although all three of those contractors have indicated an interest, none of them has given management a proposal yet. All of the contractors in the valley seem to be so busy with work actually contracted for that they are reluctant to spend time on estimates. This project will be an expensive one, so if and when management gets bids, the Board might decide to ask the owners if this is something that they want the Association to spend money on or not. The replacement reserve fund is in place to take care of big expensive projects like roof replacement, siding replacement, etc. The goal is to maintain that fund so that no special assessments are needed. Any time that an optional project like the trash dumpster enclosure improvement project is done, it reduces the amount of money in the fund available for projects that are not optional, such as roof replacement, siding replacement, etc., that the Board knows will have to be done at some point in the future (i.e. non-optional). This will be a difficult decision that the Board will have to wrestle with, to decide whether this is a wise use of replacement reserve funds.

Management will look at the parking lots in the spring to determine what kind of maintenance and repairs they might need. That's something that management looks at every spring. Management usually has one or two asphalt companies look at the parking lots with them to get their recommendations as to what condition they are in and what repair or maintenance work should be done. Work that is usually done on an annual or semi-annual basis is pothole repair and crackfilling. Associations usually try to do sealcoating on a less frequent basis, since it's pretty expensive. However, you don't want to wait so long for sealcoating that the asphalt starts to break down. Striping is always done after sealcoating and sometimes more frequently depending on how fast the weather and sunlight is making the stripes fade.

Management will also look at the exterior of the buildings in the spring to see if it's time to do any punchlist painting or siding repairs. That's something that's done every spring or early summer.

An owner asked if the Association is doing window cleaning every year or every few years. Steve said that the Board has held off on that recently, especially during the covid pandemic. They have wanted to do whatever they could to keep dues from rising, since many owners are struggling with jobs, income, living expenses, etc. The Board will probably look at that this

spring and if the Association is doing ok on expenses at that point in time, it might be a good year to do it again. It is something that the owners really appreciate and see a difference in.

A Board Member suggested that the Board do a walk-through with management to create a punchlist. Steve said that he thought that would be a good idea and the best time to do that would be in the spring, when things are more visible.

The snowplow company has used a loader several times this winter, but temperatures have remained so cold that it's been very difficult to break the ice loose from the asphalt. They have even used a product called Ice Slicer to help break it loose, but that hasn't been very successful. Loader work is very expensive, so the Association tries to hold off on that as much as possible, but sometimes it's needed regardless.

A Board Member asked Steve to give an update on the snow removal contractors. Steve said that from day one, the snowplowing was always done by SHC Landscaping and the sidewalk shoveling was always done by Simon Property Services. SHC's prices were always very low compared to any other snowplow companies, often by as much as 50% lower. Management always knew that the Association was getting a great deal from SHC. In the fall, the owner of SHC told management that they would not be able to handle the snowplowing for Miller Ranch this winter, mainly because of a labor shortage. At about the same time, Tim Simon, owner of Simon Property Services, informed management that he was going to retire in about a year and because of that, he would not be able to do the sidewalk shoveling in Miller Ranch this winter. Management then contacted just about every snow removal company in the valley that was big enough to handle a property the size of Miller Ranch. Only two of those companies were willing to submit bids. Those two companies were M&M Maintenance and Rocky Mountain Custom Landscapes. The bid from M&M Maintenance was significantly higher than the one from RMCL, so the Board hired RMCL for both the snowplowing and the snow shoveling. Steve said that he felt that RMCL got off to a rocky start and has been catching up ever since. They seem to be doing better as they learn more about the neighborhood. An owner asked which company is handling the snow removal for the MRPOA and Steve said that was also RMCL.

A Board Member pointed out that pigeons are making a mess on the roof of Building E. Steve said that he has asked for proposals from several different pest control companies in the past and neither one of them indicated an interest. He said that he would ask several companies again. Several owners said that there were several bird feeders in that part of the neighborhood. Steve said he would try to identify who owned them and let them know that they are not allowed because of the problems that they create.

A Board Member asked if Steve or Heidi could give a brief summary of what kind of repair and maintenance expenses were incurred by the Association in 2021. Heidi went through the general ledger. Every month, the Association pays Dale Gurule \$760 for janitorial services. His father, Tony Gurule did it from the beginning of the Miller Ranch Condominiums and when Tony passed away, Dale took over the contract. It's mainly for sweeping the exterior hallways and stairs and emptying the common area trash cans. The price for this service has remained the same since day one. Annual backflow testing was about \$1,650. That's something that's required by Eagle River Water and Sanitation District for the domestic water and fire sprinkler water. The

stairwells were power washed by Dale Gurule. Other expenses included some patching of holes, gutter repairs where leaking or damaged, batteries for fire alarm panels, etc.

ADJOURNMENT

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

Respectfully Submitted,

Steve Stafford, Community Association Manager