

**MILLER RANCH TOWNHOME ASSOCIATION
ANNUAL HOMEOWNERS MEETING
DECEMBER 10, 2019**

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 in the Event Room on the second floor of the Miller Ranch Community Center.

ATTENDANCE

The following Board Members were in attendance:

- Kori Grice Beckman, 65 Tames Creek
- Bill Lansdowne, 12 Flat Top
- Jim Edwards, 27 Cross Timber

Other members in attendance were as follows:

- Dave and Stacy Thibedeau, 11 Tames Creek
- Erica Kirk, 16 Flat Top
- Jen Schrader, 69 Tames Creek

Others in attendance were as follows:

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

ESTABLISHMENT OF QUORUM

Steve Stafford 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, 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. Several owners said that the Minutes were done very well. Those present then approved the Minutes.

FINANCIAL REPORT

Steve Stafford had previously emailed, mailed or hand delivered copies of the October 31, 2019 balance sheet and income and expense budget performance report to all members of the Association. Prior to the meeting, Heidi had prepared an estimated November 30, 2019 balance sheet and income and expense budget performance report. Heidi reviewed the two November 30,

2019 estimated documents. As of November 30, 2019, the Association was showing a net operating loss of approximately \$23,000, due mainly to maintenance and repair punchlist work on the exterior of the buildings. The Board is planning on reclassifying those expenses to replacement reserve expenses, so the Association will not have either a substantial net operating income or loss at the end of 2019. Steve said that Continental Construction Company has completed punchlist work on Flat Top and part of Cross Timber. They have also done punchlist work on some of the worst condition townhomes on Tames Creek and Marble. In 2020, they will finish Cross Timber, then Tames Creek and then Marble. The punchlist work includes caulking, siding repair or replacement, painting, etc. Steve encouraged owners to let him know, preferably by email, if they notice specific damage that needs to be repaired. Management prepares a punchlist of these kinds of repair items that is passed on to Continental Construction Company. Heidi said that every other expense item was at or near budget. Heidi then reviewed the November 30, 2019 estimated balance sheet. There is approximately \$36,000 in the operating account and approximately \$185,500 in the replacement reserve fund. By the end of the year, the replacement reserve fund should be at approximately \$223,000. Steve said that he had bid out the insurance and Farmers Insurance was still the least expensive, so the Association has renewed with them. Only three owners are behind on their dues. Those three owners are not problem owners, so Heidi expects them to bring their accounts current in the next few days.

2020 PROPOSED BUDGET

Heidi Hanson went over the 2020 proposed budget, which had previously been emailed, mailed or hand delivered to all members of the Association. She pointed out that the operating dues were slightly lower than in 2019 but the replacement reserve dues had been increased by approximately 20% at the direction of the Board of Directors. The increase results in an increase in overall dues of approximately \$18 to \$22 per month, depending on the size of the unit. All of the increased amount goes to the replacement reserve fund. Steve said that the Board of Directors had approved the proposed budget and it was being presented to the owners at the meeting for ratification. An owner asked what the increase was based on. Steve explained that it was based on the most current update of the replacement reserve study. The Board had considered three different levels of increase, 15%, 20% and 25% and after consideration of all three, they had decided that a 20% increase in replacement reserve dues tied in the best with the replacement reserve study and was therefore the most appropriate choice. An owner asked if late fees are charged on delinquent dues payments and Steve confirmed that they are, although delinquent payments have not been a very big problem for this Association. Steve pointed out that condominium and townhome owners often forget that if they owned a single family home and they were not putting money aside on a regular basis every year, at some point they would have to go to the bank for a substantial loan when it's time for roof replacement or some other significant repair. The purpose of a replacement reserve fund is to minimize the chance of an owner having to do that at some point in the future. An owner asked how the dues allocations are arrived at. One of the Board Members explained that the sharing percentages from the Association's Declaration are used for that purpose. That is what is legally required by the Declaration. Those present then approved the proposed 2020 budget.

BOARD MEMBER ELECTION

Steve Stafford said that the Board Member terms are three years and one position expires at the annual owners meeting each year. The term for Bill Lansdowne will expire at this meeting. Bill

has indicated that he is willing to continue serving as a Board Member if reelected. Steve asked if anyone else was interested in being a Board Member. Those present then voted in favor of reelecting Bill for another three year term.

MAINTENANCE AND REPAIRS

There was a brief discussion about maintenance and repair projects. Steve Stafford said that exterior repairs of siding and related components had already been discussed. Management will look at the front porches and railings in the spring to determine what might need to be done in 2020. He thought that the decks would probably need to be restained in 2020. Kori Beckman said that the Association had tried to stain the front porches in 2019 but the contractor was not able to get enough owners to give him permission to use their exterior water spigots for power washing of the porches, so that project was not done in 2019. It is imperative for owners to let the contractor use their exterior water spigots in order for staining of the front porches to be done. One of the owners asked for more advance notice of the staining, if possible. Vincent Vigliotti said that the Board had recently come up with a plan to reimburse owners who let the contractor use their exterior water spigot. He said that the Association would reimburse those owners in the amount of \$50. Kori verified that was the plan. Dave and Stacy Thibedeau mentioned some issues with their front porch and steps. Dave also said that when any snow or water gets on his porch, it becomes extremely slick. Steve told Vincent to ask the contractors if there is some product that could be used during the staining that would alleviate that problem. Kori suggested the possibility of putting a small amount of sand in the stain to make it less slick. Steve said that management would also look at the fences that belong to the Association. Those fences are basically the ones that are on the end and which run adjacent to common sidewalks.

MISCELLANEOUS

Stacy Thibedeau said that the contractor who installed her fence did a great job. Steve Stafford asked her to send him the name and contact information for that contractor.

ADJOURNMENT

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

Respectfully Submitted,



Steve Stafford, Property Manager