

RED CANYON TOWNHOME ASSOCIATION
ANNUAL MEETING MINUTES
Wednesday, January 25, 2017, 6:00PM
Eagle Public Library

MEMBERS PRESENT IN PERSON: Beaudin (41 Chelsea), Carlson (47 Chelsea), Dullinger (45 Chelsea), Gage—Williams (83 Chelsea), Estrada (67 Chelsea), Farquharson (59 Chelsea), Fleming (82 Chelsea), Fluery (76 Chelsea), Glibert (32 Chelsea), Hannon (35 Christian), Jahnigen (78 Chelsea), Juergens (69 Chelsea) and Lens (33 Chelsea)

MEMBERS PRESENT VIA CONFERENCE CALL: Lavery (29 Chelsea, 65 Chelsea, 81 Chelsea, 22 Christian, 49 Christian, 57 Christian, 17 Christian, 19 Christian, 31 Christian and 29 Christian)

MEMBERS REPERESNTED BY PROXY: Bricker (55 Chelsea), Cholmondeley (76 Christian), Decker (61 Christian), Dorfman (50 Chelsea), Furtado (74 Christian), Perrigaud (59 Christian), Resa (70 Christian), Schweitzer (18 Christian), Sheptak (37 Christian), Trickel (63 Christian), Woods (60 Chelsea) and Woods (47 Christian)

ALSO PRESENT: Dan McNeill, Managing Agent, Burton (tenant at 30 Chelsea), Brandi Resa, Bookkeeper and Sara Thurston McNeill, Secretary to the Meeting

- I. Roll Call. With 35 of 76 units represented either in person or by proxy, a quorum was established. According to the Bylaws, 40% of the membership must be present in person or by proxy to form a quorum. Dan called the meeting to order just after 6:00PM and the attendees took turns introducing themselves to the membership.
- II. 2016 Annual Meeting Minutes. These minutes were previously distributed to all owners and posted on the website at hoa.mcneillproperties.com for review. There being no suggested changes, there was MOTION: TO APPROVE THE MINUTES OF THE 2016 ANNUAL MEETING OF THE MEMBERSHIP OF THE RED CANYON TOWNHOME ASSOCIATION AS PRESENTED. The motion was duly seconded and carried unanimously.
- III. Financial Review. Brandi Resa, the association's bookkeeper, prepared and presented the 2016 year-end financial reports to the membership. According to the Balance Sheet, the association ended 2016 with \$458,042.70 in assets, including \$17,887 in prepaid insurance premiums, net annual income of \$9541.42 and \$422,944.89 in Reserves.

The Profit and Loss Statement reveals that the association ended the year \$1712.14 under budgeted operating expenses. Cost overruns were experienced in

the line items of Spring / Fall Cleanup, Roof / Icicles / Chipping, Trash Removal and Trash Controllable. Savings were garnered in Landscape Weeding, Maintenance General, and Contingencies. Brandi noted that the financial reports presented at the meeting did not reflect any interest garnered during the past year. At the first regular Board Meeting of 2017, the Board decide how much net income to transfer to reserves.

Dan then referred to the 2017 Budget. The Board voted in November to increase dues by \$19 per unit per month with the increase used fund reserves according to the Reserve Spending Plan. Chris Juergens noted that the membership can expect incremental dues increases in future years in order to continue to fund the Plan. Approximately 40% of the association's annual income gets contributed to reserves.

Management distributed a Budget Explanation Sheet that details the components of each line item. In addition, the 2016 Projects List (now complete) can be tied directly to the expenses in the Building Maintenance and landscaping line items. Management also provided attendees with a Dues Comparison that compares the regular assessments at Red Canyon with other, similar homeowner associations in Eagle. Chris Juergens noted that the operating dues at Red Canyon are comparatively low, and that the other associations in the report are mostly likely not fully funding their capital spending plans.

- IV. Manager's Report. Dan distributed the updated Reserve Spending Plan to all present. The Plan identifies each common element at Red Canyon and a date and estimated cost for its replacement. The Board and management use the Reserve Spending Plan as a tool to budget for capital projects. 2016 capital projects totaled \$64,386 and included \$14,311 for asphalt replacement in front of the Chelsea Court trash enclosure, \$2575 for roof inspections and repairs, \$8108 for deck rail and cap repairs, \$19,780 for deck staining, \$13,127 for new tot lot equipment and surface material, \$1595 for fencing work along Nogal Road and \$4890 for tree pruning and cottonwood removal.

Capital projects under consideration for 2017 include concrete sidewalk work, siding repairs, utility box painting, drainage work in front of some garages, tree replacement (based on arborist recommendations) and dryer vent cleaning.

Roof replacement is slated to begin in 2022. Dan commented that Reserves are well-funded at Red Canyon and that currently the Reserve Spending Plan cash flows without the need for special assessments, provided that the membership continues to contribute about 5% to 7% more to reserves each year.

Dan asked all owners to review and follow the recommendations in the recently updated Risk Management Checklist in order to avoid damages and costly insurance claims. If you suspect a unit in your building is vacant, contact management to ensure that the home is properly heated. Furthermore, there are

many helpful tips on energy and water conservation in the checklist, along with state regulations for carbon monoxide detectors.

The Insurance Claims Procedures sheet was also given to all present. Dan reminded all owners to make sure their individual interior insurance policies are up to date to ensure that all contents and upgrades to developer-installed finishes are covered. Management encourages all owners to have their insurance agents contact the insurance carrier for the association (Assured Partners at 970-945-5593) to ensure that there are no gaps in coverage. Dan also recommended that every owner add **Loss Assessment coverage** to their policy to cover any costs associated with paying a deductible or for loss of rental income. All owners who rent their units on a long-term basis should require their tenants to carry renters insurance; this requirement should be written into every lease.

Management referred to the Insurance and Maintenance Checklist, compiled by legal counsel for use by the association members several years ago. The list includes each element that the association is responsible to insure and maintain, and each element that individual owners are required to insure and maintain. Owners are asked to give this Checklist to the insurance agent. It is posted on the website: hoa.mcneillproperties.com.

For rules and regulations issues, owners should contact Jennie Lewis, Code Enforcement Officer for McNeill Property Management. Her services are included in the management contract of the association, and she may be contacted directly at 970-904-0519. All residents are reminded that GUEST parking spaces are for short term use only and not for regular use by any resident's vehicle. Dan reminded all present that tenants are NOT permitted to have pets at Red Canyon, per the Declaration. There are currently 21 registered dogs at Red Canyon. Every owner with a dog must pay a \$100 annual pet fee to cover the cost of pet clean up (stocking bags at the dog stations, emptying trash and replacing dead sod).

Recent code violations at Red Canyon have been primarily related to parking issues. There are enough parking spots for each unit to have two vehicles and only 12 designated guest spots. **RESIDENTS ARE NOT PERMITTED TO USE GUEST SPOTS; THESE ARE DESIGNATED FOR BONA-FIDE GUESTS AT ALL TIMES.** Overflow parking is available along Nogal Road during the evening hours.

Any resident may take a photo of a code violation and text it to Jennie for effective response. Complaints are tracked carefully on a monthly spreadsheet and fines are levied to owners with violations.

Management distributed a Contact List for all owners. Management, maintenance, snow removal, accounting and code enforcement contacts (emails and phone numbers) are on the List.

Dan noted that due to much higher than average snowfall amounts so far this year, some front end loader and dump truck work will be required.

The Board has hired an architect who is putting together window replacement specifications for Red Canyon. Windows (and doors) are owner elements, and as such, the responsibility of individual owners to maintain and replace. Finally, there is a deck expansion process in place. Plans and the application can be downloaded from the website at hoa.mcneillproperties.com.

- V. Board Member Elections. The current Board members are Chris Juergens, John Hannon, Michael Lavery, Susan Flock, Kat Jahnigen, Erin Carlson and David McMichael. Michael and John have terms are expiring; all other Board members have one year left in their terms. Therefore, two seats are up for election. Michael and John offered to serve another two year term. Additional nominations were sought from the floor; none were forthcoming. There was a MOTION: TO RE-ELECT MICHAEL LAVERY AND JOHN HANNON TO THE BOARD OF DIRECTORS. The motion was seconded and approved unanimously.

- VI. Other Business. Several owners requested that the number of visits from trash and recycling trucks be reduced due to noise and wear and tear on the asphalt. Management will contact the trash hauler to see if fewer visits can be arranged.

Management was asked to make sure the windows in the trash enclosures are closed during the winter months. Chris Juergens suggested that management install “sash limiters” on these windows.

There was a request for speed bump signs on Nogal Road. Management will contact the Town of Eagle with this request and also for more patrols to try and control speeding.

- VII. Adjournment. There being no further business to come before the membership, the meeting adjourned at approximately 6:55PM.

Respectfully submitted,

Secretary to the Meeting