

Stonebridge Cluster Homeowners Association
2017 Annual Meeting Minutes
Thursday, January 5, 2017, 5:00PM MT
MPM Office and Via Conference Call

MEMBERS PRESENT IN PERSON: Buckley (Unit #9) and Fancher (Unit #18)

MEMBERS PRESENT VIA CONFERENCE CALL: Stone (Unit #2), Juengling (Unit #3), Howell (Unit #6), Dekko (Unit #8), Macartney (Unit #10), Colman (Unit #12) and Hardy (Unit #19)

MEMBERS REPRESENTED BY PROXY: Langstaff (Unit #4) and Pagden (Unit #16)

ALSO PRESENT IN PERSON: Dan McNeill, Managing Agent and Sara Thurston McNeill, Secretary to the Meeting

- I. Roll Call. With 11 of 19 members either present in person, via conference call or represented by proxy, a quorum was established (per the By-laws a quorum is 30% or 6 members). Dan McNeill greeted all attendees and thanked everyone for coming to the Annual Meeting. He then read off all the proxies. Rich Buckley called the meeting to order shortly after 5:00PM MT.

- II. Review and Approval of the 2016 Annual Meeting Minutes. These minutes were distributed to all owners and posted on the website: hoa.mcneillproperties.com. As there were no suggested changes, there was a MOTION: TO APPROVE THE MINUTES OF 2016 ANNUAL MEETING OF THE STONEBRIDGE CLUSTER HOMEOWNERS ASSOCIATION HELD ON JANUARY 4, 2016. The motion was seconded and carried unanimously.

- III. President's Report. Rich Buckley addressed the membership, and gave a brief overview of Association activity during the past year. Eleven months through the year, the association is on budget for operating expenses. The Board approved a small dues increase for the coming year in order to cover some anticipated increases for insurance, water & sewer, trash and management fee. At the end of 2017, the association will have about \$100,000 in reserves and there are no significant accounts receivable at this point.

The Board approved an amendment to the Bylaws to reduce the number of members on the Board of Directors to three; there is one seat up for election at today's meeting.

Management and the Board have been addressing some parking issues, especially as related to the designated guests spots. The landscaping looks great after three summers of working through the different aspects of the Long Term Landscaping Plan.

- IV. Financial Review and 2017 Budget. Vail Tax and Accounting prepared the current (as of November 30, 2016) financial reports and Rich Buckley presented them to the membership. According to the Balance Sheet, the association has \$136,386.11 in total assets, liabilities and equity, including \$787.28 in accounts receivable, \$1074.16 in prepaid expenses and \$102,512.70 in Reserves.

The association began the year with \$82,664.52 in the Long Term Reserve Fund, plus there is an additional \$19,905.73 in Working Capital. The membership added \$19,848.18 to Reserves for the first eleven months of 2016. 2016 capital expenses totaled \$11,222 for concrete walkway grinding and sealing and \$9021 for drain line jetting and camera inspections.

The Profit and Loss Statement reveals that the association is under budget for operating expenses at this point in the year. Total operating expenses through November total \$81,957. This compares to budgeted expenses of \$84,428. Net income is \$2964.31.

Rich Buckley then presented the proposed 2017 Operating Budget to the membership. The line items of Management Fee, Trash and Insurance are expected to increase slightly; therefore, an increase in dues of \$30 per unit quarter (per unit) is proposed. Total regular assessments are planned to be \$93,280 with an additional \$21,652.56 being contributed to reserves. There was a MOTION: TO RATIFY THE 2017 BOARD-APPROVED OPERATING BUDGET AS PRESENTED. The motion was seconded, and after some discussion carried unanimously.

Management prepared and distributed a Dues Comparison that compares the regular assessments at Stonebridge with other, similar associations in the area, including the portion of dues that are contributed to reserves annually. Stonebridge assessments are comparable to the other associations on a per square foot basis. Management also distributed the Budget Explanation Sheet, which details the components of each line item in the budget.

- V. Manager's Report. Dan McNeill distributed the 2016 Projects List to those present. The List is compiled during the spring walk through and then distributed to all owners for comments and additions. Management then works through the items on the list over the summer and fall months, prioritizing projects and completing them according to budget constraints. The items on the List can be tied directly to the Building Maintenance and Grounds line items in the Operating Budget.

Dan referred to the Capital Spending Plan that he compiled for Stonebridge. The Board and management use the Plan along with the Reserve Study to plan for future capital projects. It identifies each common element, estimates a

useful remaining life for each element and its cost for replacement. Capital projects under consideration for 2017 include more concrete walkway work, drainage work and a new outdoor seating area.

All owners need to make sure that their homeowners insurance policy is in place (and that all tenants carry renters insurance). All contents, personal possessions and UPGRADES to developer-installed finishes (including, but not limited to hardwood floors, granite counters, faux painting, high quality appliances, etc.) need to be insured by each individual owner. The association's insurance policy is underwritten by American Family Insurance through the agency in Avon (970-949-4465). The insurance certificate is on the website (hoa.mcneillproperties.com), and all owners should have their individual carrier contact American Family to ensure that there are no gaps in coverage. All owners should consider adding Loss Assessment Coverage to their owner's policy to protect them in the event that they are responsible to pay an insurance deductible.

Dan referred to the updated Risk Management Checklist, compiled for Stonebridge owners and distributed each fall. It is also available on the website: hoa.mcneillproperties.com. The Checklist contains suggestions and guidelines everyone should implement in order to avoid costly damage and insurance claims. It also includes suggestions for water and energy conservation, and information about the carbon monoxide detector laws in Colorado. Homeowners whose homes sit vacant for extended periods of time should consider weekly interior inspections by management.

Rules and Regulation enforcement is done by McNeill Property Management's full time Code Enforcement Officer, Jennie Lewis. All residents are asked to contact her directly at 970-904-0519 with any nuisance, noise and parking issues, or to email her at jennie@mcneillinc.com. The Board made some revisions to the R&Rs at the August Board Meeting and these have been distributed to all owners. Any owners that rent their home at Stonebridge, either long term or short term, are required to fill out the Rental Addendum, sign it, and return it to management. Three parking passes per unit were distributed to all owners. If a vehicle is parked in a designated guest spot at Stonebridge, it MUST display a parking pass on the dashboard.

Dan distributed a Contact Information Sheet to all present. The list contains contact information for MPM, Avalanche Property Maintenance, Pat Ganje (Maintenance Manager), Jennie Lewis (code enforcement) and Vail Tax and Accounting.

- VI. Board of Director Elections. The next order of business was Board of Director Elections. The current Board consists of Rich Buckley (term expiring), Bonnie Hardy (term expiring), Gil Fancher (2 years left) and HB Juengling (1 year left). Therefore, one seat is up for election. Management

solicited candidates for the Board several times prior to the Annual Meeting. No candidates were forthcoming. Nominations were sought from the floor; none were forthcoming.

The current Board therefore will consist of Gil Fancher and HB Juengling. The Board may appoint a third owner at some point during the next year to fill the vacancy.

- VII. Old / New Business. One owner asked whether there were any significant accounts receivable at this point. Rich Buckley responded that one owner was in arrears and was on a payment plan. That account is now current.

Rich Buckley was asked to update the membership with regard to the lawsuit with a neighboring property owner, now on-going for several years. He gave the following summary: the association was at one point, years ago, considering bi-furcating the land in question and selling it (for development by a future owner). The Town of Avon denied this request. Furthermore, it was determined that the neighboring owner was encroaching on this land. The association filed a lawsuit and it was decided in their favor in Eagle County Court. The decision was then overturned at the District Court level. The owner of the neighboring property has therefore been granted a prescriptive easement for continued use of the property. A hearing is set for January 19, 2017, in order to finalize the details of the easement.

Some owners had questions about the land located on the north side of Eaglebend Drive. Gil commented that there is a master plan in place for this Traer Creek, LLC-owned land, but the developer has not made any forward movement with development in several years. It is a mixed-use zoned parcel. Owners who are interested in what is planned should visit the Town of Avon website at www.avon.org.

There was a request for some common area trash containers and / or dog waste stations. Management can get the cost to install each for the Board's review. Dan noted that there will also be ongoing maintenance costs associated with trash removal and stocking of the dog station(s).

- VIII. Adjournment. There being no further business to come before the membership, the meeting adjourned at approximately 5:40PM.

Respectfully submitted,

Secretary to the Meeting