

**RANCH MEADOW CONDOMINIUMS ASSOCIATION
Annual Meeting – Saturday, July 8, 2006 – 7 p.m.
Rodeway Inn, Estes Park, Colorado**

ATTENDANCE: 24 condominium owner families (with 34 total attendance by owners and members of their families) were present for the Annual Meeting, and proxy votes were received from 12 owners.

All Board of Director Members were present, as well as Susan Albern, CEO, Association Management of Estes Valley, and Gene Whannel, co-owner of the company. Two guest presenters, Ann Dinsmoor and Jamie Reed from Insurance Associates, also attended a portion of the meeting.

Before the regular business meeting was called to order, an Owner Education program was presented which covered the Master Insurance Policy of the Association, and the Reserve Analysis projection program.

President Gordon Slack introduced Ann Dinsmoor and Jamie Reed from Insurance Associates, agents for the Association insurance carrier, who explained the Association Master Insurance Policy as a part of the Owner Education program instituted under requirements in Senate Bill 100 passed by the State Legislature in 2005. Ms. Dinsmoor noted that the Master Policy covers all of the structures owned by the Association as well as appliances and other items that were included as a part of the purchase price of the condominium unit when it was first sold. However, she said, owners should understand that the Master policy does not cover any personal property. Should destruction of a unit occur, the Association would receive settlement for a unit “as it was when originally built.” In response to a question from one owner as to whether “upgrades” that were added by the builder as part of the original unit would be covered, she said that if those upgrades were sold as a part of the unit, they would be covered.

One owner asked how coverage would be handled where original appliances had been replaced because of obsolescence. The agent said that under the policy, coverage would be arranged by arriving at a dollar-value for the new appliances based on the original cost of those that had been a part of the unit when it was first sold.

The Master Insurance Policy is written through Travelers Insurance Company.

The agent pointed out that if an owner buys a unit and then adds upgrades to that unit, he/she would need to make certain that his/her personal property insurance is sufficient to cover the upgrades because those additions would not be considered as covered under the Master Policy.

Jamie Reed from Insurance Associates, told the owners that they are eligible for a 10 percent discount on their personal home-owners policy if they use Travelers Insurance. On the matter of liability coverage under the Master Insurance Policy, Ms. Dinsmoor said that the current policy provides for \$300,000 liability coverage for accidents.

An owner asked about coverage if the furnace in a unit goes out when the unit is not occupied and a water pipe freezes causing damage to the unit? The agent said that if the unit owner had kept the heating thermometer at the recommended 50 degrees, had someone looking in on the unit on a regular basis, the Master Policy would cover the loss.

A discussion of the Reserve Analysis system used by the Association Management of Estes Valley was presented by Susan Alber, CEO. She went through a spreadsheet that her company uses to arrive at projections of future costs for replacement of roofs, asphalt, building siding, gutters, and painting. She said that her company uses a "Full-Funding" program in projecting reserves. She told the owners that she felt "confident" with all of the projections in the program except those for asphalt. She said she was not confident with asphalt because her resource person has not completed a survey of the Association's asphalt areas and thus she did not have a complete picture of the situation. That survey should be completed later this summer.

The reserve analysis discussion was also a part of the Owner Education program mandated under terms of Senate Bill 100.

The regular business meeting was called to order by the president at 7:30 p.m. after which the secretary certified that the Association Board of Directors had met the legal requirements of notifying owners of the Annual Meeting "at least 10 days and no more than 50 days" before the date of the meeting. Official notification was made on June 15, 2006.

INTRODUCTION OF BOARD MEMBERS: Before moving into the business items on the agenda, the Board president introduced the 9 Board members: Bob Addleman, Suzy Blackhurst, Bob Butler, Chuck Coffey, Marcia Logan, Bob Nagle, Marlan Nelson, and Eric Waples. He also recognized a group of owners who helped to trim shrubs and trees and haul away the debris. A total of 13 owners worked in the project, and those present were asked to stand and accept the president's thanks for a job well done.

PRESENTATION OF THE MINUTES FOR THE 2005 ANNUAL MEETING: Secretary Marlan Nelson presented the minutes of the last annual meeting, and a motion was made by Dennis Lee to approve the minutes with a second from Jana Britton, and the motion was approved.

PRESENTATION OF THE TREASURER'S REPORT: Bob Addleman, treasurer, asked Susan Alber, CEO of Association Management of Estes

Valley, to summarize the financial activities of the Association. Ms. Albern told the members that the Association at the end of the first six months of this year had collected \$139,000 in owner assessments and interest, with a total expense of \$61,000 for the first half of the year, leaving a net income of \$77,000. She said the net income will change significantly because the greater portion of expenses for the Association occur during the summer months.

After hearing the treasurer's report, Dennis Lee made a motion that the report be accepted which was seconded by Karen McClure, with approval of the motion by the membership.

BUDGET RATIFICATION: Treasurer Bob Addleman gave a short presentation on the proposed budget for 2007. He pointed out that the budget for 2007 remains approximately the same as for 2006 because the Association had negotiated a more economical premium for insurance, and that the fees for the new management company were less than was paid for the previous companies. He said that the proposed budget projects that the Association will have approximately \$90,000 to transfer to Reserves during 2007. The amount in this category could change because the sum is arrived at by taking the total income for the year minus the projected expenses. The Board of Directors has been working "aggressively" to increase the reserve account. The proposed budget leaves owner assessments for 2007 at the same level as 2006 -- \$170 a month for duplex owners and \$135 a month for multiplex owners.

After calling for questions on the budget and hearing none, the president asked for a motion to ratify the budget which was made by Dennis Lee and seconded by Jana Britton; owners voted unanimously to ratify the budget.

OLD BUSINESS: The president gave a summary of the major accomplishments of the Board of Directors during the past year. These included using committees to analyze insurance needs and negotiate a new policy; reviewing the Association's goals and expectations from a management company and selecting the Association Management of Estes Valley; revising, updating, and annotating Governance Standards, Policies, and Rules of the Association; amending the Bylaws to meet standards required under Senate Bill 100; adjusting and repairing the drip and irrigation system; trimming shrubs and trees and removing debris; and repairing the upper decks at 1555 to eliminate safety hazards. The president said that the Board is in the process of appointing an Architectural Review Committee that will be charged with reviewing owner requests for updating or replacing such items as outside lighting, entry doors, windows, etc.

LANDSCAPE COMMITTEE REPORT: Eric Waples, chair of the committee, summarized the work and brought up some concerns of the committee related to landscape work in the community. He extended special thanks to Bob and Linda Nagle for spearheading a volunteer group that trimmed shrubs and trees in the community. Waples called attention to the work that has been done at the entrance and told the owners that additional work including the planting of 20 deciduous and 20 evergreen shrubs will be completed within the next few weeks. Dead shrubs have been removed, and after the trimming, a number of the potentilla that appeared dead are now “renewing” with new growth. (Ms. Albern of the management company told the owners that the work that the volunteers did would have cost the Association at least \$6,000 had it been contracted).

The landscape chair told the owners that the committee will replace some dead trees this fall, especially in areas where the original landscaping was “sparse.” He said the committee’s plans are to maintain existing shrubs and trees and not to give much attention to adding plantings. He called owners’ attention to the application process for requesting additions to the landscape plan in the community. The general philosophy of the committee, Waples said, generally is not to approve planting additional trees and shrubs in the General Common areas of the community.

On other matters, the landscape committee chair urged owners to use “good judgment” in watering around their units with their own sprinklers. In some areas of the neighborhood, observers see personal sprinklers being used at all hours during the day and left running so long that a great amount of the water runs down the sewer. Good water management indicates that watering of landscape items is most effective when done between 6 and 10 a.m., and 6 to 10 p.m.

NEW BUSINESS: Marcia Logan, vice president of the Board and chair of the Welcoming Committee, presented a summary of the work her committee has done in formalizing a “welcome to the community” project. The group put together a Guidebook for new residents that is now available on the Association website and can be printed from the website, and its goal is to make contact with each new owner or tenant to welcome them to the neighborhood, to give them a copy of the Guidebook and let them know that the committee members are available to answer questions they may have as they become oriented here. Ms. Logan asked that owners call her or one of the committee members when they observe new residents moving in. Members of the committee in addition to Ms. Logan are Bob Addleman and Marlan Nelson from the Board, and Linda Nagle and Maureen Gribben from the community.

ELECTION OF MEMBERS TO THE BOARD OF DIRECTORS: Seats were open on the Board as the terms ended for four members – Suzy

Blackhurst, Bob Nagle, Marlan Nelson and Gordon Slack. The President asked for nominations from the floor to fill the positions. Dennis Lee made a motion to elect the four Board members by acclamation for an additional two-year term which was seconded by John Gribben and approved by the owners. **SCHEDULED MAINTENANCE WORK:** Work is progressing on the scheduled painting for the year and should be completed within the next week. The 2006 painting schedule is for multiplexes 1360 (A-I), 1535 (A-I), 1555 (A-I) and 1590 (A-K), and duplexes 1370, 1372, 1480, and 1482.

Asphalt work is in the process of being evaluated by a resource person from Fort Collins, and it is expected that the Association will spend approximately \$10,000 later this fall to do patch work.

Roofs in the community are being evaluated by a roofing contractor and work will be contracted to make needed repairs.

There being no other business to come before the Association, the president called for a motion to adjourn. Chuck Coffey made the motion which was seconded by Dennis Lee, and the membership gave unanimous approval.

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RANCH MEADOW CONDOMINIUMS ASSOCIATION Board of Directors Meeting

As required by the Bylaws of the Association, a meeting was convened for the Board of Directors with one agenda item: election of officers for the coming year. The meeting was called to order at 8:18 p.m.

The president called for nominations for the office of president, and Suzy Blackhurst submitted the name of Gordon Slack which was seconded by Eric Waples and approved by the Board. He then called for nominations for the office of vice president, and Marcia Logan nominated Chuck Coffey which was seconded by Bob Nagle and approved by the Board. A call was made for nominations for treasurer, and Bob Butler submitted the name of Bob Addleman which was seconded by Eric Waples and approved by the Board. Nominations were called for the position of secretary, and Bob Nagle nominated Marlan Nelson, with Eric Waples seconding it with approval of the Board.

A call was made for a motion to appoint Susan Albern of Association Management of Estes Valley to serve as "Agent" for the Association. Chuck Coffey made the motion, and Suzy Blackhurst seconded it, and the Board approved the motion unanimously.

A motion to adjourn was made by Chuck Coffey and seconded by Suzy Blackhurst which was approved unanimously by the membership.

Respectfully submitted:

Marlan Nelson, Secretary

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