

WEST FORK VILLAGE HOMEOWNERS ASSOCIATION

BOARD OF DIRECTORS

BUDGET MEETING MINUTES

December 10, 2021

FINAL REVISION

Attendees:

Travis Ryan, Onsite Manager
Matthew Shewmon, President
Michael Montoya, Vice-President
Carrie Huenink, Treasurer
Dottie DeMark, Secretary
Mike Gantz, Voting Member

Also Present:

Melinda Cronin 112
Sean Dolan 205
Alissa Factor 409
Lisa Shewmon 703
Bonnie Stauffer 1012
Amalia Johnson 1102
Andrew and Ellie Hess 1103
Lily Quick 1111
Siri Willis 1112
George Stockton 1407
Jan Massey 1504

Meeting start time: 7:03 pm

1. Roll Call and Check in Procedure. Travis welcomed the owners who were present at the meeting and described the handouts that were available, including the Reserve Study. He also advised that the Board will answer their questions about the proposed budget for 2022.
2. Minutes of the November 18, 2021 General Meeting. The meeting paused for 5 minutes to allow owners to read through the November 18 minutes. Bonnie asked why we are getting a new law firm and Matthew advised that we weren't getting timely service from the current firm, Altitude Community Law. The Board solicited other bids but the bid from Altitude was the lowest. They have agreed to improve their service if we choose them. A decision has not yet

been made on what firm we will engage for 2022. Matthew described the various services that we generally use a law firm for. **A Motion to approve the November 18, 2021 General Meeting Minutes, as presented, was made by Matthew, seconded by Mike Gantz, and the Motion was approved.**

3. Board Review of Proposed Budget for 2022. Matthew thanked owners for attending and noted that the Board would now cover the highlights of the proposed budget. He stressed the importance of having a reasonable budget and stated that the increase in dues that is proposed was nothing the Board enjoyed or relished. He gave many thanks for the many hours put in by the budget committee and special thanks to Jan Massey for volunteering and attending the 3 budget meetings. A few points why the increase is needed were then given. The complex is over 20 years old now and if we don't address items soon enough, they could snowball into much higher costs. The preventative maintenance is necessary. The Board has had to put off some repairs over the past few years because of funding. There are some things that we can't do right now because of money so we have prioritized projects to those that benefit the whole complex. We are facing a huge project with asphalt; the whole area may need to be resurfaced. There is no estimate on cost yet but it will involve a multiple year plan. We hope to have a plan for the project by the middle of next year. The Board feels a responsibility to try to address only those things that are necessary and eliminate a need for special assessments. Other issues affecting the budget are inflation, covid, labor issues, and the painting of the buildings which has increased by 26% from this year's prices. He asked that owners please consider if they owned their home and had to pay for water, landscaping, sewer, trash, general and exterior maintenance and pool maintenance, if you had a pool, and consider how that cost compares to the HOA dues of \$210 per month. Travis and Zulema looked at 17 different condo associations in the community to compare current HOA dues in the area. Our current rate of \$190 is the second lowest on that list, and the new rate of \$210 will be the 6th lowest rate. Matthew feels that we provide very good maintenance which leads to increased property value.

Matthew advised that the Board would like to be transparent about the settlement of the 2018 hail insurance claim with our insurer Guardian. The whole matter was handled very poorly by Guardian to the point that we ended up hiring a public adjuster, an attorney, and we had to go to arbitration. Matthew referred members to the Net Budget Surplus in the proposed budget which is \$75,920. He then explained our obligation to contribute 10% annually to our reserve expenses and then referenced the Reserve Study document that is available tonight. We have budgeted \$47,000 to go to reserves which leaves us \$28,397 extra. However, we picked out about \$117,000 in repairs from the Reserve Study that need to be addressed in 2022. So we know we will be dipping into our savings even with the increase in dues. The settlement money we received from Guardian was \$1,289,945 for repairs they had not properly documented and paid us for. Of that money, \$118,589 went to the public adjuster, and \$764,990 was paid to the construction company that did the repairs to the damaged roofs and parts of the exterior of buildings. We have \$406,346 in our savings account that is left from the settlement. There are additional repairs such as garage doors, windows, some parts of roofs adding up to between \$150,000 and \$200,000. That's why the savings account balances are around \$600,000. We can't rely on that money to subsidize our dues. We have projects coming

up that we will need our dues to come closer to covering. We know we will have to be dipping into our savings, even with the dues increase.

4. Questions and Answers Session. Shaun stated that about 4 years ago the dues were \$150. The year before was \$130. Every year it's gone up more and more. Is there going to be a cap? Once the big projects are done, will we have the opportunity for the dues to decrease? Carrie stated that she can't say there would ever be a decrease unless things changed with our expenditures. Because of inflation, she feels that some of the numbers that we put in the budget aren't going to cover it. As the property ages, we will continue to have expenses to take care for. Carrie's HOA fees were \$120 when she moved here, then \$150 for a long time. Since she has had experience serving on the Board, Carrie kind of wishes that previous boards had had the courage to increase dues when it was needed to maintain the property. George spoke about the fact that owners are getting hit from all sides with increases in prices and they need a break from this. Amalia agreed with his statements and also talked about the HOA dues increase and economic problems that they deal with. Her son living in Windsor has paid only \$160 a month for his condo for the last 7 years. Amalia also stated that she doesn't know what to expect from the Board. Matthew stated that everybody is being hit with higher costs of living but the Board has a responsibility to maintain the property. If we don't raise dues and we don't do maintenance, what would our property values do? Our reputation goes down because of the appearance of the property. I encourage everyone to come to our Board meetings and you'll get to hear the details of all the things we deal with. Siri talked about our past increases in dues, how busy the traffic in the area has become and how dissatisfied she is with the dues increases. Matthew repeated the information he and Carrie gave previously about the dues increase and reemphasized the Board's duties. It's only realistic in this economy that our expenses are going to continue to go up. He stated that someone commented that the clubhouse lobby was dated. Maybe we should be doing more things to make it a top-notch facility.

Matthew invited everyone to consider becoming a member of the Board so they could have a say in things. Dottie asked if Siri reads the minutes of the Board meetings and she advised she doesn't know how to access them which Travis then explained how to her. Carrie listed several unexpected expenses we experienced last year; the meth traces found in the apartment upstairs, the March snowstorm, and the pool door breaking. Carrie spoke about the asphalt project that we have coming up and explained some of the reasons and process. Ellie asked when the Board does big projects, how many bids do we get. Matthew advised that we try to get 3, at least two. Travis advised of a 26% increase in painting bids for next year. He said the Board is always looking for ways to save money. An unidentified attendee asked for some of the bigger projects we have coming up. Matthew referred to the proposed budget and talked about the rotation and the costs of painting, the upstairs corner units with decks that have a design error. We have been repairing those by re-engineering and sealing those decks which has been a costly expense. The Board is exploring the legal feasibility of giving a special assessment to those who own an upstairs corner unit or assessing them higher dues. The pool is a big one too. Amalia asked since we did asphalt last year, why can't that money be applied to a bigger project. She thinks it's a waste of money. Matthew explained why we would have had to do the asphalt project anyway. Siri asked a question (inaudible). Matthew stated, "I am

not saying there will be a special assessment. SIRI (inaudible) Travis stated that the expenses we're having on the rotting decks are taking away from other projects that need done and the Board is just looking into the matter; nothing has been decided. Matthew stated we are also looking into the possibility of consulting with a structural engineer as to how we can redesign the decks so they don't rot. That would be a big expense. This problem has been happening for at least 17 years.

5. Voting Ballots on the Budget for 2022. Ballots were distributed to all attendees and voting commenced. All completed ballots were collected.
6. Counting of Ballots. Dottie asked for two volunteers to count the ballots and Ellie and Alissa volunteered. The 3 of them went into the conference room, closed the door, and Ellie and Alissa counted all votes received, including proxies.
7. Announcement of Final Count. Dottie announced the results of the vote. There were 20 yes votes and 5 no votes; so the measure passed.
8. Motion via Email. A **Motion to approve the proposed budget for 2022, as presented by the Budget Committee, including an increase in monthly HOA dues to \$210 effective January 1, 2022 was made** via email on November 24, 2021 by Matthew, **seconded** by Mike M, and the **Motion was approved**.
9. Adjournment. A **Motion to adjourn the annual meeting was made** by Dottie, **seconded** by Mike Montoya, and **the meeting was adjourned at 7:47 pm**.

Respectfully submitted,

Dottie DeMark, Secretary