

Double Diamond HOA 2016 Annual Meeting Minutes

March 23, 2016

Miramonte building, Telluride Colorado

333 West Colorado Avenue

Telluride, CO 81435

1. Meeting was called to order by Steve McComb, HOA President, at 5:31pm.
2. Roll Call was taken:
 - Unit #1 > John Carleo, proxy to Steve McComb
 - Unit #2 > Lori & Andy Thompson, proxy to Steve McComb
 - Unit #3 > Claudie DeSecco & Frank D-Aragona, proxy to Steve McComb
 - Unit #4 > Leslie Barnes & David Leonard, proxy to Steve McComb
 - Unit #5 > Julie Nelson not present, no proxy
 - Unit #6 > Wendy Walker, proxy to Steve McComb
 - Unit #7 > Steve McComb, present
 - Unit # 8 > Bill Carr, present
 - Unit # 9 > Peter & Kristen Norstrand, proxy to Steve McComb
 - Unit # 10A > Ed McCashion, present
 - Unit #10B > Katherine Warren, proxy to Lauren Bloemsma
 - Unit #11 > Andrew Tilli, proxy to Steve McComb
 - Unit #12 > Rick Howden, proxy to Steve McComb
 - Unit #13 > Steve Gabriel, present
 - Unit #14 > Brent & Lotta Kinetz, proxy to Steve McComb
 - Unit #15 > Molly Mickel, not present, no proxy
 - Unit #16 > Darcy Brown, proxy to Steve McComb
 - Unit #17 > George Norcross, present
 - Unit #18 > Tim Grizzell, present
 - Unit #19 > Lauren Bloemsma, present
 - Unit #20 > Mark Stehr, proxy to Tim Grizzell
 - Unit #21 > John Balmain, present
 - Unit #22 > John & Kathleen Fedack, present via telecon
 - Unit #23 > Homer & Julie Savard, proxy to Steve McComb
 - Unit #24 > Fred Bruno present via telecon
 - Unit #25 > Evan Kezsbom, not present, no proxy

There were 44 out of 50 total votes accounted for in the meeting. As a result, the necessary 51% of the total 50 votes was made to create a quorum.

Anita Cody was assigned by Steve McComb to take meeting minutes.

3. Election of HOA Board

The current board holds a one year term. All board positions were open for election.

Tim Grizzell moved to re-elect Steve McComb to the board. George Norcross 2nd the nomination. All were in favor

Steve McComb moved to re-elect Fred Bruno to the board. Lauren Bloemsma 2nd the nomination. All were in favor.

Bill Carr moved to re-elect John Balmain to the board, Ed McCashion 2nd the nomination. All were in favor.

John Balmain moved to re-elect George Norcross to the board, Tim Grizzell 2nd the nomination. All were in favor.

George Norcross moved to re-elect Tim Grizzell to the board, John Balmain 2nd the motion. All were in favor.

2016 HOA Elected Board

President=Steve McComb-#7

Vice President=John Balmain-#21

Treasurer/Secretary= Fred Bruno-#24

Board Member= George Norcross-#17

Board Member-Tim Grizzell-#18

4. Double Diamond HOA's current state of affairs

Physical State

Steve McComb gave his perspective of the Double Diamond HOA. He feels that the HOA is sound, and the complex looks very good and the physical state is maintained at the highest standards.

Financial State

Conservative philosophy state—maintain fiscal responsibility

HOA Psychological State

Owners meet financial obligations and get along with each other—there are no major discords going on with owners. He did state that if the rules of communal living are adhered to then it makes for a very cohesive living situation for all owners/ tenants of Double Diamond HOA. The board adopts practices to help make the community a sound investment going into the future, and a great place to live/visit!

5. Steve gave an overview of what the Managing Agent, he the HOA President, performs for the HOA during the year. He devotes approximately 309 hours annually to HOA business, which makes his hourly rate \$23.30.

6. Lauren moved to approve the 2015 minutes of the annual meeting as read, Fred second the motion, all were in favor. 2015 Annual meeting Minutes Approved as presented. Lauren stated that she would like to make sure that her name is spelled correctly.

7. 2015 Review

- 2015 major projects successfully completed:
- Decks Replacement (#7 & 9) \$27K
- Replace Eroded Complex Metal Flashing & Garage Doors Panels \$ 3.3K
- Replace NW Small Flat Roof & Flashing \$ 2.4K
- Engineer's Courtyard Decks Damage Analysis Report \$ 2.1K
- Replace Units #8 , #10B & #15 Skylight Flashing (Previous Leaks) \$ 2.6K
- Check & Re-position South Large Flat Roof Heat Tape \$.4K
- Rebuild Wood Hot Tub Deck \$.2K

TOTAL = \$36K

2015 Profit & Loss—

- ✓ Total income =\$134,711.28
- ✓ All expenses were reviewed
- ✓ Steve noted that John Balmain reviews all expenses at the end of each quarter.
- ✓ Administrative---\$1017 over budget—due to new CAM regulations required by the State of Colorado and miscellaneous legal fees.
- ✓ Exterior Maintenance--\$2800 under budget
- ✓ Interior Maintenance-\$600 over budget (due to a mistake in the budget preparation)
- ✓ Insurance—on budget
- ✓ Utilities- \$220 under budget
- ✓ Normal Expenses--\$1472 under budget
- ✓ Capital Expenditures- \$2007 over budget
- ✓ There was still \$19455.00 available to put into long term capital reserves even after the major capital expenditures.

8. 2016 New Business

Major Projects Proposed:

- Major Deck Replacement Units #15, #17 & #19 (\$41.6K)
 - Replace Eroded Metal on Flashing & Doors and new vents (\$ 2.9K)
- TOTAL = \$44,450.00**

9. 2016 Adopted Budget

- Steve discussed projected expenses for 2016.
- The budgeted income is \$135K for the calendar year.
- Administration expenses were decreased due to DORA requirement reductions for the Community Association Manager (Steve McComb) license renewal.
- Utilities- Steve explained that to keep the ice from building up in the courtyard, the boilers are turned on in the afternoon to warm up the concrete then the ice will be melted in the evening to create a safe environment.
- Capital projects—
 - #15, #17 & #19 will need to be replaced in 2016 –the cost will be around \$41.6K for this project.
 - Complex flashing needs to be replaced in a few areas.
 - Worn out vents need replacing.
- With the total projected income and total projected expenses, it would leave \$0 (zero) funds to add to the reserve fund at the end of the calendar year.
- Roof snow removal increased due to the great amount of snowfall this winter season.
- Flood and GL insurance increased \$3600.
- Normal operating expenses have increased from 2015.

Future Considerations with Large Financial Ramifications

- 25 year Capital Outlay Serious Review every 5 years > 2019
- All Courtyard Decks Replacement a NEW Item! This was not in the original capital project analysis.
- Interest rates on CDs are still extremely low (expectations were 1.5%).
- By 2019 the projected funds will be under funded per the projection analysis.

We must continue to save for tomorrow to avoid future assessments based on the aging of our complex!

11. Capital Reserve Analysis

60% Growth in 7 years while funding major projects:

- two sections of siding replacement
- painting all outside surfaces multiple times
- all flat roof replacements (4)
- units #1, 2, 5, 7 & 9 deck replacement

10. Open Forum for member comment.

- Fred Bruno and Bill Carr both commented that Steve's value to Double Diamond is important and appreciated. Also, Property Management of Telluride's years of service are also valuable.
- Bill Carr asked if the east gate lock can be fixed.

Steve McComb moved to adjourn the meeting at 7:25pm.