

**Stagecoach Property Owners Association
Annual Meeting of Members**

**SOROCO High School
July 25, 2015 – 9:00am**

Minutes

John Troka called the meeting to order at 9:05 am. He introduced all Board members present. Tonja Elkins has moved and Ben Mahrle has resigned. Current Board Members present were Tom Watts, Mike Koponen, John Troka, Tom Rashid, John DiNicholas, Art Fine and Barbara Houston.

With 309 of the owners represented in person or by proxy, a quorum was established.

○ **Approval of minutes of 2014 annual meeting**

The annual meeting minutes from July 26, 2014 were presented to the ownership.

MOTION: It was moved and seconded to approve the 2014 annual meeting minutes as presented. Motion passed.

○ **President's Report – John Troka**

John Troka discussed the Stagecoach Community Plan being prepared by Routt County, the 2015 assessment increase and its benefit to the Associations project/reserve budget.

Routt County has completed its initial public meetings and feedback sessions with the Planning Commission and the Board of County Commissioners on the Stagecoach Community Plan. The plan is expected to be completed by the 4th quarter of 2015.

The increase to the 2015 assessment was successful and the Board is working to develop a strategic project/reserve plan to more clearly identify how the increased funding will be put to use to improve the community...

John Troka discussed the past year in working with Steamboat Association Management ("SAM). SAM was hired in June 2014 partly due to the change in Colorado state law requiring the Association to have a Certified Association Manager. SPOA's current Manager, Bryan Ayer, has passed the certification test and is now licensed in the State of Colorado. Working with SAM, the Association has been successful in the converting its membership and accounting records and has seen improvements in its communication with the ownership through newsletters,

emails and the updated website. There has also been a substantial improvement in the invoicing and collection of current and past due assessments.

The importance of community involvement was discussed and how there are several ways for owners to get involved, whether joining the Board, participating on a committee, such as the architectural or road committees, being an event or project coordinator for community activities such as fireworks over the lake, or joining other community organizations such as the Oak Creek Fire Protection District or the Morrison Creek Water and Sanitation District.

○ **Treasures Report –John Troka (Ben Mahrle not present)**

John presented a financial summary for the current fiscal year through June 30, 2015, including the income statement for operations, balance sheet and project/reserve spending report.

Total cash at the end of June was \$347,107. Of this balance, \$189,946 is unrestricted and \$157,161 are in restricted road funds for Horseback, Morningside and South Shore.

Operating income from annual assessments for the period January through June was \$54,979 with other income (i.e. finance charges, late fees, fines, etc.) of \$7,361 for a total income of \$62,340.

Operating expenses for the same period totaled \$42,992. These expenses include management fees, professional services including accounting and legal, maintenance costs, meeting costs and property owner communications.

Through June 2015, the Association's YTD operating surplus (income minus expenses) is \$19,348.

Project/reserve income through June was \$29,033 from annual assessments and interest.

Project/reserve spending through June was \$660 for work to the Coyote Run Park. While not yet reflected in the financial statements, the Board has approved additional project/reserve spending for the year.

Through June 2015, the Association's YTD project/reserve surplus (income minus expenses) is \$28,373.

Accounts Receivable: At the end of June accounts receivable was \$47,203. Twenty three (23) members who are delinquent 6+ years account for 55% of the receivable balance. There are a total of sixty four (64) property owners delinquent 3+ years which represents 86% of the receivable balance. The Association is taking action to

perfect liens on the properties of these delinquent accounts. The Association will also pursue foreclosure on the oldest and largest delinquent accounts if the property/lot value makes it economically sensible in light of the costs and amounts owed.

The proposed 2016 budget and assessment were presented by John Troka. The annual operating expenses of the Association have remained relatively flat for the past several years. There is proposed increase to the annual operating budget due to the annual contracted increase in SAM's management fee as well as an increase in professional fees due to the need to have a third party financial review performed.

Over the past several years the project/reserve fund has become depleted and as a result the Board is working to rebuild this fund to continue funding projects to improve and protect the community. Current and future projects that are a focus of the Board are road improvements, legal projects, community development, wildfire mitigation and common area improvements.

John Troka discussed the maximum allowed annual assessment for 2016 which is \$113.45/lot. The annual assessment was \$75.00 for 2015. The annual assessment is comprised of two components, the operating component reflects the amount needed to balance the proposed operating budget and the reserve/project component which reflects the projects priorities and reserve requirements set by the Board. The final 2016 assessment will be determined by the Board and sent out to the ownership at least 30 days prior to the end of the fiscal year as stated in Article VII section (2c) of the Association Bylaws.

○ **Nominations to the Board**

Currently there are four (4) open positions on the SPOA Board. Three (3) of the positions are for a three year term and one is to fill the remaining year of a three year term. The 3 year terms are for the board seats held by Tonja Elkins, Barbara Houston and Mike Koponen whose terms expire this year. The one year term is to fill the remaining term for the Board seat previously held by Ben Mahrle.

Several property owners stood for election as candidates for the open Board positions:

Bradley Church

Greg Fox

Barbara Houston

Edgar Johansson

Mark Nichol

Zed Ogle (floor nomination)

Larry Wilson

MOTION: There was a motion and a second to approve and close the nominations. The Motion passed unanimously.

○ **Member Comments**

Jeff Erickson commented on fire mitigation and the necessity to get rid of all the dead wood, both on the ground and in piles. He suggested finding a contractor that could go on lots with owner's permission to clear these lots of dead wood. There followed a discussion on access to private land, safety concerns and the Association's potential liability if it contracted for the service versus individual owners doing so. It was decided that the Board would look in to this further.

Lyn McCarty asked if there was progress on the building of a school or community center and if an area has been identified for this yet or if a portion of common area could be used. John Troka indicated there is a current school site that was previously dedicated to the school district which is located at the corner of CR 16 and CR 212. The Board is looking to communicate with all necessary parties to see if there could possibly be a combination of a school and community center. The Board will continue to work on this important issue.

Russ Dashow sent a 2015 Annual Meeting Agenda from Bushy Creek to Bryan Ayer at SAM. Bryan read the statements aloud. They stated:

- (1) PO's deserve more transparency – immediate publishing of latest Board Meeting Minutes, periodic (quarterly) publishing of budget and selected simplified financial data updated.
- (2) Priority Projects (like roads) – detailed progress to date
- (3) Acceptance of credit cards, including PayPal & Square for Assessment payments.
- (4) No interest (aka finance charges) on large lot owner payment programs.
- (5) Negotiate with YVEA for the burial of 3 overhead lines into Black Horse II, Overland and Sky Hitch at their cost or minimal to SPOA.
- (6) Return to subdivision pools for better accounting, more transparent and efficient use of scarce "general" funds.

MOTION: Russ Dashow made a motion that the Agenda of Bushy Creek Associates & Russell Dashow be acted upon by the Board over the next 6-9 months, with periodic progress reports appearing in the newsletter." There was no second to the Motion.

○ **Member Voting**

Ballots were given to each member as they completed registration. Member ballots included any proxies that individual owners had so that one ballot included all of an individual's votes.

There being no additional items from the floor to be voted upon, members were asked to complete their ballots for the election of Board members. Members were instructed to vote for four (4) individuals out of the seven (7) candidates; the six (6) candidates pre-printed on the ballot plus Zed Ogle as a write in candidate. As per

the Bylaws, the persons receiving the largest number of votes shall be elected and cumulative voting is not permitted.

The ballots were collected and counted by representatives of SAM with the final results announced later in the meeting.

- **Architectural Controls Committee (“ACC”) Report – Tom Watts**

The ACC has been busy approving several projects including five houses, two sheds, solar panels and a greenhouse. The committee has used new approaches to the review of applications, including an informal agreement process and approving projects mostly through email due to the availability of technology to present the required information.

Tom Watts reminded the ownership to submit an application to the SPOA ACC through the management company before making any modifications. He also reminded owners to pursue any necessary approval from other associations relevant to the property (e.g. Neighborhood at Young’s Peak Owners Association) as well as Routt County.

Tom Watts then gave a presentation on “living off the grid” with guidelines and suggestions for how to build smaller square footage houses that are self-sufficient and still comply with current SPOA policies and guidelines.

- **Community Road Issues – Troka**

John Troka reported on the current progress of road improvements and the newly established Road Committee. The committee is currently comprised of John Troka, John DiNicholas and Corky Fisher. John Troka discussed that the committee is currently working on a document that will capture the essentials needed for a road to be built. The committee will also look into if/how the Association can assist in funding road improvements. Any assistance would be dependent on road construction being to Routt County standards so that ultimately the Association can seek acceptance of all roads by the County for maintenance.

John discussed the positive results of “chemical mowing” done by the County in portions of Horseback. He indicated this is something that the Road Committee would look into for some of the under-developed roads to at least kill the vegetation so that roads can be seen and more passible.

The community manager and Road Committee are currently pursuing estimates for doing road maintenance on the 2nd Filly Trail from CR 16 to the intersection with Ramuda Trail. They have preliminary cost estimates from Connell Resources and are obtaining multiple bids.

John reiterated that the building of roads to any lot is still the owner's responsibility and that the construction standards of the road currently need to match those of the Oak Creek Fire District, the Morrison Creek Metro District, and/or Routt County depending upon the needs and location of the lot.

The committee is currently looking for two more members and John asked for anyone interested to contact him directly or the Association's Community Manager.

○ **2015 Property Tax Valuation**

John Troka presented a chart on Routt County's recently completed 2015/2016 property tax valuations for Stagecoach. The current valuations are based on property sales data collected for the period July 2012 thru June 2014. The chart showed there were 453 developed residential properties with an average market value of \$234,414. This valuation reflected a 28.7% increase over the previous valuation period. The chart also showed there are currently 1,790 undeveloped lots with an average market value of \$7,948. Undeveloped lot values were highly variable depending on location and availability of utilities. The market valuations for undeveloped lots decreased 17.5% from the previous period.

○ **Meeting Wrap Up**

Community Activities: John Troka discussed the desire of the Board to hold some type of fall community event and was looking for volunteers or ideas from the ownership. In previous years, the Association has sponsored a fireworks committee show. If anyone is interested in serving on a Community Events Committee they contact the Association Manager.

2016 Annual Meeting: The 2016 Annual Meeting is tentatively scheduled for July 23, 2016.

Voting Results:

The results of the election were as follows:

Bradley Church	268 votes
Barb Houston	260 votes
Zed Ogle	254 votes
Larry Wilson	142 votes
Mark Nichols	142 votes
Greg Fox	26 votes
Edgar Johansson	5 votes

As Bradley Church, Barb Houston and Zed Ogle all received the largest number of votes they were elected to the Board to fill the three positions with three year terms.

As a result of the tie for a fourth position, being the 1 year position, and since the Board has the ability to appoint someone to fill a resigned position for the remainder of the term, it was determined to have the Board consider how to proceed at the Board meeting immediately following the annual meeting.

MOTION: To adjourn the meeting. Motion was seconded and was passed unanimously.

Meeting was adjourned at 11:45.