

STAGECOACH PROPERTY OWNERS ASSOCIATION

Meeting of the Board of Directors
Teleconference Meeting
Steamboat Springs, Colorado
November 9, 2015

Members Present: John Troka (President), Tom Rashid (Vice President), Brad Church (Treasurer), Barbara Houston (Secretary), John DiNicholas, Art Fine, Zed Ogle, Tom Watts and Larry Wilson.

Management Present: Bryan Ayer, Association Manager for Steamboat Association Management (SAM).

A quorum was established with all Board Members attending.

John Troka called the meeting to order at 7:02 p.m.

Old Business

Road Committee Appointment: The current Road Committee consists of members John Troka, John DiNicholas, Corky Fisher and Sarah Woodmansee. There was still one open position on the committee. Members that were interested in serving were: Judith Hiester, Wayne Schneider, Robert Skorkowsky, Jim Williams.

MOTION: John Troka made a motion to appoint Robert Skorkowsky to fulfill the final appointment. Brad Church Seconded. The Motion passed unanimously.

2016 Reserve/Projects Budget and Assessment Approval: At the October 3rd, 2015 Board Meeting the Board approved the Operating Budget amount of \$43.00 per lot for High Cross and \$45.73 for all other subdivisions. At that Oct 3rd meeting the Board decided that they wanted more research into the potential costs for potential capital projects and acquisitions for the 2016 fiscal year before making a decision on what the 2016 Reserve/Projects Budget amount, and ultimately the 2016 Annual Assessment would be.

Discussion took place concerning the potential costs of road work, common area improvements including trails, fire mitigation, acquisition of a multi-use tractor and governing document maintenance and enforcement.

MOTION: Brad Church made a Motion to approve a total Annual Assessment amount of \$95 per year per lot for all subdivisions. Tom Watts seconded the motion. With 8 of 9 Board Members voting for the Motion, the Motion passed resulting in the final 2016 annual assessments being as follows:

	<u>Operations</u>	<u>Reserve/Projects</u>	<u>Total</u>
High Cross at Stagecoach	\$43.00	\$52.00	\$95.00
All Other Stagecoach Subdivisions	\$45.73	\$49.27	\$95.00

Brad Church - Yes
John DiNicholas - No
Art Fine - Yes

Barb Houston - Yes
Zed Ogle - Yes
Tom Rashid - Yes
John Troka - Yes
Tom Watts - Yes
Larry Wilson - Yes

High Cross Financials Statements: There are two separate Declarations for SPOA. The original Declaration was recorded in 1971. Most subdivision have a Certificate of Anexation that binds them to this Document. However the High Cross Subdivision has a separate Declaration, recorded in 1973, Although this is a separate set of Covenants, the language within the document, states that High Cross owners are members of and governed by SPOA. However due to other language within the High Cross Declaration, most specifically as it relates to budgeting and assessments, it is necessary for the Association to have a subsidiary set of financials specifically for the High Cross subdivision.

The board discussed the process to establish a set of financial statements for High Cross given the inability to create historical financials statements for High Cross since since its inception in 1973. In order to prepare the subsidiary financial statements for High Cross in 2015, it is necessary to establish beginning equity balances for the subdivision. John Troka presented 3 separate options for consideration. Each of the options discussed used the beginning equity balances of the Association as reported in fiscal year 2011 as the starting point and then rolled these balances forward using the financial activity as reported for fiscal years 2011, 2012, 2013, and 2014. In general, Option 1 reflected starting with a pro-rata share (65 High Cross lots/2,300 total Stagecoach lots) of the beginning FY2011 operating and reserve/project equity balances. Option 1 calculations resulted in a total 2015 beginning equity balance for High Cross of of \$3,912. Option 2 reflected starting with a pro-rata share of the beginning FY2011 operating equity and adding the High Cross subdivision balance as reported in the FY2010 financial statements. FY2010 reflects the last year individual subdivision equity balances were reported as the Association consolidated all of the separate funds into a single project/reserve fund for all of SPOA in FY2011. Option 2 calculations resulted in a total 2015 beginning equity balance for High Cross of \$12,385. Option 3 reflected starting with a pro-rata share of the beginning FY2011 operating equity and no participation in the project/reserve equity balance. The final calculated result of Option 3 yielded a total 2015 beginning equity balance for High Cross of \$2,211. For all three options, operating expenses and project reserve expenses for FY 2011 - FY2014 are reflected in the calculations on a pro rata basis.

MOTION: There was a Motion and a second to use Option 1 with a calculated total beginning 2015 equity balance of \$3,912 in establishing the High Cross financial statements. With 6 of 8 Board Members voting for the Motion, the Motion passed. The vote was as follows:

Brad Church - Yes
John DiNicholas - Abstained
Art Fine - Yes
Barb Houston - Yes
Zed Ogle - No
Tom Rashid - Yes
John Troka - No
Tom Watts - Yes

Larry Wilson - Yes

Next Board Meeting: The next Board meeting was set for January 23, 2016 at 9:00am.

The Meeting was adjourned at 9:25 p.m.

DRAFT