Trailside on Arrowhead Mountain
2024 Annual Meeting
Tuesday, July 2, 2024, 3:00PM MT
Lone Pine Clubhouse and Via Zoom

MEMBERS PRESENT IN PERSON: Riggio (Unit 1), Baumbusch (Unit 5), Gill (Unit 10), Abraham (Unit 13), Decthman (Unit 14), and Woods (Unit 17)

MEMBERS PRESENT VIA ZOOM: Allen (Unit 2), O'Donnell (Unit 8), Latham (Unit 18) and Tramontano (Unit 19)

MEMBERS PRESENT BY PROXY: Boswell (Unit 3), Borgen (Unit 6) and Meyer (Unit 16)

ALSO PRESENT IN PERSON: Dan McNeill, Managing Agent and Sara Thurston McNeill, Secretary to the Meeting

ALSO PRESENT VIA ZOOM: Janaine Frew of High Altitude Accounting

I. Roll Call. With 13 of 20 units represented either in person, via video conference call or by proxy, a quorum was established (51% of owners or 11 units must be represented either in person, via conference call or by proxy to achieve a quorum). Dan McNeill certified the proxies and called the meeting to order shortly after 3:00PM.

II. Review and Approval of the Minutes of the 2023 Annual Meeting. These minutes were previously distributed to all owners for review and comments, as well as posted to the website: mcneillproperties.com. There being no suggested changes, there was a MOTION: TO APPROVE THE MINUTES OF THE 2023 ANNUAL MEETING OF THE TRAILSIDE ON ARROWHEAD MOUNTAIN ASSOCIATION AS PRESENTED. The motion was duly seconded and carried unanimously.

III. Financial Report – Janaine Frew of High Altitude Account prepared and presented the 2023 year-end financial reports to the membership.

According to the Balance Sheet, the association ended the year with $230,032.76 in total assets, liabilities and equity, including $248,043.37 cash in the bank and <$18,010.61> in assessments receivable (representing prepaid dues for Q1 2024).

The Profit and Loss Statement reveals that the association had total income of $266,232.91 in 2023. This compares to budgeted income of $266,971.00. The difference is due to the forgiveness of late fees; the Board decided to waive late fees due to the mid-year management turnover. The association ended the year with a net surplus of $30.91 in the operating account. Savings were achieved in the Administrative category. The Maintenance category was $1,936.93 over budget; the largest overages occurred in the line items of R&M Exterior because two years' of trash concierge fees from Honeywagon were run through this line item and in Irrigation Management & Maintenance because of the fees charged by ET Irrigation for their sensors and monitoring equipment. Utilities were very close to budget; Telephone was over budget and Irrigation Water was under budget.

The 2023 beginning balance in the Capital Reserve Fund was $156,039.30. 2023 funding totaled $34,110.06 (from regular dues) and $656.62 in interest was earned. 2023 capital expenses totaled $20,040.87 and included $453.75 to update the reserve study spreadsheet, $12,862.12 for new landscaping projects and $8,375 for wildfire mitigation (including a $7500 rebate from Eagle County). $2000 was rebated to the association from Arrowhead Design Review Board. The 2023 ending balance in the Capital Reserve Fund was $170,765.11. In addition, there was $51,122.89 in working capital reserves.

Janaine then presented the approved 2024 Budget to the membership. Last fall the Board approved the budget with a 5% increase in overall dues. Increases are expected in the line items of Insurance, Gas, Water, Electricity and Telephone. Savings are anticipated in the Maintenance category primarily due to Deck Staining (to be included as part of the painting / staining capital project).

Janaine then reviewed the year-to-date (as of May 31, 2023) financials with the membership. According to the Balance Sheet, the association has total assets, liabilities and equity of $307,442.61 including $287,565.01 cash in the bank, $10,506.00 in owner assessments receivables and $588.65 in prepaid insurance premiums.

The Profit & Loss Statement reveals that five months through the year, the association has total revenues of $116,786.16 (including some interest income).

There is a net surplus of $30,695.60 in the operating fund compared to a budgeted surplus of $11,664.00 at this point in the year; therefore, the association is $19,031.60 ahead of budget. Overages have been experienced in the line item of R&M Exterior. Savings have been achieved in Snow Removal and Irrigation Water. The Board eliminated the Trash Concierge line item earlier this year, so savings have been experienced overall. The intention is to transfer any year-end net savings in operating expenses to reserves to fund future capital projects.

The 2024 beginning balance in the Capital Reserve Fund was $167,687.65. Current year-to-date funding totals $118,166.68 and $52.83 in interest has been earned. 2024 capital expenses total $225 so far (for planning related to the exterior painting / staining project). The ending balance in the Capital Reserve Fund is $185,682.16. There is an additional $51,629.94 in working capital reserves.

IV. Manager's Report – Dan McNeill then addressed the membership and updated all present about ongoing projects, including:

- The staining project is moving along very well. DCPS was hired to do this two-year capital project. Koye (the project manager) sends out regular updates on how the work is progressing.
- All the flowers at entries are in and looking good, and we have been checking to make sure all are getting enough water.
- The first round of window cleaning and gutter cleaning is now complete.
- We were underway with the crack fill and seal coat of the asphalt, but weather has caused a delay in this project.

The Trailside Maintenance Responsibilities document was given to all owners in their meeting packet. It delineates what each individual owner is responsible for and what the association is responsible for.

At the Board Meeting held just prior to the Annual Meeting, the Board clarified the responsibility for the repair of stone facades throughout the community. Moving forward, the association is responsible for repairs to stone retaining walls and stone landscaping elements. Owners are responsible for repairs to the stone facades on their homes. Management will have a stone mason inspect each home annually and send a report to each homeowner, along with an estimate of repairs.

Dan reviewed the capital spending plan spreadsheet with the membership. Capital projects planned for 2024 include painting / staining of 10 of the 20 homes (with the rest slated to be addressed in 2025). Other capital projects under consideration for 2024 are continued irrigation system work and wildfire mitigation efforts (management will seek a rebate again this year from Eagle County). Crack filling and seal coating of the asphalt streets and of the 10 remaining asphalt driveways will be finished up on July 8 and 9 (this project was delayed due to rainy weather).

The association is now testing all fire sprinkler systems inside of the homes on an annual basis. Owners are billed back for the cost of the inspection and any required repairs. The Board decided that this was the best approach to protect the homes (and occupants) at Trailside.

ET Irrigation continues to manage and modify the irrigation system at Trailside. Vince Riggio reported since ET has been brought on board, irrigation water use has been reduced from approximately 2.4 million gallons annually to about 800,000 gallons. Work will continue, with several homeowners noting that their now mature aspen trees are being "strangled" by old irrigation drip lines. There was a suggestion to ask the landscaping contractor (Ethos) to assume the irrigation duties now performed by ET. Further research will be needed to determine if this is possible.

An HOA-wide pest control contract is now being considered by the Board.

There was a request to mow the tall grass on common area (adjacent to the ski way) for easier pedestrian access.

Dan asked all owners to ensure that they have adequate insurance on their home, including building replacement and ordinance, general liability, adequate contents coverage, loss assessment and loss of use. The association carries guaranteed building replacement coverage and coverage of contents on the cabin, along with general liability insurance, Director & Officer liability insurance and fidelity and crime coverage.

Dan then referred to the Risk Management Checklist. The Risk Management Checklist is updated each fall, and it was given to all owners in their meeting packet (it is also posted to the website). Owners are asked to follow the guidelines in the checklist in order to avoid costly damage and insurance claims.

It also includes suggestions for water and energy conservation, and information about the carbon monoxide detector laws in Colorado.

Management distributed an updated Contact List for Trailside. Owners are asked to keep the list handy and refer to it whenever they have a concern for management.

V. Board Member Elections. The current Board consists of Vince Riggio (term expires in 2025), John Meyer (term expires in 2025), Kathy Dechtman (term expiring), Brandon Abraham (term expires in 2026) and Holly Gill (term expires in 2026). Terms are three years each. Kathy indicated her willingness to serve another 3-year term. Nominations were sought from the floor; none were forthcoming. Kathy Dechtman was re-elected via acclamation.

VI. Old / New Business. Kathy Dechtman then addressed the membership, noting that MPM has now been the managing agent for the association for a little over one year. The staff is very responsive and detail oriented. Projects are now being accomplished, the Clubhouse is much cleaner and MPM has the staff available to get things done.

Dan explained that extensive gutter cleaning is needed in this community due to the homes' proximity to the forest and all of the "tree waste" that is produced throughout the spring, summer and fall months. He is getting a proposal to jet the underground drains that tie into the downspouts for the Board' consideration.

VII. Adjournment. There being no further business to come before the membership, the meeting adjourned at approximately 3:50PM.

Respectfully submitted,

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Secretary to the Meeting