

COTTAGES AT SHOCK HILL

2022 ANNUAL MEETING MINUTES

Tuesday, March 29th, 2022 - 11:00 AM MST

Virtual GoToMeeting

Cottages at Shock Hill Board of Directors

- Diane Guernsey – President
- Arminda Menke – Vice President
- Phil Reinsch – Treasurer

Alpine Edge Representatives

- Steven Frumess – HOA General Manager
- Brett Gunhus – HOA Manager
- Jessica Martin – HOA Administrator
- Kimberlyn Bryant – HOA Administrator
- Martha Zaugg – HOA Administrator

I. Welcome

A. Roll Call; Establish Quorum

The Annual Meeting was attended by the Cottages Board of Directors listed above as well as the Alpine Edge management team.

The owners in attendance were Bernard Buonanno, Henry Carlson, Jeff and Tracie Flora, Jonathan and Robin Gear, Diane and David Guernsey, Joy and Edward McMillan, Arminda Menke, and Phillip and Donna Reinsch. There were no proxies.

Diane Guernsey called the meeting to order at 11:06 am.

B. GoToMeeting Protocol

Brett went over the GoToMeeting platform functionality so that everyone could effectively participate in the conversation.

C. Confirm Notice of Meeting Delivery

The Notice of Meeting was sent out via USPS and emailed to all owners before this meeting. Steven asked that if any owner did not receive emails from the Association, please reach out to AE to have this corrected with the most up-to-date contact information. AE can be reached through the HOA email at HOA@AEPropertyManagement.com. Owners are also encouraged to reach out to the HOA team through AE's phone number listed above.

D. Review & Approval of 2021 Annual Meeting Minutes

The 2021 Annual Meeting minutes were sent to all owners for review. Diane motioned to approve the 2021 minutes as written, which was seconded by Arminda and passed unanimously by the community.

E. Election Process Review

Brett introduced the Alpine Edge representatives in attendance and provided contact information for Alpine Edge. The best way to contact Alpine Edge is by email or phone at 970-453-2334.

If owners are having an emergency, they may use Alpine Edge as a resource and contact 970-453-2334 ext. 5. Alpine Edge has emergency staff ready to manage any emergencies that may arise. If owners are suspicious of any criminal activity within the Association, they may reach out to management, but they should also contact the police. The non-emergency dispatch number for the Town of Breckenridge is 970-668-8600.

There is one seat up for election on the Cottages Board of Directors. Phil Reinsch volunteered to run again if the election is uncontested. Brett asked for nominations and Henry Carlson volunteered. There were no other nominees; therefore, Henry will be joining the BOD.

II. Old Business

A. Routine Maintenance

1. Snow Plowing and Shoveling

Better Views is the contractor for the Cottages and has been for the last 6-7 years. They are scheduled to come out when it snows three inches or more. When it snows in the afternoon, the contractor will be out the following morning. They should also be shoveling the flagstone walkways and all fourteen driveways. Steven reminded owners that AE may request that vehicles be completely removed from the driveways for the snow to be completely removed, but this will be a rare occurrence. Diane G. believes the contractors do a great job and do well to avoid the trees on owner's properties.

2. Landscaping

Mountain Garden Care services the Cottages and takes care of irrigation turn-on and blowouts, spring clean-up, mow/trims (takes place bi-weekly), pruning of all trees and shrubs, weed eradication, and more in the Association. The season begins around Memorial Day and ends around October, depending on the weather. Owners are encouraged to reach out to Alpine Edge if they notice any landscaping that should be addressed. Diane suggested that Mountain Care should be on top of irrigation to mitigate any drought issues. She also told owners that they can reach out to her with any suggestions or areas of concern, and she will bring them to AE's attention as well.

3. Exterior Staining

There is a rotating exterior stain schedule of two homes per season at approximately \$7K per home. It is prioritized based on factors such as the age of the properties, where they are on the 5-year plan, exposure to the sun, and overall wear on the stain from year to year. The rotation of all fourteen properties has been completed, so units 101 and 148 will be the first on the list unless another unit has factors that prioritize

them over these two units. The formula for the stain has changed from an oil base to a water base, which does not offer the same longevity as the oil-based formula.

B. Summer 2021 Maintenance Improvements

There is one window cleaning scheduled per year for the Cottages. If owners are interested in additional window cleaning, reach out to AE and we can provide the contact information for our contractor. AE will give a heads up to all owners when these cleanings take place. Steven suggests the windows be cleaned after the pollen season.

Last summer, AE removed vegetation that was dead or diseased in the Association and new native landscaping replaced it. The objective of landscaping is to uphold the aesthetic of the Association.

Masonry repairs were also completed throughout the community. This is maintenance that occurs year to year and the amount of work is based on the weather.

Two years ago, deck supports, and joists were repaired on some properties. AE needs to survey these yearly to make sure the wood is and stays structurally sound. This is also important for roofs, which will be surveyed, along with the flashing, shingles, and gutters. Keeping an eye on these items is routine preventative maintenance.

AE replaced address signs that were peeling and taking away from the aesthetic. There are also irrigation issues that are addressed year to year as well.

C. Policy Review

1. Collections

Martha addressed the owners and discussed collections. She said owners will receive an invoice via QuickBooks and will have the option to pay via check or ACH. Collections have not been an issue in Cottages and owners are timely with their payments.

Robin Gear asked why there was a processing fee. Martha said it was due to QB increasing their merchant fee.

2. Design and Exterior Improvements

If owners want to make any structural or design improvements to the properties, they must go through the Design Review Board (DRB-B) to abide by the Design Guidelines. This is to ensure that owners maintain consistency and the aesthetic of the Association. If owners do not go through the correct channels, they may incur fines and have to dismantle their improvement efforts.

III. New Business

A. Financial Review

1. 2021 Expenses

Martha presented the 2021 Budget Actuals to the owners. She then went line-by-line through the Budget vs. Actuals.

2. Owner-Ratified 2022 Operating Budget

Martha presented the Board Adopted budget for 2022 and informed owners that dues will be raised to \$10K for the year. Both management and the Board believe this is a sound budget for the Association. Steven added that this is based on the reserve study, which covers the costs of the big replacements in the neighborhood, such as the roofs. This is to help avoid any special assessments or having to take out loans.

Martha presented the 2022 budget line by line to the owners. Diane G. asked that due to recent turnover in the Cottages, can the reserve study information be provided to the owners. Martha informed the owners that the Reserve Study is available on the Shock Hill website, and owners may also reach out to AE for this information.

Jonathan Gear pointed out that if owners pay dies via ACH there is still a percentage fee, which he says is very usual to see. He wanted to pass it along, so AE is aware. Martha informed him that SH does their banking through Alpine Bank and, if owners are interested, they can enroll in automatic ACH withdrawals.

There was a question as to whether AE would have issues finding employees due to the labor shortage in the county. Steven informed the owner that AE has more staff than ever and searched for career-minded people. AE's mindset as a company is that quality is everything.

There was a motion to ratify the budget as presented by Jonathan Gear, which was seconded by Robin Gear and unanimously passed by the community.

B. Real Estate Market Report for Shock Hill

Steven presented the sales report to the owners and pointed out that the Cottages are selling around the \$4M mark. Mountains Homes Group at Coldwell Banker provided the sales data to AE. One thing they note is that the median days the units sit on the market are two days. Steven believes that owners could be asking for more due to the short amount of time they stay on the market.

C. Review of Proposed Amendments to Shock Hill POA Governing Documents

Brett addressed the new SH POA Governing documents, pointing out that a big issue was the voting power of each Association. These changes require 75% of approval from the Shock Hill owners. The owners that attended the POA meeting unanimously approved the changes; however, only around seventy-five votes were obtained. The Shock Hill POA minutes will be going out to all owners for review shortly. Brett reminded owners that they may simply email

AE to vote on these changes to the Governing Documents. Brett asked if any owners needed clarification on the changes to the Governing Documents. Bernie's impression is that the changes are a net positive for the Association. He asked if any owners were against the changes. Brett informed him that there has not been any kind of opposition to these most recent changes.

Brett informed owners there were a couple of oppositions to the new Good Neighbor Policy; however, that document is Board-approved and does not require a vote. The POA Board is making changes to a couple of items, one of which is regarding the holiday lights timeline. Robin Gear brought up that Frisco has holiday lights up throughout the entire ski season. She was interested to see how many people would be ok with having them up all season.

Brett reminded owners about the Short-term Registration Form and BOLT License that is now required to be submitted to AE every year. Owners should submit an STR Registration form if they hold a BOLT License, regardless of if they intend to rent or not. This is important so AE can contact the correct person or rental management company in the case of an emergency.

Diane encourages all owners to thoroughly read the policy and reach out to the POA Board with their thoughts. She informed the owners of some of the items she had issues with and items that she felt were missing.

Brett informed the owners of the new Shock Hill POA Board of Directors and told them that any questions or comments regarding any of these documents will be forwarded to the POA Board for their review.

IV. Open Forum

Owners thanked the Cottages Board for their volunteer time.

Phil informed owners that the rate of assessments will have to be raised every year due to inflation. He suggests forming an investment committee to help the Association make money. Diane agreed and asked him to spearhead that project and recruit volunteers. Brett told owners to reach out to AE if they are interested in joining the committee.

V. Adjournment

There was a motion to adjourn the meeting made by Robin G., which was seconded by Diane G. The meeting was adjourned at 12:52 pm.