

**MEADOW VALE FARMS COMMUNITY ASSOCIATION
ANNUAL MEETING
March 19, 2018
6:00 PM
620 Welker Avenue, Mead, CO 80502**

- 1) President David Mackey called meeting to order, agenda were handed out, proxy voter sheets were handed in, quorum was announced.
- 2) Meeting minutes from annual meeting of May 8, 2017 were approved
- 3) No additions to agenda were recommended.
- 4) Bob Danos of PML presented:
 - a. Current financials
 - i. Currently have \$341,000 in reserve, \$167,000 in operating budget
 - ii. Expenses are tracking in accordance with budget
 - b. 2018 Budget was presented
 - i. Motion to ratify was suggested and seconded. Vote to ratify 2018 budget passed unanimously
 - c. Education
 - i. Bob and Lauren Hofmann of PML are both members of Community Association Managers Association (CAM).
 - ii. CAM is set to sunset in October of 2018.
 - iii. CAM members must be licensed and insured, must take continuing education, and must pass ethics tests. Its task is to avoid misappropriation of funds.
 - iv. Bob urged voters to contact their State Senators and ask that the CAM be continued after October.
- 5) David Mackey announced the HOA fiscal year changed to January-December, therefore the annual meeting for 2019 would be held in January of 2019.
- 6) Road Repair
 - a. At last years meeting is was voted on to do road repairs in a 3 year (2017, 2018, 2019) phased program, spending the Oil and Gas revenues as they were received. This was in lieu of patching as was done in the past.
 - i. Roads committee went out for bids and received 1 bid for \$360,000 just for crack repair and patch of damaged asphalt.
 - ii. This could escalate to \$750 over the 3 years.
 - iii. Problem was equity among homeowners. What portion of roads would be repaired first, second, third year.
 - iv. Request of the county to maintain as they do in the Elms was rejected. County is not taking on any new road repairs.
 - v. Possibility of Oil and Gas revenues diminishing or being eliminated.
 - b. Decision based upon using the funds wisely and fairly was to do all road repairs in 1 year.
 - c. Road committee paid Ground Engineering to prepare a Request for Proposal (RFP) by utilizing ground radar to identify areas of repair, from complete removal, soils stabilization, and replace; to milling and replacing; to crack sealing.
 - d. Received 6 bids, lowest responsive bid was from Metro Pavers for \$576,000
 - e. Ground suggested adding a contingency of \$50,000.
 - f. Ground Engineering would charge \$35,000 for daily oversight of the paving project. This would be a not to exceed price.
 - g. Vote at this meeting would be on 3 options:
 - i. OPTION 1:
 1. Secure a 3 years loan and do all repair in 2018
 2. Use ½ of our revenue and the loan to pay.
 3. If Oil and Gas revenues diminish or disappear in the 3 year period, apply an immediate special assessment to all homes to repay the loan.
 - ii. OPTION 2:
 1. Apply a special assessment to all homes immediately and do all repairs in 2018.
 2. Use our revenue for other maintenance in the subdivision
 - iii. OPTION 3:
 1. Stick with the plan that was approved in the last voters meeting, doing the work over 3 years.
 2. Sub group would be to do only repairs as needed instead of total replacement.

- h. Discussion:
 - i. Road Committee and Board recommends Option 1
 - ii. Are repairs really needed? Has a car ever been damaged?
 - 1. Problem is the HOA has not kept up with regular maintenance. Roads will only get worse.
 - 2. Crack repair that was done 2 years ago is already failing.
 - iii. Is asphalt the right way to fix the problems?
 - 1. Ground recommended in bad areas, remove asphalt then repair of the sub grade to 90 – 95% compaction, then new asphalt.
 - iv. How long will the new roads last?
 - 1. Estimate of 20 – 30 years with yearly maintenance.
 - 2. RFP had a 1 year warranty on repairs
 - 3. Estimate on yearly repairs was \$14,000 included in the budget.
 - v. Oil and Gas revenue:
 - 1. Revenues have dropped by @ 50% in the last year. Extraction will not commit to how long revenues will last.
 - 2. If revenues cease we can use monies in reserves to repay the loan.
 - 3. If we do not use the Oil and Gas revenues we have to pay 28% tax on unused royalties and windfall. Last year the association paid \$88,900 in taxes because we did not expense any of the revenues. We are striving to make our expenses equal our income.
 - 4. We can carry debt forward.
 - vi. Loans:
 - 1. Board went to 9 banks. Of the 9 only 4 would work with HOA's. Of the 4 the best rate was 1st Bank at 5.25% for 3 years. Add to that origination fee.
 - 2. Comment made that the rate seemed high. Board offered if someone familiar with finance could obtain a lower rate from an institution that would work with a HOA, please pursue and present to the Board.
 - vii. Timing of the repairs:
 - 1. Repairs would start in June / July and complete summer of 2018, weather permitting
 - i. Vote:
 - i. Ballots and proxy ballots were gathered.
 - ii. Results: 31 Votes in favor of Option 1, 0 votes for Option 2, 2 votes for Option 3. Option 1 was passed.
- 7) Speed Bumps.
- a. Resident at corner of Meadow Vale and Blue Mountain petitioned for additional speed bumps. Cars coming from the Elms and in front of Red barn tend to go faster than the 20 MPH limit which is on signs.
 - b. Motion was made to replace speed bumps only where they are currently. Motion was seconded and passed.
 - c. Comment was made to ask the current homeowners that are located on the speed bumps if they still want them. Board will investigate.
- 8) Irrigation:
- a. Are there plans to clear the ditch?
 - i. MVFHOA is responsible for the lateral that feeds the pond. Our maintenance does not want to burn the ditches so close to houses without proper water supply on hand. Instead he uses a pitch fork and shovel to keep the ditch clear.
- 9) Trees on HOA property that hang over into homeowner's yards:
- a. Neighbor complained that cottonwoods have dead limbs that hang over into their yards and are a danger if they fall. HOA will address.
- 10) Committee Sign Ups:
- a. Dave reminded everyone that there were sign up sheets for
 - i. Architectural & Landscape committee
 - ii. Social & Welcome Committee
 - iii. Irrigation Committee
 - iv. Roads Committee
- 11) Election of Board Officers:
- a. Dave announced Sue Stippich would be moving and her position as Treasurer would need to be filled. Her term runs until May of 2020. Anyone interested should contact the Board.
- 12) Meeting was adjourned.