

CINNAMON RIDGE III CONDOMINIUM ASSOCIATION
ANNUAL HOMEOWNER MEETING
June 24, 2023
Dillon Town Hall & via Zoom

I. CALL TO ORDER

The Cinnamon Ridge III Condominium Association Annual Homeowner Meeting was called to order at 9:01 a.m. in the Dillon Town Hall and via videoconference.

II. INTRODUCTIONS/PROOF OF NOTICE/QUORUM

Board Members Participating (*via videoconference) Were:

Michael Black, President, 222	Michael Pederson, Vice Pres., 101/124
Kevin Donofrio, Secretary/Treasurer, 112	Fred Davison, Director, 312*
Andrew Vest, Director, 102/122*	

Homeowners Participating (*via videoconference) Were:

Sandy Holmstrom, 101/124	Dan Fronefield, 111*
Eric Olsen, 113*	Jodi Scott, 114
Craig Stephens, 121*	Mike & Margie Stratton, 123
Greg Leonard, 203	Skyler & Brittany Lowery, 211*
Kris Waheed, 212	Joy Black, 222*
Brent Duckworth, 301*	Quian Wang, 311*
Jeff Rosen, 314*	John & Kristen Nunez, 323*

Representing Summit Resort Group were Kevin Lovett, Steve Wahl and Hunter Valdez. Erika Krainz of Summit Management Resources was recording secretary.

Notice of the meeting was sent May 24, 2023 and the packet was sent by email one week ago. With 20 units represented in person or by proxy, a quorum was confirmed.

III. PRESIDENT'S REPORT

Michael Black thanked the owners for attending in person and remotely. He recognized the owners for their support throughout this challenging year. The Board continues to strive for strong property maintenance and financial management to result in stability and predictability however he noted that there have been economic pressures. The Board is working hard to maintain account balances and look toward the future. He thanked SRG and Kevin Lovett for continuing prudent guidance to the Association, Steve Wahl for the site management, the SRG office staff and Bernie Romero and the onsite team. Brian has stepped in to cover for Bernie while Bernie recovers from a bike accident. Michael welcomed Hunter Valdez with SRG.

IV. REVIEW 2022 ANNUAL MEETING MINUTES

Motion: Mike Pederson moved to approve the minutes of the June 25, 2022 Homeowner Meeting as presented. Fred Davison seconded and the motion carried.

V. FINANCIALS

A. 2022 Year-End Review

As of December 31, 2022, the Association had an Operating balance of \$13,221, \$19,873 in the Reserve money market account and \$96,679 in the Reserve account.

The December 2022 Profit and Loss statement reflected that the Association ended the year \$12,612 (6.1%) unfavorable to budget in Operating expenses.

B. 2023 Year-to-Date Review

As of April 30, 2023, the Association had an Operating balance of \$2,606, \$19,903 in the Reserve money market account and \$76,580 in the Reserve account.

The April Profit and Loss statement reflected that the Association was \$7,854 (8.7%) unfavorable to budget in Operating expenses. Fire sprinkler system and leak repairs will be transferred to Reserves (where they were budgeted), reducing the overage by about \$6,000.

C. Reserve Budget Plan

The crack sealing, seal coating and striping of the parking lot will be pushed out to 2024. There are some outstanding invoices for the hot tub project, resulting in the Hot Tub line item for pending cost appearing to be high. For 2023, potential projects include the D Building domestic water heater (\$13,000) and C Building heating system boiler expansion tank (\$16,000). Assuming postponement of the parking lot work, the projected year-end Reserve balance is \$28,000. The Reserve balance is low due to increasing maintenance requirements and inflation impacts. The historic goal is to carry a balance of approximately \$60,000. The Board's planning goal is to recover to the historic reserve balance over a couple of years.

VI. MANAGING AGENTS REPORT

Kevin Lovett thanked the Board for their work on project planning and his staff for their work at the property.

A. Completed General Projects

1. Deferred tree treatment to next year.
2. Renewed the Association insurance.
3. Completed annual fire system inspection.
4. Completed boiler inspections.
5. Completed fireplace inspections and cleaning.
6. Cleaned the dryer vents.
7. Touched up the exterior stair paint,
8. Repaired ice maker supply leaks and related damage in #103/#203. (costs were covered by #203 owner).
9. Repaired water pipe leak and related damage in #101 and filed an insurance claim.
10. Repaired dryer vent in #221.

B. Completed Capital Projects

1. Roof inspection & repairs were done at the end of last year.

2. Purchased and installed a 20' heated mat for the hot tub walkway.
3. Replaced B Building hot water pump.

C. Reminders

1. Owners and guests should display their parking passes in their vehicles.
2. Owners should review the House Rules with their guests.
3. Owners planning an interior unit remodel are required to complete and submit a Unit Modification Request document and ensure the original Impact Isolation Class (IIC) and Sound Transmission Class (STC) ratings are maintained. The planned floor selection with the product performance specifications and calculations of the IIC and STC values must be submitted to the Board for review. Owners are responsible for pulling any required permits with the County, to submit remodel plans to the Board through the management company and to receive approval prior to the start of any work. Owners should hire licensed contractors. Work hours are 8:00 a.m. – 5:00 p.m. Monday – Saturday. No disruptive work is permitted on holidays.
4. Replacement thermostats need to be compatible with the heating system. Compatible models include Honeywell T6, Honeywell T5 WiFi, Honeywell T3 Thermostat, Emerson Sensi Classic WiFi and Ecobee Smart thermostats. They should be installed by a licensed professional. Breckenridge Mechanical (970/453-1950) is familiar with Cinnamon Ridge III.
5. Owners are responsible for their smoke and carbon monoxide detectors. They must meet code and be compatible with other detectors in the unit. First Alert carries several hard-wired models with battery backup that are compatible. They should be installed by a licensed professional. Detectors should be replaced every ten years.

C. Owner Education

Kevin Lovett provided information regarding insurance. Premiums have increased significantly in the past year. Several carriers have pulled out of the area, and it is becoming increasingly difficult to obtain coverage for associations. Having a clean loss history is very beneficial. Per Colorado law, the Association insurance policy is primary and will provide coverage for most losses with damages in excess of the HOA deductible. It is an individual owner responsibility to maintain the unit interiors, including electrical devices and plumbing starting, and including, angle stops and at waste connections. Supply lines should be steel braided hoses. Original caulking and grout should be maintained and replaced as necessary (it was noted that there have been leaks with significant damage stemming from old failed grout and caulking in bathrooms). Owners should carry an individual HO6 policy. A letter is posted on the website with an explanation of the coverage. Other recommended coverages owners should discuss with their insurance agent include unit contents, liability, loss of use, Special Assessments and deductible assessment.

VII. OLD BUSINESS

A. Hot Tub Deck Reconstruction, Hot Tub Replacement, Boiler Replacement and Carpet Replacement

The permitting process was lengthy due to a backlog and additional requirements and there were supply chain issues for key components. There is now a substantially new hot tub

facility with additional space and wider benches. A new user-friendly roll up cover was installed for the upper tub. A new soft cover will be purchased for the lower tub.

VIII. NEW BUSINESS

A. *Approach to Capital Projects*

Michael Black presented a review of the Capital Plan/Reserve Account process. The Reserve account has traditionally been used for non-operational maintenance needs. The buildings were built in 1992 and 1995 and are aging therefore major repairs and maintenance needs are increasing.

The Capital Plan/Reserve Account is a rolling 10-year plan which includes forecasts of these likely needs. Since April of 2022 the board has developed an additional listing of these likely needs and have included projects beyond the 10-year rolling period. This Capital Plan Projects list has characterized the projects in four categories:

1. Current Forecasted Projects - Necessary
2. Additional Projects – Necessary
3. Additional Projects - Desirable
4. Additional Projects – That Would Be Nice, But

The full current Capital Plan Project list will be published with these minutes. In addition to developing the expanded and longer-term Capital Plan Projects list, the board has been discussing funding options for such larger projects. Historically, major facility improvements such as siding, painting, door lock system and hot tub renovation have been funded through Special Assessments.

Funding options being considered include:

1. Continue with Special Assessment approach;
 - a. Allows owners to hold their money vs the HOA account.
 - b. However, some pending projects may necessitate relatively large assessments.
2. Increase the Reserve Acct balance to cover the projects;
 - a. Would require increases of dues.
 - b. The Capital Plan would reflect accrual line items for the various projects.
3. Hybrid of the two above approaches;
 - a. The Capital Plan Projects list has funding placeholders for both primary options.
 - b. The Bldg B Hydronic heating riser piping project that is in the Capital Pan has utilized the hybrid approach.

The consideration of these funding options was from comments received from some of the ownership over the past couple of years.

Owner comments and questions during the meeting addressed the following topics:

1. Jodi Scott felt dues needed to be increased to keep pace with inflation, to keep the Association financially stable and to be able to complete projects as needed.
2. An owner commented that dues were increased significantly last year, putting them at a level on par with many other Associations. The Reserves do not need to be replenished within one year. With a Special Assessment, the unit owner controls the money until it is needed, and the budget can be kept lean. He would prefer a Special Assessment approach.

3. Craig Stephens said he appreciates the thoughtful approach taken by the Board. It is most important to have a plan for the future and he feels there is a good balance between dues and Special Assessments.

The Board will continue to evaluate the funding options to include “What If” studies to evaluate the financial impacts of the options.

B. RemoteLock Contract Renewal

The RemoteLock contract is being renewed the same current rate but only for a one year term vs. the initial three year term. Several owners provided positive feedback on the lock system.

IX. ELECTION OF DIRECTORS

The terms of Keven Donofrio and Fred Davison expired this year. Nominations were requested in advance of the meeting. Nominees included Kevin Donofrio, Fred Davison and one write in vote for Qian Wang. The ballots were tallied, and Kevin Donofrio and Fred Davison were re-elected to the Board.

X. GENERAL DISCUSSION

Craig Stephens asked about recycling. Michael Black said recycling was implemented at the property several years ago but there were ongoing problems with contamination, due in part to recycling requirements in Summit County that differ from most other areas. For example, glass is not accepted as a recycle item and therefore the whole recycle bin would be handled as trash by the waste provider. Some of the towns in Summit County will be implementing mandatory recycling. If the County, or the new Town of Keystone, mandates recycling, the dumpster shed will need to be expanded to accommodate recycling bins.

Kristen Nunez asked how many unit owners there are. The response was 34.

XI. NEXT ANNUAL MEETING DATE

The next Annual Meeting will be held on Saturday, June 22, 2024 at 9:00 a.m. in a Zoom/live hybrid format.

XII. ADJOURNMENT

Motion: Michael Black moved to adjourn the meeting at 10:14 a.m. Fred Davison seconded, and the motion carried.

Approved By: _____

Board Member Signature

Date: _____