

**Out Run Condominiums Association  
Annual Homeowners Meeting  
July 30, 2021 4:00 P.M. MDT**

**Call to Order**

Board President, John Maurus. called the meeting to order at 4:01 PM

<b>Roll Call/Establish Quorum</b>	<b>Unit #</b>	<b># of Votes</b>
Bud and Rokhshie Malone	A2	1
Bud and Rokhshie Malone	A4	1
Dusty Demerson	B1	1
Cynthia & David Barr	B3	1
Ferrell Jonathan and Tiffany Todd	B4	1
Mark Yaklich	C1	1
Teintze Jurgan	C2	1
John Maurus	C3	1
Tim Tosta	D1	1
Peggy Toft	D2	1
Jerry and Sharon Tinianow	D4	1
Creative Land LLC (Michael St. Martin)	E1	1
Adam Moore	E3	1
Ross MacLean	L1	1
John and Kelly Card	L2	1
Carl Weisbrod	M2	1
Gary Cook	M3	1
Doug Mason	O4	1
Kevin Adams	P1	1
Jeff and Lynda Mikos	P4	1
Brant Bair	P5	1
Jerry and Alenka Vobornik	P7	1
Ryan Randles	L3	1
Jan Fielder	M4	1

<b>Members Present by Proxy</b>	<b>Unit #</b>	<b># of Votes</b>
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**Peggy Toft Proxy for:**

Kris Murray	A1	1
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**John Maurus Proxy for:**

John and Regina Taylor	E2	1
Knutson	E4	1

**Ross MacLean Proxy for:**

Betty Hunt	J2	1
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**Management Company Present:**

Mountain Home Management  
William Laird

Annalise Smith

**Roll Call / Establish Quorum**

A quorum was established with 57% of the membership present in person or by proxy to start the meeting.

Jerry Tinianow objected to the meeting and requested the meeting be recorded. There were no objections to the request.

**Proof of Notice:**

Official notice was sent via email on June 30, 2021.

**Reading and Approval of Past Minutes:**

Dusty made the following:

**Motion:** To approve the August 7, 2020 minutes as written.

**Seconded:** John Maurus

**Vote:** Unanimous Approval

**Officers Report:**

None

**Managers' Report:**

A discussion ensued regarding the process of selecting the new management company, Mountain Home Management. It was reported the board sought request for proposals from 7 local property managers. They received only two responses and spoke with Toad Property Management on numerous occasions. It was noted the minutes do not reflect the process for the selection of the management team.

It was reported that the association's previous insurance carrier, Cincinnati Insurance, non-renewed Out Run because of excessive claims. A homeowner inquired about the charge from management as it related to securing the master insurance. Annalise Smith explained the cost of management's efforts in securing a new insurance policy was billed to the association, as per the management contract. Jerry Tinianow inquired about the notice that was sent from Cincinnati Insurance and why management didn't acknowledge it. Smith explained that the notice was sent to the previous management's personal mailbox, then returned to the agent. The agent informed management of the non-renewal and placed the account out to market to find a new policy. After 45 days of searching, the agent informed management they had not been able to secure insurance and that management should begin searching for a policy.

The claims listed on the run-loss report were discussed. Management explained their stance on filing insurance claims which should be avoided at all costs and agreed to be proactive in mitigating potential exposures.

Peggy Toft recommended putting all important maintenance and contract renewals on a calendar, so things do not get missed. Toft inquired about the hot water heater that exploded and why the association filed the claim instead of the homeowner. Management was not certain why this was the case but believed the homeowner was uninsured or that the owner insurance subrogated against the association. Toft requested management gather proof of insurance from every

homeowner. Management has already started this process and has around 80% of owner's proof of insurance.

The discussion reverted to the association's master insurance. Increasing the association's deductible is a deterrent for filing insurance claims. An owner asked that management send out updates about how many people have provided or haven't provided proof of insurance. Smith stated that per the association attorney, we cannot require owners to give proof of insurance, but we can request it. The bylaws can be changed to require it and the board is working on updating the bylaws.

Management's six-month review was discussed. The board expressed their approval of management so far but also stated they have not made a final decision on whether they will renew the contract. This will be discussed further at the next board meeting. Homeowners should provide their feedback to the board of directors regarding management. A homeowner suggested working off of a generalized set of criteria for review, so the homeowners have an idea of what the board considers when making the decision.

Laird explained that he is working through the association's capital plan and getting updated numbers on maintenance items he believes are necessary at this time.

Laird clarified the duty of management is to maintain the exterior of the building, interior common areas, hot tubs, tennis courts, lawn and snow removal. Mountain Home Management employees are not employed to do personal, handyman tasks for individual homeowners. A discussion ensued regarding management's 24/7 availability. A copy of the contract will be posted to the website. The homeowners compelled the board and management to be more transparent and responsive. Management agreed to post announcements and meeting updates to the website.

A homeowner expressed his concern with the budget approval process. Colorado law requires the Association to set a date for a meeting of the unit owners to consider the budget and that was not done in a timely manner. Smith explained it was her understanding that the budget proposed by the board did not require approval from the unit owners. The homeowners may veto the budget and, in her experience, it's common practice that the budget is presented at the annual meeting. The members discussed the meeting notice and the change from an in person to a virtual meeting. The goal of the virtual meeting was inclusivity of the members.

### **Financials**

Management explained that through the transition, they had not realized the board had not approved a budget with prior management. Mountain Home Management's contract began on December 1, 2020, and the end of the association's fiscal year was September 30, 2020. When the board alerted Mountain Home Management to the fact they had not yet approved a budget for the 20-21 fiscal year, they requested a proposed budget. The proposed budget from prior management reflected an \$18,000 operating deficit so Mountain Home Management presented a new budget to address the deficit by increasing dues. A homeowner pointed out that the budget assumes a large number of capital expenditures would not happen this fiscal year but were the basis for a dues increase. Management clarified that the dues increase was based on an operating deficit and not the capital plan. The association has funds in their reserve account to cover the capital expenses budgeted for the fiscal year.

The board discussed their process for completing capital projects. Management is working on getting numbers for sealing and striping the parking lot, putting a ladder on the exterior of Poplar for roof shoveling access, under-deck painting, and replacing the carpets. Laird explained now may not be a great time for bids and major capital projects, but he will do as the board directs. Laird stated he recently met with subcontractors to bid the painting. Management's crew was up on the roof and found mushrooms growing in the soffit. Laird recommended the association focus on the roofing issues.

### **Old Business**

**Bylaws** – The association attorney, David Leinsdorf proposed changes to the bylaws that the board will review.

A discussion ensued about finding a new attorney who specializes in condominiums and associations by looking it up on the attorney condominium registry. The members discussed how they would like the board to conduct business and improve their transparency.

### **New Business**

#### **Consideration of the 2020-2021 Budget**

The members did not veto the budget approved by the board of directors.

#### **Consideration for Amendments to Rules and Regulations**

The proposed changes to the rules and regulations were discussed beginning with the change to the pet policy. Members raised concerns regarding the inclusion of members of LLC's who own units, dog barking, and emotional support animals. Management explained their challenges in enforcing the pet policy and explained clear rules and guidance is needed. The members discussed the legal protections of emotional support animals. Management and the members agreed that the rules apply to any animal, and if an animal is deemed to be a nuisance, the owner shall be fined. Overall, the members expressed their support with allowing owners and their immediate family members to have pets at Out Run.

#### **Consideration for Short-term Rental ("STR") Fee**

The board proposed a \$1,000- \$1,200 annual fee on homeowners who short-term rent. A homeowner stated the fees must be tied to a specific expense. The challenges of enforcing a per rental fee were discussed. The members discussed the issues experienced with short-term renters such as the destruction of walls, excess noise, partying and messes in the hot tubs, trash, dog messes, etc. Some members agreed short-term renters create more work for management as well as abuse the buildings and common areas since they do not generally have the same regard for the buildings as owners do. Some members expressed their opposition to the annual fee.

Jerry Tinianow made the following:

**Motion:** The board should conduct a study of extra expenses added by short-term rental guests, including an estimate of reasonable cost, and then consider a per-rental-day "resort fee" charge similar to what the Chateaux does.

**Seconded:** Adam Moore

**Vote:** There was a majority vote for the board to consider this option

## **Unscheduled Business**

Jerry Tinianow presented the following resolutions:

1. The board shall set and schedule this year's future meeting and post them to the website by Aug. 20.
2. If a special meeting is scheduled, the board must post a notice on the website at least 1 week before that meeting.
3. The board shall conduct all regular and special meetings in a manner that allows members to be included
4. Draft minutes of meetings shall be posted no more than 2 weeks following the meeting
5. A budget for the fiscal year shall be submitted to the members no later than Dec. 31 and a special meeting of members shall be scheduled no later than 30 days later.

An owner recommended breaking these items up into separate motions and another member recommended presenting these items at a board meeting and then to the ownership prior to a scheduled meeting.

Jerry Tinianow made the following:

**Motion:** For the board to agree to the five resolutions presented.

**Seconded:** Peggy Toft

**Vote:** John Maurus opposed and the motion failed to obtain a majority vote

Candace Coen mentioned an insurance issue with her unit. Coen explained that there was a flood in her unit in 2014, opposed how the issue was handled, and stated her attorney would be contacting the HOA.

### Election of Directors:

Alenka and Kevin's terms expire at this meeting. There is also a vacant board position that needs to be filled. The interested nominees were given time to give their qualifications and what they could bring to the board if nominated. The members casted their votes.

Kevin Adams was voted in for another 3-year term

Alenka Vobornik was voted in for another 3-year term

Jonathan Ferrell was voted in to fill the remainder of Gary Cook's term.

### Establishment of Next Meeting Date

The next annual meeting date was set for August 5, 2022 and the time will be set closer to the meeting.

## **Adjournment**

Dusty made the following:

**Motion:** To adjourn the meeting.

**Second:** Ross MacLean

**Vote:** Unanimous Approval

The meeting was adjourned at 7:43 p.m.