

**Vallecito Valley II Property Owners Association Annual Meeting
July 3, 2021**

The 2021 Annual Meeting of Vallecito Valley II Property Owners was held Saturday, July 3, 2021 at the home of Frank & Sharon Pace, 787 Mushroom Lane. For those property owners unable to attend the meeting, a proxy form was included in the emailed & USPS notification of this meeting that was distributed May 25th with the request they be returned for counting and documentation.

Board Members present: Frank Pace (President), Cliff Simpson (Vice President), Ted Wenrich (Treasurer/Acting Secretary), Robert Little (Member-at-Large) and Charlotte Lindborg (Member-at-Large).

Registration

Property owners present documented their attendance by signing in on an attendance sheet provided with lot number(s) and any proxies held. A total of 15 Proxies were received, representing 21 lots, either by the Association prior to the meeting or during registration. All proxies were documented. Property owners present in person totaled 26, representing 35 lots. Approximately 50 residents were in attendance. Sign in sheets and the POA Board Secretary's annual meeting quorum tally sheet, documenting a quorum, and a copy of these minutes are on file with the President.

Call to Order

VV2 POA Board President, Frank Pace, called the meeting to order at 9:35 a.m. All members present introduced themselves. New members were recognized and welcomed.

Establishment of a Quorum

65 lots (48 owners) were represented by members present or by proxy. Ted Wenrich declared a quorum so the meeting could proceed.

Reading of the 2020 Property Owners Association Minutes annual meeting

Charlotte Lindborg provided an overview of meeting protocol provided in the Vallecito Valley Second Addition Governance Policies and Procedures, Article 3, Conduct of Meetings, C. Owner Conduct, which states:

- C. Owner Conduct. When speaking at a meeting, Owners shall abide by the following:
- No owner is entitled to speak until recognized by the chair.
 - Comments are to be restricted to the agenda item being discussed.
 - Owners are expected to behave courteously and if they do not, the chair may terminate the Owner's comment period.
 - Owners shall not interrupt when another Owner has the floor.
 - Owners should avoid repetition of comments already made other than to endorse what has already been said.

Also, in accordance with Section 3.B and in compliance with the Colorado Common Interest Ownership Act related to meetings, the Board has determined that a reasonable time limit for any owner comments will be 2-3 minutes, and a maximum of 3 people speaking on each side of any issue will be allowed.

Charlotte read a condensed version of the 2020 Annual Meeting minutes which were revised subsequent to the annual meeting packet distribution and reissued to the members. Members present offered no further corrections, additions, or deletions. Motion was made by Frank Pace (Second: Deb Retzloff) to

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accept the revised minutes as distributed and read. The motion was approved by acclamation. Approved minutes from 2020 are on file with the Vallecito Valley Second Addition President.

Treasurer's Report (Balance Sheet, P&L, 2020-2021 Budget, 2020 Assessment)

Association Board Treasurer, Ted Wenrich, provided copies of the Treasurer's Report at the meeting for the members. Ted presented the Financial Statements for the period July 1, 2020 through June 30, 2021. He highlighted the following:

- The Association has a strong financial position with \$27,583 in unrestricted equity funds.
- The fiscal year ended with income in excess of expenses by \$1,071.
- The 2021 -2022 budget calls for an annual member assessment of \$200 per lot. The same as the previous year.

The Financial Statements are attached to the minutes.

Harold Retzloff asked for clarification regarding how much has been spent to date on the CC&R revision project and for an updated projected total cost. The total to date is \$12,004. The total represents roundly \$4,100 to obtain the release of the Declarant's rights and \$7,900 in legal fees relating to the revision of the CC&Rs by the Association's attorney. The project is currently close to finish for the majority of the revision work done by the Board and the Association's attorney. It will be mailed/emailed out sometime in the next few weeks to the Association for review. No updated total cost has been projected at this time.

Harold Retzloff made a motion to accept the 2021 - 2022 Budget as presented (Second: Greg Ethridge). Motion approved by acclamation. Terry Jolly made a motion to approve the 2020 - 2021 Association annual assessment of \$200 per lot. (Second: Deb Retzloff). Motion approved by acclamation.

Steve Ball inquired about road maintenance and gravel placement. It was acknowledged by Robert Little and Frank Pace that the gravel routine has changed and that the road no longer needs a fresh layer of gravel each year. The current schedule is to grade the road annually, add gravel where needed, and treat with mag chloride every other year.

Architectural Review Committee (ARC) Report

Robert Little presented the ARC report prepared by Marion Hutchison, ARC Chair, which provided the Architectural Review Committee summary of activities over the last year:

The ARC report is attached to the minutes.

Election of Board Members and Board Alternates

Cliff Simpson provided a summary of the elections required. There are two (2) Board of Director vacancies. Frank Pace's and Ted Wenrich's terms have expired. Frank Pace is seeking reelection to the Board for a three year term. Ted Wenrich is not a candidate for reelection. Mike Deveraux is a candidate for the Board. Additional nominations can be made from the floor. Cliff asked if there were any floor nominations for the Board of Director vacancies. There were none.

With two open Director positions and two candidates, Frank Pace and Mike Deveraux were elected by acclamation.

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Cliff advised that there was one (1) Board Alternate position open for a 3-year term, previously held by Mike Deveraux.

Cliff asked for nominations from the floor for the Board Alternate position. A floor nomination was received for Dane Reece. With one open Alternate Director position and one candidate Dane was elected by acclamation.

Unfinished Business

Frank thanked Ted for his excellent work as our Treasurer for the last 8 years, and especially for being our Acting Secretary this past year.

Important reminder - Our speed limit is 15 mph, and this limit applies to owners, guests, and workers operating any type of motor vehicle. Additionally, operators of motor vehicles, including ATVs are required to be licensed drivers. Last year an underage driver who was speeding, lost control and hit a tree. The driver was not harmed, but the tree which was highly valued by its owner had two branches broken.

CC&R Revision Update - Last year Don Wheat formalized his assignment of the Declarant's Rights to the Association. This past winter the BOD has spent many hours working with our attorney to update our CC&Rs while preserving their original intent. We took on this long overdue project to reflect the removal of Mr. Wheat as Declarant, to bring our CC&Rs into compliance with the Colorado Common Interest Owners Act, and to clarify some parts of the CC&Rs which were unclear. In the very near future you'll receive a copy of the proposed restated CC&Rs for your review. Please watch your email or mailbox for this communication. We'll then schedule a meeting at which you may express your comments about the document. The tentative date for this meeting is Saturday, July 31st. The actual date, time, and place will be posted prior to the meeting.

New Business

Tony Shurts made a presentation on behalf of the Vallecito Conservation and Sportsmen's Association (VCSA). He described the many positive activities that the VCSA is performing that benefit the Vallecito community.

Harold Retzloff moved (second Sharon Pace) that the Vallecito Valley II POA donate \$500 to the VCSA in support of their community activities. Motion approved.

Deb Retzloff moved (second Tsenre Deveraux) that the website contain a password protected section and to add the owner's information as allowed by the Colorado Common Interest Ownership Act. Motion approved.

Tony Shurts and Greg Ethridge commented about the need to address speeders on our roads and ATV safety precautions for riders such as helmets and operators being of legal age.

Kim Zetterberg explained the current rules regarding salmon fishing on the section of the Vallecito that runs past the Association property. Kim stressed that the rules are outdated and should be rescinded.

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Kim read a petition that he drafted to open Vallecito Creek to fishing at all times. Kim moved (Second Andy Williams) that the petition he presented be given to the Board, be signed by the Association, and presented to the Fish and Game Commission. Motion approved.

Karl Lindborg expressed the need for owner's guests to continue to be identified by Association tags when fishing in the Vallecito on the fishing easement.

Terry Jolly inquired as to lot #97 and the ongoing violations of an unregistered vehicle and storage container that have been there for 3 years and what action the Board has taken. The Board has taken appropriate actions as allowed by the CC&Rs and followed the Policy & Procedures guidance for this problem.

Adjournment

There being no further business to come before the meeting, the meeting was adjourned at 11:28 a.m.

Respectfully submitted,


Ted Wenrich
Acting Secretary

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ARC Report

Summary

It's been a very busy year for the ARC, with a record number of applications for new homes, garages, remodels, RV sites, fences, sheds and other improvements. The new construction activity began almost as soon as last year's annual meeting concluded and has continued at a high pace throughout the year.

Since last July, the ARC has received and approved a total of 13 applications for:

- 3 new homes
- 1 new detached garage
- 5 new RV pad sites and driveways
- 1 new fence
- 1 new storage shed
- 1 new fire pit
- 1 roof and deck remodel

Those projects are currently in various stages of completion. While there will obviously be considerable construction activity and some minor inconveniences throughout the summer, when finished the new development will certainly enhance the quality and value of the neighborhood.

The ARC would like to express its appreciation to all of the owners who submitted applications for their assistance, cooperation and patience throughout the review and approval process.

Project Details

July 2020

Lot 66 (Hall) - Application for construction of RV site and driveway - approved - constructed

August 2020

Lot 99 (Reece) - Application for construction of RV site and driveway - approved - constructed

September 2020

Lot 119 (Andreychak) - Application for construction of RV site and driveway - approved - pending
Lot 141 (Hall) - Application for construction of RV site and driveway - approved - constructed

Lot 141 (Hall) - Application for construction of a shed - approved - constructed

Lot 112 (Koechlein) - Application for construction of a home - approved - not constructed - lot sold -
new application pending

October 2020

Lot 125 (Zetterberg) - Application for construction of a home - approved - under construction

Lot 102 (Bartholomew) - Application for construction of a fence - approved - constructed

Lot 102 (Bartholomew) - Application for construction of a garage - approved - under construction

Lot 137 (Faig) - Application for construction of deck and roof extensions - approved - under construction

April 2021

Lot 116 (Constable) - Application for construction of a home - approved - pending

Lot 107 (Luscombe) - Application for construction of a fire pit - approved - constructed

May 2021

Lot 89 (Deveraux) - Application for RV placement - approved

Vallecito Valley II Property Owners Association, Inc.
Balance Sheet
As of June 30, 2021

Accrual Basis

	<u>Jun 30, 21</u>
ASSETS	
Current Assets	
Checking/Savings	
Checking	28,084.07
Total Checking/Savings	28,084.07
Accounts Receivable	
Accounts Receivable	400.00
Total Accounts Receivable	400.00
Other Current Assets	
CD 12 months .35%	10,280.00
Prepaid Insurance	1,398.55
Prepaid Postage	25.50
Total Other Current Assets	11,704.05
Total Current Assets	40,188.12
TOTAL ASSETS	<u>40,188.12</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Prepaid POA Assessment Fees	200.00
Total Other Current Liabilities	200.00
Total Current Liabilities	200.00
Long Term Liabilities	
Reserve for Mag CL on Roads	3,590.00
Reserve for Major Road Maint.	8,815.00
Total Long Term Liabilities	12,405.00
Total Liabilities	12,605.00
Equity	
Opening Balance Equity	19,056.62
Unrestricted Net Assets	7,455.25
Net Income	1,071.25
Total Equity	27,583.12
TOTAL LIABILITIES & EQUITY	<u>40,188.12</u>

Vallecito Valley II Property Owners Association, Inc.
Profit & Loss
July 2020 through June 2021

Accrual Basis

	<u>Jul '20 - Jun 21</u>
Ordinary Income/Expense	
Income	
Assessments @ \$200 per lot	15,800.00
Interest Income	88.51
Total Income	<u>15,888.51</u>
Gross Profit	15,888.51
Expense	
Administrative Expenses	
Filing Fees	28.00
General Liability Insurance	1,454.70
Office Supplies	68.63
Postage and Delivery	123.05
Professional Fees	690.00
Revision of CC&Rs	2,753.59
State of Colorado	48.00
Website Maintenance	113.97
Total Administrative Expenses	5,279.94
Mag Chloride Road Spray	2,500.00
Major Road Maintenance	4,500.00
Repairs and Maintenance	
Mailboxes	37.32
Total Repairs and Maintenance	37.32
Snow Removal	2,500.00
Total Expense	<u>14,817.26</u>
Net Ordinary Income	<u>1,071.25</u>
Net Income	<u><u>1,071.25</u></u>

3:09 PM

05/10/21

Accrual Basis

Vallecito Valley II Property Owners Association, Inc.
2021 - 2022 Profit & Loss Budget Overview
 July 2021 through June 2022

	Jul '21 - Jun '22
Ordinary Income/Expense	
Income	
Assessments @ \$200 per lot	15,800.00
Interest Income	89.00
Total Income	15,889.00
Gross Profit	15,889.00
Expense	
Administrative Expenses	
General Liability Insurance	1,494.00
Office Supplies	50.00
Postage and Delivery	80.00
Professional Fees	750.00
State of Colorado	50.00
Website Maintenance	115.00
Total Administrative Expenses	2,539.00
Association Picnic	200.00
Contingency	900.00
Landscaping and Groundskeeping	
Common Area	1,550.00
Total Landscaping and Groundskeeping	1,550.00
Mag Chloride Road Spray	2,500.00
Major Road Maintenance	4,500.00
Repairs and Maintenance	
Annual Road Maintenance	1,200.00
Total Repairs and Maintenance	1,200.00
Snow Removal	2,500.00
Total Expense	15,889.00
Net Ordinary Income	0.00
Net Income	0.00