

2025 Annual Meeting of Property Owners Association

Vallecito Valley "Second Addition"

Meeting Date: 05 July 2025

Vallecito Valley "Second Addition"

Property Owners Association Annual Meeting Notice

05 June 2025

Dear Property Owners,

The 2025 Annual Meeting of the Vallecito Valley "Second Addition" property owner's association will be held Saturday, 05 July 2025 starting at 10:00 at 787 Mushroom Lane / Bayfield, CO 81122. Please bring a lawn chair.

The agenda for the meeting is as follows:

1. Registration/check in
2. Call to Order
3. Introductions
4. Proof of Notice of Meeting
5. Establishment of a Quorum
6. Approval of the 2024 POA Minutes
7. Treasurer's Report
8. ARC Report
9. Election of one Board position
10. Ratification of 2025/2026 Budget
11. Approval of 2025/2026 Assessment
12. Unfinished Business
13. New Business

There is one open position open for a three-year term. The Board welcomes all nominations, including self-nominations. Please let the Board know if you are interested. Only property owners who are current on their assessments are eligible to serve on the Board of Directors and vote (Bylaws Section 2.1(g) and 2.2(t) respectively). John and Karen's terms are up in 2026, and Frank and Mike's are up in 2027.

If you are unable to attend the Annual Meeting, and have voting rights as noted above, please assign your vote by returning the attached proxy to:

Vallecito Valley II Property Owners Association
PO Box 1566
Bayfield, CO 81122

Alternatively, scanned proxy forms can be returned via email to board@vallecitovalley2.com.

Sincerely,

The Vallecito Valley "Second Addition" POA Board of Directors

Notice: A meeting of the Board of Directors immediately following the Annual Meeting will be held to elect officers and address any necessary items brought up at the Annual Meeting.

Vallecito Valley II Property Owners' Association

P.O. Box 1566

Bayfield, CO 81122

Notice of Meeting and Proxy

2025 Annual Meeting for the Vallecito Valley "Second Addition" Property Owners Association, Inc.

The Annual Meeting of the Property Owners Association will be held at 10:00 on 05 July 2025. We encourage you to attend the meeting. If you are unable to attend, please complete the proxy below, sign, date, and return it as soon as possible to the VVII Property Owners Association at the address above. Alternatively, you may give your proxy to a neighbor who will be voting on your behalf. Thank you for your attendance or proxy.

Vallecito Valley "Second Addition"

Board of Directors

Proxy

I/We _____ Owner(s) of Lot(s) _____, hereby designate _____ as my/our Proxy at the 2025 Vallecito Valley "Second Addition" Property Owners Annual Meeting to vote upon any questions that may be brought before the meeting, including the election of Directors.

Signature(s) _____

Date: _____

Proxies are permitted under Section 3.9 (c) of the Association's Bylaws as follows:

Section 3.9 (c): The vote allocated to a Lot may be cast under a proxy duly executed by an Owner. An Owner may revoke a proxy given under this section only by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if not dated or purports to be revocable without notice. A proxy terminates after one year after its date unless it specifies a shorter term.

Annual Meeting of the Vallecito Valley Second Addition POA

06 July 2024

The Annual Meeting of the Vallecito Valley POA was held on 06 July 2024 at the Vallecito Community Center at 17252 CR 501 / Bayfield, CO 81122.

Call to Order: The meeting was called to order at 09:40. Board members present: Charlotte Lindborg, Dane Reece, John Wilson, and Frank Pace. Mike Deveroux was unable to attend.

Introductions: Owners present introduced themselves.

Proof of Notice: Charlotte provided proof of notice was satisfied on 06 June, one month in advance of the meeting. Hard copies were mailed to those who do not prefer email.

Establishment of Quorum: Between physical representation and proxies, 29 of 78 lots were present which satisfies the 25% requirement.

Approval of Minutes: The approval of the 2023 minutes was approved. The minutes were provided with the packet and meeting notification, however, they were not read.

Treasurer's Report: Dane informed the POA owners that we have moved to Vectra Bank for several reasons. The customer service is better, and we have options to increase the return on the reserve funds. We currently have approximately \$17,000 in reserve funds plus another \$40,000 in laddered CD's, which will earn more than keeping them in savings. Dane is monitoring maturity dates to make sure that we have sufficient cash to pay for large ticket items such as road maintenance.

ARC Report: Andy Williams stated that there were 17 ARC requests since the last meeting, including requests for sheds, fences, new home builds, tree removal, and landscape. There is a new law that prohibits POA's/HOA's from prohibiting the use of fire resistant materials. This has also been a challenge for some owners in obtaining homeowner's insurance.

Board Election: Two positions were up for election. After 20 years of service, Frank Pace is stepping down. Dane Reece was also up for election. Dane was nominated for another term, and Mark Conley was nominated. There were no other nominations, so Dane and Mark were elected to the Board. The Board subsequently determined the Charlotte would continue on as President, Mike would continue as Vice President, Dane would serve as Treasurer, John would continue as Secretary, and Mark would be the Member at Large.

Ratification of 2024/2025 Budget: Dane explained the proposed budget and annual assessment which will remain steady at \$250/lot. There are increases in PO Box fees and insurance. Dane moved to approve the budget. John seconded the motion, and it carried.

Old Business: None.

New Business/Discussion:

- Mike Deveraux has established contact with McCarty regarding road maintenance.
- There are 41 dogs in 58 houses. Owners are reminded to maintain control of their dog and clean up after them.
- Be mindful of water consumption and don't water excessively.
- Please be mindful of the 15 MPH speed limit within the neighborhood.

- We will have continued discussions with VVI regarding emergency egress between the two subdivisions. VVI has expressed that they do not want to alter the creek bank in any way.
- Andy Williams is working on the new Design Review Standards. A workshop will be held in early August, keeping in mind the new laws regarding fire resistant materials.

Adjournment: John moved to adjourn the meeting at 10:15. Andy Williams seconded the motion, and the motion carried.

| VIII Budget | | 24-25 Budget | | 25-26 Proposed | | Comments |
|-------------------------|--|--------------|--|----------------|--|---|
| 78 Lots plus Don | | 2024 / 2025 | | 2025 / 2026 | | |
| Income | | | | | | |
| 79 Lots | | \$250/lot | | \$250/lot | | Remain same as last year - no new increase |
| Investments - Interest | | 19,750.00 | | 19,750.00 | | |
| | | 600.00 | | 400.00 | | Interest income for CD's invested |
| Total Income | | 20,350.00 | | 20,150.00 | | |
| Expenses | | | | | | |
| Filing Fees | | 50.00 | | 50.00 | | |
| Insurance | | 2,000.00 | | 2,100.00 | | Small increase to \$2060 from \$1980 for 2024-2025 |
| Postage | | 125.00 | | 125.00 | | |
| Printing | | 50.00 | | 50.00 | | |
| Prof Fees | | 2,500.00 | | 2,000.00 | | Reduced use, no expected governing document changes |
| Software | | 360.00 | | 470.00 | | Price increase from \$30 to \$35 on 2024-08-29, plus projected increase |
| Supplies | | 50.00 | | 50.00 | | |
| Website | | 200.00 | | 275.00 | | Was \$250 renewal in Q1 2025 (over budget), this forecast includes projected price increase |
| Common Area Maint | | 1,500.00 | | 1,500.00 | | |
| PO Box Rental | | 110.00 | | 125.00 | | Rates have increase every year (2025 renewal unknown 2025-05-04) |
| Annual Meeting - Event | | 500.00 | | 500.00 | | |
| Annual Meeting - Rental | | 200.00 | | 200.00 | | |
| Snow Removal | | 5,000.00 | | 5,000.00 | | No rate increase for McCarty allowed per contract |
| Road Maint | | 2,500.00 | | 2,500.00 | | 2023-2024 + 4 successive years (2024-2025, 2025-2026, 2026-2027, 2027-2028) |
| Mag Chloride | | 5,000.00 | | 5,000.00 | | These three line items are covered under one contract |
| Total Expense | | 20,145.00 | | 19,945.00 | | |
| Net Income | | 205.00 | | 205.00 | | NOTE: No tree removal expenses or common area survey costs included. |

