

**French Ridge Condo Association
Annual Meeting
September 23, 2023
Fatty's Pizza In Person and Virtual via Microsoft TEAMS**

DRAFT

President Bill Marrs called the meeting to order at 11:11am. Board of Directors present: Bill Marrs, Leon Schlabach, Brandon Jocelyn, Dotty Reaves, Kim Green, and Kathy Higginbotham, with Libby Jocelyn and Jami Jocelyn representing Alpine Meadows.

Introduction/Virtual Meeting Protocol:

Verbal online roll call completed.

Bill Marrs gave meeting introduction and explained the virtual meeting protocol. All microphones of participants will be muted until Open Discussion. Online participants should select the "raise hand" icon to be recognized by the meeting administrator and their mic turned on for the Election or Open Discussion. Participants may also type their questions in the chat box and these questions will be addressed by the Board.

Verification of Quorum:

President Bill Marrs declared we have a quorum for the Annual Meeting.

Approval of the Minutes:

The 2022 Annual Meeting minutes were distributed in the Annual Meeting packet mailed to owners. James H. made the motion to approve the minutes as is. Steve M. seconded and the 2022 Annual Meeting Minutes were approved.

President's Report:

Bill Marrs introduced himself and the other members of the Board. He reported that last year was another good year at the property, however, there are budget challenges because of unexpected issues. He gave the example of the Town of Breckenridge increasing its Accommodation Fee from \$450/bedroom to \$756/bedroom/year. He thanked Alpine Meadows and the Board for their work on the issues.

Treasurer's report:

Treasurer's report was given by Leon Schlabach. Leon explained the largest budget variance last year, the flood to F building. He also explained the large increase in Rental Income due to the rental of B3 to Father Dyers Methodist church. He addressed the reduction in the new year's budget of dues paying owners. There was a quick question from online about how the Board was able to make B3 a long term rental; Leon explained the Association purchased another week to move the last B3 owner into. Leon also gave an explanation of the Accommodation Fee Reimbursement income. Prior to the Town Accommodation Fee, it used to cost the Association \$5k to be able to rent unused weeks. Now the cost is over \$40k. Owners renting out their weeks are now charged 40% of the rental; 30% going to Alpine Meadows and 10% going to the Association to offset the increased Accommodation Fee.

Leon acknowledged Libby successfully protesting and reducing our property taxes, opening a 5% CD with \$100k of the Association's reserves, and contracting with a new housekeeping company who will save us money. Applause for all

Property Management Report:

Brandon Jocelyn spoke to the Association's intent to compete property repairs on a five-year rotating schedule. However, this is not always achievable due to unexpected repair issues. He specifically mentioned boiler issues; one new boiler will need to be replaced this year costing \$30-\$50k, and two other boilers will need repair. These funds will be taken out of the paint and carpet budgets. He explained how French Ridge manages the budget dollars, being on a cash accounting basis ("one pot").

Old Business:

Allo Internet install. Property switched from Comcast to Allo at a slight increase. However, the Town of Breckenridge paid for the fiber install, and the performance is more stable. Brandon introduced our commercial owner from F Building, Bud, of Summit Net Trekker, who affirmed the service is more stable.

New Business:

Libby addressed the fact that AppFolio (the owner payment portal) is now charging \$2.49 per e-check payment. Even with protest, we are unable to cancel this fee. Bank drafts are still free. If owners do not want to incur payment costs or use bank draft, they can still mail a check to Alpine Meadows. B3 rental was previously covered.

Open Forum:

- 1) Sandy K. asked about the up/down speed of the new internet carrier. Brandon did not know answer, so Sandy asked us to do a speed test and let her know.

Where did the flood repair funds come from and will we do unit upgrades? Leon explained "Unit Upgrades" expense was for the new electronic locks. We scaled back on repairs in order to have funds for urgent issues.

What do we consider Capital and Operating expenses? Leon said we operate on a cash accounting basis, but generally, outside expenses and boilers are considered "Capital" expenses.

How are owners assured their units are properly maintained? Brandon said repairs are performed on a rotating basis; critical issues are handled as soon as possible.

What is the Reserve Account used for? Leon said we try to keep reserves at 1/4 our operating expenses in the event of income loss.

Sandy suggested we increase dues. Bill explained we have tried to keep dues low for too long but have struggled with the balance of low dues/less operating income vs. raising dues and losing dues paying owner income. Michelle M. commented the Board has considered our aging owner population, many of

whom are on fixed or limited income. Michael K. said he was glad that we raised dues.

How much do French Ridge weeks rent for? Bill said it depends on the time of year.

- 2) James K. asked if Alpine Meadows accepts physical checks, Libby said yes.

How many owners do we have? Libby said 776 dues paying owners.

Have we considered selling? Libby said not yet, we still have interest and owners buying more weeks. She gave the example of our new Board member, Kim Green, promoting property to her neighbors in the next unit last summer, and that resulted in three weeks being purchased.

What are we doing about non dues paying owners? Libby and Bill said we are paying an attorney to go through the collection process to get the deeds back so we can sell/rent the weeks. If an owner wants to deed their week back to French Ridge, they pay \$1500 to give up their week.

- 3) An owner from the floor said he read that Breckenridge might get rid of boilers. Brandon answered that it is currently more effective to keep boilers until such time as we are forced to switch. He doesn't believe this will take place for at least 5 to 8 years.

How many Commercial units do we have? Libby said four.

- 4) Steve M. made a comment about housekeeping entering his unit before he was checked out. Libby said that was one reason we have a new housekeeping company.
- 5) Cindy J. asked what is the \$150/night Bonus Time fee for? The unit is only cleaned once. Libby said it was for cleaning, supplies, utilities. Cindy suggested we use graduated decreasing amount. Complained that owners no longer have hot tubs and get only one parking space. What are the perks of being an owner? M. Kelly said it is because we have been keeping dues low.
- 6) M. Kelly asked if we could clear out and sell one building for increased income? Leon described how difficult a process it was to clear out B3, but the Board has talked about it over the last few years. Bill reiterated how difficult it had been for just one unit. Michelle M. said owners had rights to keep their week since it was a deeded week.
- 7) Sue R. talked about her two weeks and the problem she had when her husband died, as one deed was listed Joint Owners and the other was Tenants in Common. She had considered giving up one week but has decided to legally fix

the deeds and keep both weeks. Libby suggested everyone check to see how their deeds were recorded.

- 8) John R. said thanks to the Board and Alpine Meadows. We are one of a very few independent timeshare properties. What steps are we taking to increase revenue and how are we handling Association owned weeks? Bill reiterated the rental of B3 and renting/selling Association owned weeks. He reminded owners that if they were not going to use their week they notify Alpine Meadows so they can rent it out rather than it sitting empty.

Do commercial owners who own 52 weeks/year pay the increased dues amount? Leon said, no. It has been discussed and the Board would look into it in future.

- 9) An owner online asked what is the Loan Origination Fee? Leon said we had in the past taken out a loan to do remodel. Our former accountant left it on the financials because it was a revolving line of credit. We will take it off next year.

This owner purchased two more weeks this year.

- 10) Nick said thank you to the management. It looks like the vacancy rates are increasing. How many more are delinquent? How proactive are we in selling these units? And have we considered a single community hot tub? Bill said Brandon had priced the cost of adding and plumbing a hot tub last year and it was approximately \$65k. Where would we put it and how would we monitor it? Libby addressed the collections and deed back process to get weeks back to be able to rent/sell them. He said he thought he wanted to give his week back, how would he do it? Libby told him to contact Kim at the office.

- 11) Michael commented that expenses are what they are. We need to increase revenue. Do some people just stop paying dues and why? Bill said yes, some people are selling their weeks, some deed them back to the Association, some are in collections. Reasons are health, finances, etc. Our effort is to get the deed freed up so we can rent or sell the week.

Michael is thinking about buying a fourth week.

- 12) Sandy K. looked up French Ridge rentals and stated that a January week rented for \$457/night.

Bill Marrs asked if there were any more questions from the floor or online. As there were none, open discussion was closed.

Election of Officers:

Brandon Jocelyn and Dotty Reaves were up for reelection. Bill asked if any other owners were interested in running for the Board. With no interest from the floor or online, Brandon and Dotty will serve another three-year term.

Next Meeting Date:

September 21, 2024

Free Weeks Drawing:

Nancy Gaines is the winner of the free week.

Adjournment:

There being no further business, Bill thanked everyone for their participation, Steve M. made the motion to adjourn, Sandy K. seconded, and the meeting was adjourned at 12:19 pm.

Thanks:

We wish to thank the following people in no specific order:

The Alpine Meadow's staff for handling meeting documents, facilities, and virtual administration

All Owners in attendance

All Board Members in attendance