
RECORD OF PROCEEDINGS

Minutes of the Annual Meeting Of the Homeowners of Sky Legend Homeowners' Association

March 3, 2022

An Annual Meeting of the Board of Directors of Sky Legend Homeowners' Association, Eagle County, Colorado, was held March 3, 2022 at 6:15 p.m., at the Gypsum Creek Grill, Gypsum, 530 Cotton Ranch Road, Eagle County, Colorado, in accordance with the bylaws of the Association and applicable statutes of the State of Colorado.

Attendance the following Directors were present and acting:

- George Sheram – President 2022
- Alan Pfister – Treasurer 2021
- Eric Johnson – 2023
- Harry Taylor - 2022
- James McDonough – Secretary 2023

Also, in attendance:

Valerie McDonogh, Gary Davis, Edith Taylor, Janice Tonz, Barry Smith, Kyla & Jerry Zodow, Wayne & Rosanne Cassidy, Nancy and Steve Shane, Carol Calinoff, Mio Cirkovic, Chris Marsh, Chris & Kathleen Pittman, Michael & McKenzie Morgan, Ben & Natalie Dodd, Steven Frew

**Call to
Order**

The annual meeting of the homeowners of Sky Legend Homeowners' Association was called to order by Director George Sheram at 6:15 pm, noting a quorum was NOT present

Design Review

an update was given by Owen Lococo, 1 new building in Sky Legend has been approved for construction. A reminder that any exterior changes to homes or landscaping needs DRC approval, including re-painting

Cotton Ranch Metro District

An update was given by Owen Lococo. New rates on website, consolidation of bonds will save everyone about \$500/yr through 2034

Compliance/Liaison

An update was given by Owen Lococo, nothing out of the ordinary, trailers, parking, etc. Also, it was mentioned about picking up after your dog

Social Functions

If safe to hold, for all of Cotton Ranch: June garage sale, July Pool Party and Barbecue, December Santa Breakfast. Dates to be on website calendar.

Elections

Two positions on the executive board were up for election. Geroge Sheram was re-appointed and Ben Dodd of 15 Open Sky was elected to the board. The board and community would like to thank Harry Taylor, who retired, for his service

Financial

The following 2021 year end financials were presented:

- 2021 budget vs actual
- 2021P & L
- 2020 Balance Sheet
- All are on the website and attached to these minutes

2022 Proposed Budget, approved by board, was presented

- SLHOA Quarterly Assessment increase to \$120/qtr.
- SLHOA Landscape Dues no change, \$190/qtr.
- There was not 67% of the homeowners objecting to the 2022 budget, therefore it has been approved

Public Input

The following items were discussed:

- Snow plowing issues
- Irrigation problems, especially on Sky Mtn, these issues will be looked into
- Weeds

Cotton Ranch Protective Covenant Expiration

A brief explanation was given by Owen Lococo and letter outlining options is on the Cotton Ranch website and attached to these minutes

Adjournment :

By a motion duly made and seconded, it was unanimously **RESOLVED** to adjourn the annual meeting of the Sky Legend Homeowners' Association homeowners this 3rd day of March at 7:30pm.

Sky Legend at Cotton Ranch Association
Profit & Loss Budget vs. Actual
 January through December 2021

	Jan - Dec 21	Budget	\$ Over Budget	% of Budget
Income				
40101 · HOA Dues	52,310.00	52,320.00	-10.00	100.0%
40102 · Landscaping Dues	46,170.00	46,360.00	-190.00	99.6%
40201 · HOA Finance Charges	676.33	200.00	476.33	338.2%
40301 · Statement Prep Fee	750.00	500.00	250.00	150.0%
40501 · Interest - Reserve Fund	33.93	1,500.00	-1,466.07	2.3%
40601 · Lien Filing & Collection Fees	6,836.83	200.00	6,636.83	3,418.4%
Total Income	106,777.09	101,080.00	5,697.09	105.6%
Expense				
50101 · Office Supplies	233.50	300.00	-66.50	77.8%
50201 · Bank Service Charges	0.00	30.00	-30.00	0.0%
50302 · Administrative Services				
50305 · Transition	0.00	0.00	0.00	0.0%
50302 · Administrative Services - Other	21,600.00	21,600.00	0.00	100.0%
Total 50302 · Administrative Services	21,600.00	21,600.00	0.00	100.0%
50401 · Billing Expense	1,963.50	1,920.00	43.50	102.3%
50410 · Community Liaison	1,834.00	1,920.00	-86.00	95.5%
50501 · Legal				
50502 · Fees for Collections/Liens	4,442.14			
50501 · Legal - Other	1,313.65	2,000.00	-686.35	65.7%
Total 50501 · Legal	5,755.79	2,000.00	3,755.79	287.8%
50601 · Insurance	2,544.00	2,700.00	-156.00	94.2%
50701 · Tax Return	500.00	500.00	0.00	100.0%
50702 · Taxes	0.00	400.00	-400.00	0.0%
50801 · Miscellaneous	0.00	3,000.00	-3,000.00	0.0%
51111 · Social Events	0.00	0.00	0.00	0.0%
51211 · Snowplowing	1,400.00	5,900.00	-4,500.00	23.7%
60102 · Landscape HOA Maint	29,610.00	32,000.00	-2,390.00	92.5%
60202 · Water	8,418.00	7,800.00	618.00	107.9%
60302 · Gas and Electric	737.67	760.00	-22.33	97.1%
60402 · Irrigation Maintenance/Repair	4,954.55	8,000.00	-3,045.45	61.9%
60502 · Landscaping - Extra Materials	0.00	1,500.00	-1,500.00	0.0%
60702 · Website	177.17	205.00	-27.83	86.4%
Total Expense	79,728.18	90,535.00	-10,806.82	88.1%
Net Income	27,048.91	10,545.00	16,503.91	256.5%

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01/11/22

Accrual Basis

Sky Legend at Cotton Ranch Association

Profit & Loss

January through December 2021

	<u>Jan - Dec 21</u>
Income	
40101 · HOA Dues	52,310.00
40102 · Landscaping Dues	46,170.00
40201 · HOA Finance Charges	676.33
40301 · Statement Prep Fee	750.00
40501 · Interest - Reserve Fund	33.93
40601 · Lien Filing & Collection Fees	6,836.83
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Total Income	106,777.09
Expense	
50101 · Office Supplies	233.50
50302 · Administrative Services	21,600.00
50401 · Billing Expense	1,963.50
50410 · Community Liaison	1,834.00
50501 · Legal	
50502 · Fees for Collections/Liens	4,442.14
50501 · Legal - Other	1,313.65
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Total 50501 · Legal	5,755.79
50601 · Insurance	2,544.00
50701 · Tax Return	500.00
50801 · Miscellaneous	0.00
51211 · Snowplowing	1,400.00
60102 · Landscape HOA Maint	29,610.00
60202 · Water	8,418.00
60302 · Gas and Electric	737.67
60402 · Irrigation Maintenance/Repair	4,954.55
60702 · Website	177.17
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Total Expense	79,728.18
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Net Income	27,048.91

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Accrual Basis

Sky Legend at Cotton Ranch Association
Balance Sheet
As of December 31, 2021

	<u>Dec 31, 21</u>
ASSETS	
Current Assets	
Checking/Savings	
10101 · CitiWide Bank Checking	41,751.14
10201 · CitiWide Bank - Res Acct 47425	8,501.87
10202 · Citywide Bank Savings 592	42,539.78
10302 · Citywide CD (12mo) 29454	77,107.59
10303 · Citywide CD (18mo) 29452	52,526.62
Total Checking/Savings	<u>222,427.00</u>
Accounts Receivable	
12001 · Accounts Receivable - Amcobi	1,973.63
Total Accounts Receivable	<u>1,973.63</u>
Other Current Assets	
12101 · Holy Cross Deposit	115.00
Total Other Current Assets	<u>115.00</u>
Total Current Assets	<u>224,515.63</u>
TOTAL ASSETS	<u>224,515.63</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
21001 · Accounts Payable	58.63
Total Accounts Payable	<u>58.63</u>
Other Current Liabilities	
21101 · Working Capital	24,075.00
Total Other Current Liabilities	<u>24,075.00</u>
Total Current Liabilities	<u>24,133.63</u>
Total Liabilities	24,133.63
Equity	
30001 · Retained Earnings	173,333.09
Net Income	27,048.91
Total Equity	<u>200,382.00</u>
TOTAL LIABILITIES & EQUITY	<u>224,515.63</u>

Sky Legend at Cotton Ranch Association
Profit & Loss Budget Overview
 January through December 2022

	Jan - Dec 22
Income	
40101 · HOA Dues	52,320.00
40102 · Landscaping Dues	46,360.00
40201 · HOA Finance Charges	800.00
40301 · Statement Prep Fee	550.00
40501 · Interest - Reserve Fund	36.00
40601 · Lien Filing & Collection Fees	3,000.00
	103,066.00
Total Income	103,066.00
Expense	
50101 · Office Supplies	300.00
50302 · Administrative Services	
50305 · Transition	0.00
50302 · Administrative Services - Other	24,000.00
	24,000.00
Total 50302 · Administrative Services	24,000.00
50401 · Billing Expense	1,920.00
50410 · Community Liaison	1,920.00
50501 · Legal	
50502 · Fees for Collections/Liens	3,000.00
50501 · Legal - Other	700.00
	3,700.00
Total 50501 · Legal	3,700.00
50601 · Insurance	2,900.00
50701 · Tax Return	550.00
50702 · Taxes	400.00
50801 · Miscellaneous	3,000.00
51211 · Snowplowing	6,300.00
60102 · Landscape HOA Maint	32,000.00
60202 · Water	7,320.00
60302 · Gas and Electric	780.00
60402 · Irrigation Maintenance/Repair	5,000.00
60702 · Website	205.00
8000 · Reserve Funding	12,771.00
	103,066.00
Total Expense	103,066.00
Net Income	0.00

1. **Let the CRHOA expire and that's that**

- a. This would leave the valley floor subject to town codes
- b. Everyone's property value would probably be adversely affected
- c. Villas & Sky Legend would probably have to amend their docs (67% vote), or limp along, to adjust for no Cotton Ranch (\$\$)
- d. There is a possibility that a new land survey and filing would be required by the sub HOAs (\$ for Villas & Sky Legend)
- e. The sub HOAs would have to pick up costs for dog stations, DRC functions, social functions, etc.
- f. HOA services on valley floor (dog stations, trees, maintenance of CRHOA property) would have to be figured out or go without these services

2. **Extend the docs in perpetuity (Option chosen by the boards: CRHOA ,SLHOA & Villas)**

- a. This would require 67%, roughly 282 out of 420, to vote yes
- b. docs would not change except for section IX item 2 which would eliminate the 30 years of existence wording and add "covenants run with the land and will be binding in perpetuity unless terminated by the vote/agreement of at least 67% of the members"
- c. election can be done at a special meeting, mail voting, electronic voting
 - i. mail voting **time limit** is 60 days after 1st mail ballot is returned
- d. could be done again if it fails
- e. minimum costs to CRHOA, this would come from reserves

3. **Metro takes over**

- a. If the election to extend fails in all likelihood the Metro would step in and provide the services on the Valley floor like mowing, sprinkler maintenance, trees, dog stations.
- b. DRC is a question mark as to what would happen
- c. Rules and compliance issues, how would the Metro handle this??
- d. a fee for this service would probably be the direction the Metro would pursue to cover the costs, since fees are not subject to a vote like a mil levy increase and a fee does not fall under TABOR
- e. the fee would be for ALL Cotton Ranch homeowners
- f. fee would include administration and all services
- g. fee would have to cover upfront costs, legal, admin to set up
- h. fee not subject to \$300 cap like the current CRHOA situation

What's at risk: **Impact on property values, services?**