

MINUTES OF THE PILGRIM DOWNS HOMEOWNERS' ASSOCIATION ANNUAL MEETING

The Pilgrim Downs Homeowners' Association Annual Meeting was held on July 29, 2021, at 5:00PM at the residence of Don and Georgia Gogel.

In attendance: Linda and Bob Bennett, Fred and Carol Emich, James Errant (via zoom), Don and Georgia Gogel, Adam and Amanda Quinton, Anthony and Rebecca Kinney, Peter and Sarah Millett, Denise Tavani (via zoom), Kailash and Valerie Ambwani, Travis Traylor, Jon Werthen Jr., Douglas and Andrea Zinser, James Childers - Ranch Manager, and Chad Benson - CPA.

Proxies were obtained from David and Jennifer Bullock, Joan Francis (2 votes), Elizabeth Rountree and Robert Williams, Martin Tacon and Lesley Ann Murray, Jeffrey and Louise Nuttall, Bill and Christy Solomon, Donald and Donna Baumgartner, John Dorn, Lucille Lamy.

A total of 12 owners were present and 10 proxies were received for a total of 22 owners represented (91.7%). It was determined that a quorum was present (50% required or 12 owners) and the meeting could proceed. Adam Quinton called the meeting to order.

The agenda, the proposed budget, and a copy of the meeting minutes from the prior year were sent to all owners prior to the meeting.

The annual meeting minutes from the previous year were reviewed. A motion was made and seconded to approve the minutes as presented. Motion was approved.

Kailash and Valerie Ambwani were announced as new owners. Everyone welcomed them to the community.

Board of Managers:

Jim Errant and Adam Quinton were both nominated and approved for re-election to the board for three-year terms. Adam will continue as president of the board for another year.

The Board of Managers is now comprised of the following owners:

Jim Errant – (term expires 2024)
Adam Quinton – (term expires 2024)
Denise Tavani – (term expires 2023)
Georgia Gogel – (term expires 2023)
Toby Kinney – (term expires 2022)

The budget for 2021-2022 was reviewed and discussed:

The quarterly operating dues are increasing by \$78.12 per lot to maintain the operating budget. The quarterly environmental reserve dues are increasing by \$298.68 per lot to cover environmental expenses and projects (including a new pond) in the upcoming year. Because it's been so dry the irrigation ditches have needed lots of repairs. They needed new pipes and sink holes had to be filled, etc. The State of Colorado is being a lot more attentive to water rights and they are paying more attention to the usage of Pilgrim Downs' wells. This fall they are going to exercise an old agreement which says they have the right to extract water from pond #1 to feed

the creek if needed. This will require added pipe flow measuring, and engineering. The water extraction (called a slug release) would be done whenever the state wants. Pilgrim Downs is working with the attorney to limit the requirements of the state. The HOA is also working to build a bigger pond that will have absolute water rights the state cannot take away. The smaller ponds will still be vulnerable to the state's requirements. Considering all the challenges the HOA is facing, the increase in environmental reserve dues is needed to protect Pilgrim Downs property and water rights.

There will also be a \$1,250 special assessment per lot to cover the replacement of the boiler in the manager's home, and a \$6,000 special assessment per lot for future environmental reserve projects.

Budget was motioned for approval, and seconded, and approved by all

Other Business:

Jason Clark from Eagle River Fire gave a presentation on fire protection:

Jason oversees the Eagle Valley Wildland group and is a member of the Eagle River Fire Department. Eagle Valley Wildland trains and shares resources with other fire departments in the Vail Valley regarding fire mitigation and wildland responsibilities. Jason said fire danger is not going down and they are seeing an increase in intensity. Some fires are now "blowing up" overnight when, in the past, they would tend to die down at night. One recent fire in AZ increased over 76 thousand acres during the night.

- Tips and tricks
 - Eagle River Fire Dept. can come to homes and do an assessment – call the fire dept. to schedule.
 - There is no such thing as 100% fireproof home. The goal is fire prevention and mitigation.
 - Remove dead trees and materials from around home
 - Clean gutters, windowsills, and screens
 - Firewood piles recommended to be at least 30 ft from home
 - Remove combustible floor mats
 - Sparks are what are catching homes on fire so look for anything around the home that could be ignited by a spark.
 - Place covers on vents
 - Wood shingles are highly combustible. Homeowners should consider replacing them with less combustible materials.
 - Create a 5 foot "defensible space" around your home. This will mitigate fires and give firefighters a better chance and helps keep them safer
 - Consider using rocks and other non-combustible materials in this area
 - In the area from 5 feet to 30 feet around a home it is important to keep trees clean and trimmed at least 10 ft high. Clean up pine needles, tree limbs, and other combustible materials on the ground
 - It is ok to keep firewood in this zone

- Keep grass mowed to a perimeter of at least 100 feet outside of house and maybe more depending on the terrain.
- Jason answered the following questions from homeowners:
 - Question: Are aspen trees better for fire mitigation?
 - Answer: They are better however recently fires have been burning through aspens also.
 - Question: Does the fire dept have a fire plan for each home, obstacles, driveways, etc.?
 - Answer: Yes, however everyone should contact the fire department to verify they have all necessary information.
 - Jim Childers said they have looked at and documented all driveways and accesses to homes in Pilgrim Downs. Also, the new pond will be very helpful in fighting fires
 - Question: In case of a fire how do you triage?
 - Answer: We analyze which homes are savable and which ones are not at the time. This is also affected by the number of resources available (how many fires are going on in other areas at the time)
 - Question: What is the fire department's opinion on private air companies helping to fight the fires?
 - Answer: We do not want private companies jumping in to help because it is extremely difficult to manage. When the fire department does use private companies, it is done through private contracts.
 - Drones also can be a problem
 - Question: Other than eagle county texts and Jim Childers, are there other ways of communication?
 - EC Alert – sign up on their website
 - Eagle River Fire Department Facebook page
 - Eagle Valley Wildland Facebook page
 - Reverse 911 calls
 - Law enforcement officers or firefighters will go door to door to tell homeowners when it's time to leave
 - Question: Insurance companies can come in and cover a home with fire resistant foam when it is threatened by fire. Is this good?
 - Answer: There can always be an issue with outside help, communication issues, hard to keep track of everyone when they are not part of the fire department.
- Adam Quinton is on board of Holy Cross Energy. Utility companies have a bad reputation of starting fires (downed power lines, etc.). However Holy Cross has done a pretty good job with fire resistant paint and lots of fire maintenance and mitigation in the Vail Valley.

There are lots of noxious weeds on properties. Homeowners are asked to please speak with Jim about getting noxious weeds removed.

Adam thanked Jim Childers for all his hard work

Georgia thanked Adam for all the work he has done as President of the HOA.

There being no other business, motion was made to adjourn the Meeting. The motion was seconded, and the Meeting was adjourned at 6:05PM.

Chad Benson, CPA

September 9, 2021

Attachments: Agenda

Budget (2021-2022)

PILGRIM DOWNS HOMEOWNERS ASSOCIATION ANNUAL MEETING AGENDA

Thursday, July 29th, 2021

5:00PM

**Gogel Residence
677 Pilgrim Drive**

- Call to Order
- Determination of a Quorum (Chad Benson)
- Approval of July 21st, 2020, meeting minutes
- Proposed Slate for Election to the Board of Managers for a Three-Year Term
 - Jim Errant, Adam Quinton
- Presentation by Eagle River Fire
- Review and Approval of FY22 Proposed Budget
- Discussion:
 - Ongoing water issues and elevated environmental expenses
- Any Other Business
- Adjournment

**PILGRIM DOWNS HOMEOWNERS ASSOCIATION
OPERATING FUND
FYE 2021 PROJECTION AND PROPOSED BUDGET
FOR THE FISCAL YEAR ENDING JULY 31, 2022**

	YTD Actual	PROJECTED Next 3 Months	PROJECTED Total Fiscal Year	FYE 07/31/21 Annual Budget	Projected Variance Actual to Budget \$ Over Budget	FYE 07/31/22 Annual Budget PROPOSED	Variance Budget to Budget
	8/1/20 to 4/30/21	5/1/21 to 7/31/21	8/1/20 to 7/31/21				
Revenues							
Operating Dues	210,622.50	70,207.50	280,830.00	280,830.00	-	288,330.00	7,500.00
Reserve Dues	21,506.40	7,168.74	28,675.14	28,675.00	0.14	57,348.25	28,673.25
Special Assessment - Environmental						144,000.00	144,000.00
Special Assessment - Ranch House						30,000.00	30,000.00
Snow Removal Dues	70,401.02		70,401.02	70,400.00	1.02	70,401.10	1.10
Hay Sales	-	1,000.00	1,000.00	1,000.00	-	1,000.00	-
Interest Income-Reserve	24.62	7.20	31.82	150.00	(118.18)	30.00	(120.00)
Late Fees	-		-		-		-
Funding From Reserve	2,675.00		2,675.00	2,675.00	-	2,498.90	(176.10)
Sale of bale wagon			-		-		-
Total Income	305,229.54	78,383.44	383,612.98	383,730.00	(117.02)	593,608.25	209,878.25
Expense - Operating							
Accounting	7,560.00	2,520.00	10,080.00	10,080.00	-	10,080.00	-
Architectural	-	-	-	1,000.00	(1,000.00)	1,000.00	-
Gate	8,060.22	1,250.00	9,310.22	5,000.00	4,310.22	7,000.00	2,000.00
Hay Field	-	-	-	750.00	(750.00)	750.00	-
Insurance	10,821.68	3,800.00	14,621.68	14,500.00	121.68	15,000.00	500.00
Landscape, Shrubs, Flowers	1,039.66	4,000.00	5,039.66	6,000.00	(960.34)	6,000.00	-
Legal Fees - Ops	2,308.50	1,000.00	3,308.50	5,000.00	(1,691.50)	5,000.00	-
Miscellaneous Maintenance	4,458.21	2,000.00	6,458.21	6,700.00	(241.79)	6,700.00	-
Office Expense	486.41	100.00	586.41	600.00	(13.59)	600.00	-
Payroll Taxes	8,056.88	3,350.00	11,406.88	11,650.00	(243.12)	11,650.00	-
Preventative Maint & Road Repairs	1,938.64	2,500.00	4,438.64	5,000.00	(561.36)	5,000.00	-
Ranch Manager Home Gas & Maint	3,404.18	1,250.00	4,654.18	5,000.00	(345.82)	5,000.00	-
Ranch Manager Home Improvements	12,413.74	1,300.00	13,713.74	9,500.00	4,213.74	9,500.00	-
Ranch Manager Boiler/Side-arm Replacement						30,000.00	30,000.00
Ranch Manager Home - Mortgage Payment	59,273.82	19,762.00	79,035.82	79,050.00	(14.18)	79,050.00	-
Ranch Manager Compensation	131,250.06	43,750.00	175,000.06	175,000.00	0.06	182,500.00	7,500.00
Snow Removal Supplies	595.55	-	595.55	1,000.00	(404.45)	1,000.00	-
Trash & Recycling Collection	5,062.84	1,725.00	6,787.84	6,500.00	287.84	7,000.00	500.00
Truck Fuel, Oil, Lic, Fees, & Maint	7,845.51	700.00	8,545.51	6,000.00	2,545.51	7,000.00	1,000.00
HOA Meeting	-	2,400.00	2,400.00	2,400.00	-	2,400.00	-
New Truck	32,638.33	-	32,638.33	33,000.00	(361.67)	-	(33,000.00)
Total Operating Expense	297,214.23	91,407.00	388,621.23	383,730.00	4,891.23	392,230.00	8,500.00
Transfer to/from Reserves	-	-	-	-	-	201,378.25	201,378.25
Net Surplus (Deficit) Cash	8,015.31	(13,023.56)	(5,008.25)	-	(5,008.25)	(0.00)	(0.00)

**PILGRIM DOWNS HOMEOWNERS ASSOCIATION
ENVIRONMENTAL RESERVE FUND
FYE 2020 PROJECTION AND PROPOSED BUDGET
FOR THE FISCAL YEAR ENDING JULY 31, 2021**

	YTD Actual 8/1/20 to 4/30/21	PROJECTED Next 3 Months 5/1/21 to 7/31/21	PROJECTED FYE 7/31/21 8/1/20 to 7/31/21	FYE 07/31/21 Annual Budget	Projected Variance Actual to Budget \$ Over Budget	FYE 07/31/22 Annual Budget PROPOSED	Variance Budget to Budget	PROJECTION FYE 7/31/23
Beginning Balance	340,345.37	340,345.37	340,345.37	340,345.37	-	293,558.94		390,330.04
Revenues - Reserve								
Previous Year Surplus/Deficit (Operating)	7,908.73	-	7,908.73	7,908.73	-	(5,008.25)	(12,916.98)	
Previous Year Surplus (Reserve)	-	-	-	-	-	-	-	
Reserve Funding	(2,675.00)	-	(2,675.00)	(2,675.00)	-	198,879.35	201,554.35	57,348.25
Total Income	5,233.73	-	5,233.73	5,233.73	-	193,871.10	188,637.37	57,348.25
Expense - Reserve								
Beaver Dam Excavation	-	600.00	600.00	600.00	-	600.00	-	600.00
Dead Tree & Pine Beetle Removal	-	4,500.00	4,500.00	4,500.00	-	4,500.00	-	6,000.00
Ditch & Irrigation Repair	3,313.11	10,000.00	13,313.11	3,000.00	10,313.11	3,000.00	-	5,000.00
Environmental Preservation (Resource Engineering)	-	1,000.00	1,000.00	3,500.00	(2,500.00)	3,500.00	-	4,000.00
Legal Fees - Environmental	18,889.39	3,500.00	22,389.39	10,000.00	12,389.39	20,000.00	10,000.00	20,000.00
New Community Pond Construction	-	-	-	-	-	50,000.00	50,000.00	-
Pond Maintenance	-	2,000.00	2,000.00	2,000.00	-	2,000.00	-	2,000.00
Water Lease	8,217.66	-	8,217.66	8,250.00	(32.34)	8,500.00	250.00	8,500.00
Community Landscaping & Furniture	-	-	-	-	-	5,000.00	5,000.00	3,000.00
Total Expenses	30,420.16	21,600.00	52,020.16	31,850.00	20,170.16	97,100.00	65,250.00	49,100.00
Net Surplus (Deficit)	(25,186.43)	(21,600.00)	(46,786.43)	(26,616.27)	(20,170.16)	96,771.10	123,387.37	8,248.25
Ending Reserve Fund	315,158.94	318,745.37	293,558.94	313,729.10	(20,170.16)	390,330.04	76,600.94	398,578.29

DUES PER QUARTER	2021	2022	Variance
Operating Dues	2,995.17	3,073.29	78.12
Environ Reserve Dues	298.70	597.38	298.68
TOTAL	3,293.87	3,670.67	376.80

** SNOW REMOVAL DUES VARY FOR EACH HOMEOWNER FOR THE WINTER QUARTERS

FUTURE PROJECTS	Estimated Year	Estimated Cost
North and South Gates	2024	50,000.00
Road Resurfacing	2026	300,000.00
Tractor	2029	50,000.00
Total		400,000.00

Dues Per Unit

Owner	Annual Operating Dues	Annual Environ Reserve Dues	Annual Snow Removal Dues	Quarterly Total Without Snow	Quarterly Total With Snow
	288,330.00	57,348.25	70,401.10		
11A - 875 Pilgrim Dr. LLC - Lamy	12,293.18	2,389.51	5,885.14	3,670.67	6,613.24
4 -LND Family Realty, LP	12,293.18	2,389.51	4,511.49	3,670.67	5,926.42
Baumgartner-9	12,293.18	2,389.51	4,075.74	3,670.67	5,708.54
Bennett - Lot 1	12,293.18	2,389.51	3,051.52	3,670.67	5,196.43
Bullock-5	12,293.18	2,389.51	1,852.17	3,670.67	4,596.76
Carlson-17*	10,057.75	2,389.51	3,029.11	3,111.82	4,626.37
Emich-19	12,293.18	2,389.51	3,664.89	3,670.67	5,503.12
Errant-6*	10,057.75	2,389.51	4,072.42	3,111.82	5,148.02
Francis-Phase II - 2	12,293.18	2,389.51	1,141.69	3,670.67	4,241.52
Francis - Phase II - 1*	10,057.75	2,389.51	2,215.71	3,111.82	4,219.67
Gogel-10	12,293.18	2,389.51	3,025.79	3,670.67	5,183.57
Tavani - 14	12,293.18	2,389.51	1,487.80	3,670.67	4,414.57
Kinney - II-3	12,293.18	2,389.51	1,234.65	3,670.67	4,288.00
Ambwani -7	12,293.18	2,389.51	4,186.13	3,670.67	5,763.74
Millett - 16	12,293.18	2,389.51	2,054.69	3,670.67	4,698.02
Nuttall-11	12,293.18	2,389.51	3,558.65	3,670.67	5,450.00
Quenneville-20	12,293.18	2,389.51	2,710.39	3,670.67	5,025.87
Quinton - 12	12,293.18	2,389.51	2,543.56	3,670.67	4,942.45
Solomon-3	12,293.18	2,389.51	2,517.83	3,670.67	4,929.59
Tacon-13	12,293.18	2,389.51	2,029.79	3,670.67	4,685.57
Traylor-2	12,293.18	2,389.51	3,766.15	3,670.67	5,553.75
Werthen-18	12,293.18	2,389.51	3,512.17	3,670.67	5,426.76
Williams, Roundtree - 8	12,293.18	2,389.51	2,062.99	3,670.67	4,702.17
Zinser-15	12,293.18	2,389.51	2,210.73	3,670.67	4,776.04
	288,330.00	57,348.25	70,401.10	86,419.56	121,620.11

* LOWER OPERATING DUES REFLECT PRIOR UP-FRONT PAYMENT TO ESTABLISH RANCH MANAGER HOME