



Association of Condominium Owners

Executive Board Meeting
November 15, 2023

Minutes

Board Members present: Board President Stacey Lanius and Board Vice President Mark Pelizza

Board Members present via live, interactive video: Greg Collins, Scott Gillen, Andy Laudermilk, Board Secretary John Neibling, and Board Treasurer Joe Carey

Staff present: Allisa Olinger, Gary Prisby, and Page Coleman

Guests: Greg Perteet and Bobby Schurman of BHP and Bryan Bernier, CEO of Professional Independent Insurance Agents of Colorado and Board Member, FAIR Plan, State of Colorado

A meeting of the Executive Board of the Tamarron Association of Condominium Owners was held on November 15, 2023, at 9:30 a.m. at the Lodge Conference Room, the President being in the chair and the Secretary being present via live interactive video.

President Lanius called the meeting to order at 9:30 a.m. and Secretary Neibling certified that there was a quorum present, that the Board members had been properly notified about the meeting, and that the owners were notified about the meeting by a posting on the TACO website. The agenda for the meeting was also posted in the Lodge lobby and on the TACO website. Mr. Neibling then made a motion, seconded by Mr. Pelizza, to approve the minutes of the last two Board meetings. The motion passed 7-0.

Ms. Lanius then called upon Mr. Bernier to make a presentation about the current insurance situation facing HOA's in Colorado. Mr. Bernier, who is an expert on insurance matters in Colorado, including the issue of insurance against wildfire, said that, at present, property insurance is experiencing a "hard market." The current hard market has a number of causes, including the increasing cost of materials and labor, the number of recent major losses by insurance companies, and the cost of reinsurance (the insurance that companies purchase to protect themselves against

major losses). He informed the Board that what is happening to HOA's in the Durango area is also happening at Telluride and Aspen, as well as other places in the state. He confirmed that it is difficult to obtain insurance that covers total loss because of incidents such as the recent Marshall Fire near Boulder that was a \$7B loss.

Mr. Bernier complimented TACO for the fire mitigation measures that the Board has taken, but predicted that such measures will not change the immediate situation, but may make a difference at some point in the future. He also complimented the Board on its diligence in responding to the challenge presented by the hard market by shopping its business.

Ms. Lanius then gave a President's Report. She explained to the Board members that the inclusion of wildfire coverage for all of TACO's buildings has resulted in a significant change in budget projections for 2024 since the Budget Workshop. She also pointed out that budget issues facing TACO have brought other issues to light, e.g. the number of out-of-date smoke detectors still in use at Tamarron. She further explained to the Board that the smoke detectors in question, although out-of-date, are still functioning. However, the age of the fire alarm system, including smoke detectors, requires continued 24/7 monitoring of the control panel. Although the panel has passed inspection by the La Plata County Fire Marshall in the past, it is also out-of-date and needs to be replaced. The Board was informed that the age of the panel is such that replacement parts are no longer being manufactured, making maintenance of the panel problematic. She confirmed that the Board is now focused on solving the fire monitoring problem, and, although there is no easy fix, it is one of the Board's top priorities.

She concluded her remarks by urging all participants in the meeting to exercise courtesy in all oral and written communications.

Ms. Lanius then called upon Mr. Laudermilk to make the Architectural Review Committee report. He indicated that he had no owner requests to present, but he mentioned that, if any owners are interested in installing gables, they should do so before the new steel roofs are installed.

Mr. Laudermilk continued with the Rules and Regulations report and asked for volunteers to serve on a committee to review the current rules and make recommendations for improvements.

President Lanius then called upon Mr. Carey to present the 2024 budget for the Board's consideration. Mr. Carey presented a series of slides (Attachment 1) that detailed the budget line-by-line for the Board. After Mr. Carey had concluded his presentation, Ms. Lanius announced that the Board would be going into executive session and would reconvene at around 1:00 p.m.

Once the Board had reconvened, Mr. Neibling announced that the Board had

gone into executive session to discuss employment matters, that it took no votes, and that it had made no decisions. Ms. Lanius then commented that one of the Board's considerations in preparing the 2024 budget was whether to continue the operation of the Front Desk with its over \$300,000 budget. She said that the Board intends to rekey the property in order to relieve the Association of the responsibility of making electronic keys for owners and rental guests. She also noted, however, that this process will take several months and will cost owners about \$400 each. She expressed her hope that the project would be completed by May and that the Front Desk could be closed at that time. The rekeying of the property will allow the Association to realize a savings in 2024 and on into the future. She then called upon Mr. Carey to present the final numbers for the 2024 budget, after which he made a motion, seconded by Mr. Gillen, to approve the proposed budget. The motion passed 7-0.

Ms. Lanius then led a discussion about the Board's plan to sell the two Lodge units owned by the Association. She indicated that the Board intends to sell one of them in the near future in order to use the proceeds to fund a portion of the 2024 budget. Mr. Neibling explained to the Board that the sale of such property will require an affirmative vote of 67% of the votes in the Association. He added that it will be an important vote in that the 2024 budget is predicated on having the funds from the sale of the unit for use during the year.

Ms. Lanius then informed the Board that she was forming an *ad hoc* Insurance Advisory Committee, to be chaired by Mr. Carey. Mr. Carey noted that TACO owners Chad Watts and Jim Rogers, both of whom have extensive professional experience in the insurance industry, have agreed to serve on the committee. He added that a goal of the committee will be to investigate ways in which TACO's insurance coverage and cost might be improved.

Finally, Ms. Lanius called upon Mr. Pelizza to give a report on the progress of the roof replacement project. He explained that substantial progress had already been made and that the project was ahead of schedule.

At 2:15 p.m., Ms. Lanius made a motion, seconded by Mr. Pelizza, to adjourn the meeting. The motion passed 7-0.

Respectfully submitted,

John Neibling, Secretary
TACO Executive Board