

SADDLE RIDGE RANCH ESTATES WATER COMPANY
SHAREHOLDER ANNUAL MEETING
January 13th, 2023
VIA ZOOM -10:00 A.M.

Present: Tracy Currie
Hans Helmerich

Management Company: Kat Loughan, Toad Property Management

Tracy Currie said it had not been possible to mail official notice of the annual shareholder meeting within the timeline required by the State of Colorado. Tracy explained Toad Property Management had taken over management of the Water Company from Peak Property Management. At the time of the transition multiple entries in the financial records had been grouped together and having totals, instead of the breakdown of specific expenses, had made it difficult to prepare a 2023 Budget. Labor shortages in the valley had added to the delay in getting the journal entries broken out into separate expenses. Tracy said the annual shareholder meeting would be rescheduled for the end of January or the beginning of February.

Kat Loughan of Toad Property Management explained some of the problems incurred with a third party bookkeeping service and said Toad was currently searching for a new bookkeeping service. Kat said the detail of specific charges incurred by the Water Company needed to be recorded in greater detail than many homeowner associations.

Tracy said the transition would not have an impact on operating or the special assessment and was just a delay in correctly categorizing the expenses and income.

Tracy explained the engineers had discovered a raw water test from 2002 which indicated a risk of contamination. In the interests of caution residents had used bottled water for drinking while additional water testing had been underway. The additional testing had not highlighted any areas of concern and residents had gone back to drinking water. Tracy said there was no explanation and no paperwork to back up the 2002 test result and ongoing testing was coming back without any issues.

Tracy explained a 5 year Budget was necessary as part of the paperwork for submittal to the State to become a public water system. Other paperwork for the submittal was ready and the paperwork would be submitted as soon as bookkeeping had provided the necessary information to make it possible to prepare a 5 year Budget. Tracy said there were currently 14 completed homes and 2 homes under construction. Fifteen homes and above required a public water system.

Tracy said as part of the public water system submittal all assets needed to be held by the Water Company and the Water Company needed to provide evidence that the Water Company could operate successfully. Tracy explained the Water Company had been working to have all easements and clear title of ownership in place. The paperwork with Foxtrot had been completed in the Summer and legal counsel for the Water Company would be writing to Three Valleys shareholders and the Saddle Ridge HOA. Once the paperwork was finalized the Water Company would be able to proceed with a permit application.

Hans Helmerich said he would reach out to the Saddle Ridge HOA as he was not aware of any reasons why Saddle Ridge HOA would not be willing to sign an agreement.

Kat encouraged owners with questions to reach out to her or to Tracy directly.

The meeting adjourned.

Prepared by Rob Harper, Toad Property Management

DRAFT