

**West Elk Townhouses Owners Association
Annual Homeowners Meeting
Tuesday, April 2, 2013 4 p.m.
Three Seasons Conference Room
Mt Crested Butte, Colorado**

Call to Order

Suzie Dexter, HOA President, called the meeting to order at 4 p.m.

Proof of Notice

Notice was mailed via USPS on February 26, 2013.

Roll Call/Establish Quorum

<u>Attending in person</u>	<u>Unit #</u>	<u>% of Ownership</u>
Suzie Dexter	6	9.09
Kathy Drogos	7	9.09
<u>Attending by phone</u>	<u>Unit #</u>	<u>% of Ownership</u>
Gary Brown	1	9.09
Alice Chen	3	9.09
Erin Roosevelt	4	9.09
Robin & Kyle Preston	5	9.09
Craig Caukin	11	9.09
<u>Represented by proxy</u>	<u>Unit #</u>	<u>% of Ownership</u>
Braziel (to G Brown)	2	9.09
Williamson (to S Dexter)	8	9.09
Yaegar (to S Dexter)	9	9.09

A quorum was established with 90.9% of the membership in attendance or represented by proxy.

Also in attendance

Wanda Bearth, Grant Benton and Lee Friedman with Crested Butte Lodging & Property Management (CBL).

Reading/Approval of Past Meeting Minutes

Suzie Dexter made the following-

- Motion: Waive formal reading of the meeting minutes from the March 29, 2012 and December 3, 2012 meetings and approve following one spelling correction.
- 2nd: Kathy Drogos
- Vote: Unanimous approval

Managers Report

Wanda Bearth reported that the HOAs attorney was successful in obtaining a signed dedication agreement for Unit 12 from the developer, and the HOA now has unencumbered ownership.

Grant Benton reported the following projects had been completed in 2012:

- Replaced broken trim and painted, scrape window sills that need it and painted.
- Spot painted areas of siding that need it.
- Secured and enclosed outside TV cable as needed.
- Swept drive and recycled the gravel for next winter. (Regular maintenance)
- Installed parking lot blocks and replaced as needed.
- Set up sprinkler system. Weed and feed grass. (Regular maintenance)
- As a test last spring replaced #11 unit outside stair light fixture with a test fixture that has photo eye (dusk til dawn) as well as motion sensor. Installed another light fixture for full time resident at #6 for input.
- Asphalt Patch at top of drive at road
- Repaired railroad tie retaining wall behind #10.

Financial Report

Wanda Bearth reported that at the end of the fiscal year, (December 31, 2012), the HOA had \$20,297 in available cash; the fund balances were \$15,340.71 in operating and \$8,928.87 in the capital fund. The year ended with \$3,145.19 in profit because expenses ran under the budgeted amounts. She also advised that lenders are concerned about the insufficient capital reserves and the fact that no reserves are budgeted from the regular assessments. Additionally, the allowance of time-share units per the current Declaration was a red flag for lenders. CBL offered to guide the association through amending the Declaration which would rid the document of any timeshare language and also bring it and the bylaws into compliance with current legislation; however there were no homeowners in support of moving forward with this effort at this time.

Gary Brown questioned why Unit 12 wasn't booked as a fixed asset. (Note: after the meeting, CBL's accountant followed up on this question and was advised by the tax accountant that the legal costs related to obtaining the dedication agreement can be represented on the balance sheet but the building had already been fully depreciated).

Old and New Business

Capital improvements suggested by CBL:

1. Repair siding and paint complex throughout.
2. Repaint older garage doors.
3. Wi-fi for the West Elk complex.
4. Asphalt repair as needed.
5. Repairs and Staining to retaining walls.
6. Hot tub replacement, room upgrade (and resulting monthly upkeep).

As a follow up to the special meeting of the owners that was held in December, and because there are now new owners, Suzie Dexter polled the group to gauge interest in item number 6, hot tub replacement, which includes a new floor and 2 new sliding doors. The result of that poll was that the owners of units 1, 4, 5, 7, 10 and 11 are in favor of that work (4 and 5 suggested waiting 1 year); and the owners of units 3, 6, 8 and 9 were not in favor of performing the hot tub work.

Suzie Dexter read aloud correspondence from the owners of units 8 and 9 stating they were not supportive of installing a new hot tub but were supportive of performing other maintenance on the property.

Alice Chen made the following-

- Motion: Solidify the scope of work and bids for capital items numbered 1, 2, 4 and 5 and contact banks regarding lending/funding options
- 2nd: Suzie
- Vote: The motion passed with once abstention; Gary Brown abstained from voting the proxy for unit 2.

Craig Caukin made the following-

- Motion: Solidify the scope of work and bids for all 6 capital items and contact banks regarding lending/funding options
- 2nd: Kathy Drogos
- Vote: The motion passed with approval from unit owners 1, 4, 5, 7 and 11. The owners of units 3, 6, 8 and 9 voted no, unit 10 was not present and Gary Brown abstained from voting the proxy for unit 2.

Gary Brown made the following-

- Motion: Nullify the first option (1st motion) and move forward with the 2nd option (2nd motion)
- 2nd: Kathy Drogos
- Vote: The motion passed with the owners (or proxy vote) of units 1, 2, 4, 5, 7, 10 and 11 in favor

CBL will get updated bids from the contractors, speak with lenders and look into a color change for the paint (cost difference?) and clarify if spray or brush application will be used.

Gary Brown made the following-

- Motion: Allow the Board of Directors no more than 2 weeks time, following the receipt of the updated bids, to set a date for a special meeting of the owners
- 2nd: Kathy Drogos
- Vote: Unanimous approval

Election of Board of Directors

There are no terms expiring this year.

Establish Date of Next Meeting

Craig Caukin made the following-

- Motion: Hold the next annual owners meeting on April 3, 2014 at 4 p.m.
- 2nd: Suzie Dexter
- Vote: Unanimous approval

Adjournment

Craig Caukin made the following-

- Motion: Adjourn the 2013 annual homeowners meeting
- 2nd: Gary Brown
- Vote: Unanimous approval

The meeting was adjourned at 6:10 p.m.