

West Elk Townhouses Owners Association

Annual HOA Meeting Minutes

March 21, 2019 4 p.m.

3 Seasons Conference Room, 701 Gothic Rd. Mt. Crested Butte, CO 81225

Call to Order

Jim Williamson called the meeting to order at 4:01pm MDT.

Proof of Notice

Proof of notice was mailed and emailed to all owners on February 22nd, 2019.

Roll Call/Establish Quorum

In attendance -

Jim Williamson, Unit 8
Hank Henderson, Unit 10
Suzie Dexter, Unit 6
Reynold Scott, Unit 5 (late arrival)

On the phone-

Tanya Santiago, Unit 4
Craig Caukin, Unit 11
Shirley Yeager, Unit 9
Paul Nixon, Unit 1
Greg Guibert, Unit 2
John Quigley, Unit 3
Kathy Drogos, Unit 7 (late arrival)

Also in attendance, Wanda Bearth, Grant Benton, Lee Friedman and Sierra Bearth, Crested Butte Lodging and Property Management staff (CBL).

A quorum was established with 82% of the ownership in attendance in person or on the phone when roll call was taken.

Reading/Approval of Past Meeting Minutes

J Williamson asked if there were any additions or corrections to the minutes submitted by CBL. There were not any additions, corrections or comments.

S Dexter made the following -

Motion: Approve and adopt the minutes from the 3/22/18 meeting as submitted by CBL
2nd: C Caukin
Vote: Unanimous approval

Manager's Reports

Financial Report

L Friedman explained that the balance sheet ending December 31st, 2019, reflects the fiscal year end. The association ended the year with \$28,943 in 'available cash'. He calculated available cash by taking total cash plus undeposited funds, minus accounts receivable. He noted that on the income statement, the association brought in \$62,441 in operating income, but operating expenses totaled \$68,031, equaling a loss of \$5,590. He briefly recapped that special assessments for the year went to the retaining wall capital project, which came in under budget.

Property Update

G Benton provided the following property update.

- 1. The big item: The retaining wall! The work went smoothly, and we are all happy that the wall is behind us. This spring we will inspect all retaining walls to make sure there are not any issues.*
- 2. The stairs to the north and south of the caretaker unit were repaired and stained.*
- 3. Spectrum Digital Conversion: We assisted Spectrum TV Cable with their digital conversion.*
- 4. CBL, through Snow Team CB, Inc., completed roof repairs at the cost of \$2,700.*
- 5. Another war against weed eradication will be coming this summer.*
- 6. Parking lot maintenance: We will contact Sealco once the parking lot is clear of snow and ice. We believe the cost to crack seal and top coat will be \$6000.00. The last time the driveway was crack sealed and top coated was 2016.*
- 7. We renewed the website domain, filed the annual report with the Secretary of State, and registered the West Elk HOA with the State of Colorado through DORA.*
- 8. On-Going: The town has voiced their concern regarding rooms off the garages, and the HOA supports the town's demand for compliance to code. Please be aware that it is against code to have a bedroom in the room in the back of the garage.*
- 9. Compliance with state legislation 12-61-1003(1)(b)(1) re: Licensure of property managers. The new law requires property managers to complete certain education and submit to fingerprinting and background checks. Wanda, Sierra, and Grant will be completing the update courses before July of this year.*
- 10. CBL is requesting proposals for liability and property insurance for West Elk. We got a quote for property and liability insurance from Gallagher insurance last year shortly before the July*

policy year end. That quote was almost \$1,800 more expensive than coverage through Farmers so no change was made. Currently, Mountain West Insurance is evaluating West Elk's coverage since we have found that Farmer's does not always align with what the operating documents require and the building limits may not be sufficient (given the recent change in the local real estate economy). CBL will forward any attractive policy offers and/or coverage changes to the Board for consideration.

11. The parking lot is the tightest that we've seen. We've been patrolling and have issued warnings to those without permits and/or with multiple vehicles. Our in-house plowman often has 3 vehicles in the lot, but he's made arrangements to park one of those downtown. He parks the skid steer in the garage.

12. We'll be replacing all the fire extinguishers in the units and common areas. The older extinguishers that we remove from the property this year will be inspected in 2020 and exchanged with the new fire extinguishers we install in 2019. This rotation will help save some labor and make the inspections more organized.

13. When the snow starts to melt we will inspect all the retaining walls, put the parking stops out, check for siding, trim and other damage from last winter.

Upon questioning, G Benton answered that the retaining wall life expectancy is about 30-40 years, sealing on parking lot should last 2 – 3 years; and regarding the new trash program - that there doesn't seem to be any neighboring associations willing to share their dumpster with West Elk in lieu of the individual cans.

New Business

Ice Chipping Policy

G Benton explained that CBL will not chip ice in front of garage doors any longer because of budget concerns. W Bearth added that it has not been formally adopted by the board and it will be discussed at the board meeting. She explained that CBL's plow driver will get the ice out with the bucket every few weeks if he can get to it in the loader, but there will not be any more hand chipping. She welcomed owners to hire CBL to chip ice if needed. Once approved by the board, the policy will be added to the association's rules and regulations.

Proposed Operating Budget – 2019

W Bearth explained that January and February in the proposed budget are the association's actual costs, and the rest of the budget is determined based on knowledge of fixed costs and historical averages. She informed owners that in February there was \$11,000 in accounts payable and only \$1,000 in the checking account. As a cure, the proposed budget has a dues increase to \$500 per month, and a onetime \$2,000 assessment per unit, so the association can pay all of their bills and build on the capital reserve account. J Williamson offered that the board is in favor of the increase and assessment. G Guibert asked when the dues would increase would take effect and when the special assessment would be due. W Bearth responded that the dues increase would be effective April 1st, 2019. C Caukin clarified if the capital account could cover the cost

of Sealco repairing the drive way instead of assessing again for it. W Bearth said it could if decided by the board.

C Caukin made the following –

Motion: Adopt budget as submitted by CBL
2nd: S Dexter
Vote: Approved by the majority of home owners

J Williamson made the following –

Motion: Set the \$2,000 assessment to be due in full on May 31st, 60 days from now, and allow other owners to make special arrangements with Lee, Wanda, and Jim if they need more time to pay within 2019.
2nd: S Dexter
Discussion: None
Vote: Unanimous approval

2019 Proposed Projects for Discussion/Decision

Hot Tub Deck

G Benton suggested to put the deck off a couple more years and save funds for the roof and parking lot.

Roof Repairs

W Bearth explained that repairs were made on the roof last year and leaks have been repaired.

Siding Replacement

G Benton recommended removing the hot tub deck from 2019 in the 10 year plan and adjusting to \$7,000 for driveway, \$5,000 for the roof and \$1,000 for siding, and \$1,000 for the steps to the hot tub, and shift the \$7,000 for the parking lot every other year.

C Caukin made the following –

Motion: Approve discussed adjustments to 10 year capital plan
2nd: T Santiago
Vote: Unanimous approval

Old Business

10 Year Plan

J Williamson said there will need to be a roof replacement soon. G Benton explained CBL has made many repairs, but the roof may only last another a couple years. C Caukin said that he feels these owners know this assessment is coming and should prepare themselves financially.

Unscheduled Business

G Benton offered a wifi bid to owners, but suggests the association waits to find out

what is happening with 5G before setting up wifi.

Establish Date of Next Meeting

The next meeting will be held March 26th , 2020 at 4pm MDT.

Adjourn

J Williamson adjourned the meeting at 5:13pm MDT.