

Meeting Minutes

Three Seasons Condominium Owner's Association Annual Meeting
Three Seasons Condominiums, Mt. Crested Butte, Colorado
Monday, June 3, 2019, at 9 a.m. MDT

Call to Order

Jeff Steere called the meeting to order at 9:01am.

Proof of Notice

Proof of notice was provided to all owners on April 30th, 2019 via email and mail.

Roll Call/Establish Quorum

First	Last	Unit	Percent	Attendance
Linda	Sansing	TS131	1.6618%	Proxy to Jeff Steere
Jeffrey & Vicki	Steere	TS133	1.6618%	In attendance
Stephan & Joshua	Quentzel	TS135	1.6618%	On the phone
Peter	Hovanec	TS136	1.6618%	Absent
Robert and Judith	Griffin	TS137	1.6618%	Proxy to Wanda Bearth
Arthur & Laurel	Cole	TS138	1.6618%	Proxy to Wanda Bearth
Karma	Lama	TS139	1.6618%	Proxy to Grantly Benton
Michael Allen	Marchitelli	TS140	1.6618%	In attendance
William O.	Florian	TS141	1.6618%	Absent
Krista Hoiland	& Eric Young	TS142	1.6618%	Absent
Holly D.	Smith	TS143	0.9694%	Proxy to Josh Quentzel
Christopher H.	Kirk	TS201	1.6618%	Absent
& Mary Preston	Henry Molumphy	TS202	1.6618%	In attendance
Daniel R. & Peggy C.	Zeroski	TS203	1.6618%	Proxy to Trent Sanderson
James & Kathryn	Norris	TS204	1.6618%	On the phone
Allan B.	Chodor	TS205	1.6618%	In attendance
Corrin S.	Doherty	TS206	1.6618%	Proxy to Wanda Bearth
Victor M.	Grimm	TS208	1.6618%	Proxy to Wanda Bearth
Joseph & Barbara	Schoen	TS231	2.285%	In attendance
Dawn Victoria	Eldridge	TS232	1.6618%	Proxy to Sierra Bearth
Kevin J. and Nina	Jarrett	TS233	1.6618%	Proxy to Jeff Steere
William & Dawn	Taylor	TS234	1.6618%	Absent
Stephan & Joshua	Quentzel	TS235	1.6618%	On the phone
Tom & Gail	Moore	TS236	1.6618%	Absent
Stephan & Joshua	Quentzel	TS237	1.6618%	On the phone
Edwin & Ashley	Draughon	TS238	1.6618%	Proxy to Wanda Bearth
Gail	Evans	TS239	1.6618%	Absent
Bill & Diane	Faghih	TS240	1.6618%	Absent

Logan	Bland	TS241	1.6618%	Absent
Jason & Jacqueline	Grimmett	TS242	1.6618%	Absent
Jerry & Alenka	Vobornik	TS243	0.9694%	Absent
Zachary & Erika	Warzel	TS244	0.9694%	In attendance
Martina	Kroupa	TS301	1.6618%	Proxy to Alenka Vobornik
Lia	Sedillos	TS302	1.6618%	On the phone
Kevin & Leah	Lin	TS303	1.6618%	Proxy to Alenka Vobornik
Tom	Mauro	TS304	1.6618%	Absent
Jacqueline & Robert	Jordan III	TS305	1.6618%	Absent
David	Glickson	TS306	1.6618%	On the phone
Carol	Conrad	TS308	1.6618%	Absent
Tom	Mauro	TS331	2.285%	Absent
Thierry	Champailler	TS332	1.6618%	In attendance
Raymond	Casey	TS333	1.6618%	Proxy to Wanda Bearth
Patrick & Deborah	Muro	TS334	1.6618%	In attendance
Alex	Kaiser	TS335	1.6618%	Absent
Michael	Barr	TS336	1.6618%	In attendance
Alex	Kaiser	TS337	1.6618%	Absent
William	Muller	TS338	1.6618%	On the phone
Roger H. Davis & Julia L.	Brickell	TS339	1.6618%	Absent
Carol Anne	Miller	TS340	1.6618%	Proxy to Wanda Bearth
Scott	Brickert	TS341	1.6618%	In attendance
James & Connie	Rehberg	TS342	1.6618%	On the phone
Nicholas C. & Caroline	Brust	TS343	0.9694%	Absent
Barrett & Estelle	Sullivan	TS344	0.9694%	In attendance
Robert	Lindsey	TSC 2 - 3	1.5200%	In attendance
Todd & Amy	Girand	TSC 4 - 6	1.9670%	On the phone
Trent	Sanderson	TSC07 - Team Prep USA	2.209%	On the phone
Wanda	Bearth	TSC09/11 - WWB Properties, LLC	5.52%	In attendance
Jeff	Steere	HOA Space	2.924%	In attendance

A quorum was established with 66.26% of the ownership in attendance, on the phone, or represented by proxy.

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

Reading and Approval of Past Minutes

June 4, 2018

R Lindsey made the following-

Motion: Waive the formal reading of the past meeting minutes and approve as submitted by CBL

2nd: M Marchetelli

Vote: Unanimous approval

Reports

Financial Report

Audited Financial Report Fiscal Year Ending 5/31/18

L Friedman reviewed the balance sheet, which reflected available cash of \$261,184, and prepaid dues of \$25,000. He noted that for the fiscal year ending May 31st, 2018, the association collected \$377,301 in operating funds, and spent \$346,173 on operating expenditures. L Friedman explained the audit is over budget because of the timing of the invoice from the audit. W Bearth reminded owners that the entire audit is posted to the association website.

Fiscal Year to Date Financials

L Friedman explained the balance sheet ending April 30th, 2019 reflected \$221,000 in available cash. He reviewed the P&L, stating there was \$314,650 in operating income and \$364,081 in operating expenses, resulting in an overage of \$37,265. The main contributors to the overage were water damage, elevator maintenance and snow removal costs.

J Steere explained that snow this season was wet and heavy, and how the snow falls affects labor costs. P Muro asked what services are handled in house by CBL. L Friedman explained the accounting is done in house and audited by a 3rd party. W Bearth reviewed the line items of the P&L; (GL 5500) accounting is in house and on a flat fee, (GL 5600) board of directors is meeting materials, (GL 5700) legal counsel is for questions to a 3rd party, (GL 5750) maintenance fee is a flat fee paid to CBL to cover shoveling, lawn work, pool maintenance, parking lot patrol and deck patrol, (GL 5800) the management fee is a flat fee to CBL to cover staff including the accountant, (GL 5900) website is for the domain license, (GL 6100) contract labor is for certain miscellaneous items, (GL 6150) building repairs covers all the work that was done including painting and removing shingles around pool, (GL 6170) roof repairs were done by STCB which is an affiliate of CBL, who are skilled and trained to go on the roof, (GL 6210) elevator maintenance is an outside contractor, (GL 6220) stucco repairs are an outside contractor, (GL 6360) vending repairs are occasionally CBL and most of it is outside contractors, (GL 6370) decorations are flowers and Christmas, (GL 6400) carpet cleaning is done in part by CBL and twice a year by an outside contractor, (GL 6450) electricity is all common area, (GL 6600) insurance is accrued property insurance, (GL 6660) telephone is the alarm system and meeting calls, (GL 6800) natural gas heats the pool, (GL 6870) water and sanitation, (GL 6880) water damage this year was due to a leak inside the walls which was an HOA expense and the insurance deductible is \$25,000, there was a pinhole in the joint that caused the leak, (GL 6970) fire protection is an outside contractor monitoring system with backflow prevention and inspection of fire suppression system, (GL 7000) grounds material was bark for the outside garden and plants, (GL 7050) hot tub supply and repair are chemicals for the pool and tub, (GL 7150) maintenance repair is additional repairs completed by CBL. This item is not on flat fee and currently under budget, (GL 7300) snow plowing is done by CBL, and (GL 7400) the roof is done by STCB. G Benton explained the difficulties the association had trying to find a roof shoveling company that had consistent insurance, so CBL started their own separate snow removal company, Snow Team CB, Inc. (STCB). STCB follows OSHA standards and maintains insurance. STCB has an hourly rate contract and the edges of the Three Seasons roof have to be cleared due to ice dams. W Bearth explained ground shoveling is a flat fee and CBL lost money on that this previous year due to the heavy amount of snowfall. (GL 7550) Housekeeping supplies includes the rugs and small supplies, (GL 7600 and 7700) printing and depreciation are at \$0, (GL 7800) miscellaneous expenses are donations to T Sansing's passing, and \$800 of that balance needs to be re-classed to housekeeping supplies. D Zeroski asked what the money is used for if we don't spend the full budgeted amount.

Excess Income Resolution YE 2019

W Bearth explained that the excess income resolution is an IRS requirement and the membership can vote to pay tax on the amount, return it to the owners, or put it towards next year's expenses.

J Schoen made the following-

Motion:	Use any excess income to pay next year's expenses
2 nd :	S Brickert
Vote:	Motion carried by a majority vote

Manager's Report

G Benton reviewed the manager's report-

In addition to the routine care of the building, below are some of the other items Crested Butte Lodging & Property Management has completed, or is currently working on, for the Three Seasons complex:

1. The high moisture content in the 2018/19 snow year was rough on most of the State as well as HOA budgets. Shoveling the ground and roof was a chore with the heavy, high moisture content in the snow. The heavy snow load damaged some flashing on the roof- we'll be inspecting and making roof repairs this summer.
2. The skylights are scheduled for replacement this week, weather allowing.
3. CBL replaced several of the worn rubber stair treads and leveled them at the same time.
4. CBL stained and painted the wood trim and posts surrounding the pool and hot tub. We will be staining the exterior hot tub window trim once the weather allows. We have scheduled paint touch up around the outside of the building and stucco repairs for this summer.
5. CBL cleaned, prepped and painted the hot tub.
6. CBL replaced the hot tub heater and secured hot tub piping and drain. We are working with CB Hot Tub to camera the hot tub line with their new smaller camera. Our goal is to track down any leaks that might be hiding from us.
7. CBL made repairs to the pool cover and pool cover motor. We also rebuilt the hot tub access panel.
8. CBL worked with the Town, Western Fire and Safety, and Ben White Architecture on bicycle storage. The Town will not allow an enclosed storage area without a fire suppression system installed.
9. CBL had all the unit front doors, windows and common doors painted, as well as the roof fascia repaired and painted. The stained shingles around the pool were removed and the wall was then textured and painted.
10. CBL spent over 200 hours patrolling the parking lot for violators and inspecting decks for rules violations. Please help us out by clearly displaying your parking permit and by limiting items on your deck to only those allowed by the HOA rules.
11. CBL and the local fire department responded to 2 alarms over the last year. One was a contractor issue that was quickly resolved. The other was a tenant who removed the smoke detector. Please remind your guest to not remove smoke detectors – there are stickers on the building smoke detectors informing folks that there is a \$200 fine for removing the detector. Removing the fire detector can cause the alarm to go off in the entire building and be very costly to have it reinstalled, please call us if you need assistance.

12. CBL's Real Estate broker is busy! The real estate office is being used more than ever. You may continue to have UPS and FedEx deliver packages; we have a table just inside that office for envelopes and small packages. Larger boxes will be placed outside the main office doors. We recommend setting a delivery notification so that you can collect your items soon after they are delivered.

Old Business

Declaration Amendment Progress Report

J Steere informed the ownership that the board is in the process of amending the declaration. W Bearth mentioned there will soon be a draft of the amendments for the board to review. R Lindsey asked the board vote on adding unit C2-3 to the plat and naming it unit R102.

New Business

Approved Annual Budget

J Steere explained the board has approved the budget and the operating budget includes a catastrophic operating assessment of \$50,000 to rebuild reserves following the unexpectedly big snow year.

10 Year Capital Plan

J Steere pointed out the 10 year capital plan to owners outlining some of the larger projects. G Benton offered that all owners should be looking at the 10 year plan and prepare to be assessed for those projects.

Approved 2 Year Capital Plan Detail

J Steere explained when the parking lot is redone, the rotting railroad ties will be replaced with timbers, and the retaining walls are staying. The Board recently approved the capital budget with a \$450,000 assessment to cover the next 2 years projects.

Assessment Detail by Unit Type

W Bearth explained the assessments are in addition to the regular operating dues. P Muro would like to spread the assessment over 8 quarters instead of 5 quarters. J Steere said the capital work would then roll into 3 years. He also stated that if the association used the capital reserves account cushion there could be in trouble if there was an emergency. J Quentzel clarified that the board has already voted and approved the budget and assessments and the board can consider options suggested from the ownership. W Bearth further explained that according to state law the home owner's power is to veto the budget. S Brickert offered that it would save about \$650 a quarter to spread the \$450K assessment out over 8 quarters for a two bedroom. M Marchetilli is not a fan of doing 8 quarters if it pushes the parking lot into 2021. E Sullivan feels the assessment should be billed over 5 quarters because the parking lot should be done in one 'go' and she doesn't want to be assessed again next year. A Vobernik agrees with E Sullivan about billing the assessment over 5 quarters instead of 8 quarters. A quick survey was taken of the ownership for preference of the assessment being billed in 5 quarters or 8 quarters, the ownership was close to evenly divided on the question.

Reduction of Overcrowding in Bike Rack

Owners were reminded the bike rack will be cleared of bikes without stickers starting June 10th, 2019.

Election of Board of Directors: 3 Year Term

<u>Current Directors</u>	<u>Term Expiration</u>
Jeff Steere	2020
Josh Quentzel	2019
Wanda Bearth	2019
Trent Sanderson	2019
Walt Mauro	2020
Connie Rehberg	2021
Tony Sansing	2018
Ami Anderson	2020

J Steere stated there are 3 seats opening for re-election and one seat is open due to T Sansing's passing. W Bearth is interested in retaining her seat. T Sanderson is interested in retaining his seat. J Quentzel is interested in retaining his seat as well. T Sanderson, J Quentzel and W Bearth were re-elected to serve another term. J Schoen expressed interested in filling T Sansing's position for the remaining two years. P Mauro is interested in filling the term vacated by Ami Anderson. P Mauro and J Schoen will be appointed to the board at the subsequent board meeting.

Members Open Forum

T Champillar stated the internet speed is very slow and would look the board to look into faster internet.

Establish Date of Next Annual Meeting

J Schoen made the following-

Motion: Hold the annual homeowner's meeting on June 8th, 2020 at 9am MDT
2nd: T Sanderson
Vote: Unanimous approval

Adjourn

E Osborne made the following-

Motion: Adjourn the meeting
2nd: J Schoen
Vote: Unanimous approval