

Meeting Minutes
Three Seasons Condominiums
Board of Directors BUDGET Meeting
Tuesday, April 23, 2024 ~ 5 p.m. MT
Conference Call

Call to Order

J Steere called the meeting to order at 5:00pm MT

Guest Speaker-Meghan Wilson

M Wilson, with Mountain West Insurance, shared that Colorado is the 3rd most difficult state (behind CA and FL) to write insurance policies in currently due to high risk of wildfires and flooding. The overall market is seeing large premium increases and professionals are predicting tough conditions for the next 3 to 5 years for insurance coverage. She informed the Board that carriers are dropping coverage on buildings where even just one short term rental exists. She further added that another carrier won't offer coverage on any building that has components over 20 years old.

Proof of Notice

Notice was emailed on April 19, 2024.

Roll Call/Establish Quorum

In attendance-

Jeff Steere
Trent Sanderson
Joe Schoen
Jeff Scelza
Wanda Bearth

A quorum was established with 5 of 7 Board members in attendance.

Also in attendance, Wanda Bearth, Matt Hart, and Sierra Bearth, Crested Butte Lodging & Property Management staff (CBL).

Reading and Approval of Past Minutes

September 13, 2023

February 7, 2024

J Steere made the following -

Motion: Waive the reading of the September 13, 2023 and February 7, 2024 meeting minutes and approve as drafted by CBL

2nd: J Schoen

Discussion: None

Vote: Unanimous approval

Operating Budget Review and Consideration

W Bearth explained there are a few items the Board should consider having completed including a reconstruction cost estimate, mechanical inspection and professional reserve study. The Board directed to have a reconstruction estimate completed but to delay a mechanical inspection and reserve study for the time being. Insurance increased significantly and a dues increase may be necessary to cover the insurance and utility increases.

J Steere made the following-

- Motion: Approve the operating budget as drafted with the insurance coverage of \$5MM umbrella, no terrorism coverage, and \$400/sq ft property coverage with a 5% increase in dues
- 2nd: J Scelza
- Discussion: The Board would like to review the square footage coverage again in 6 months or so after a reconstruction cost analysis is completed. The Board reviewed reducing the umbrella coverage limit to reduce the premium and ultimately agreed that the savings was too minimal in exchange for increased exposure
- Vote: Unanimous approval

Capital Budget Review and Consideration

W Bearth summarized the proposed capital plan with a total of \$270,000 in work to include completing the hot tub and pool refurbishment project. She noted that due to structural issues with the tub and proposed concrete surround (for soil retention and under-ground plumbing access) possibly compromising the exterior foundation wall, the project may come in over budget. M Hart provided more details in regard to that problem discovered by the engineer. Solutions include spinning the tub so the stairs face the load-bearing wall, reducing the load from the tub on that side, pending engineer approval. W Bearth suggested simply pouring a pad for the tub to sit on and eliminating the concrete surround, since the tub is approved for in-ground installation. J Schoen added that access around the tub is crucial and suggested using treated lumber instead of concrete for soil retention which would still allow access to the plumbing for repairs. These suggestions will be run by the engineer for comment and/or approval.

A vote on the capital plan and budget is still pending. The board will meet after the engineer with SCJ reviews options.

Establish Date for Next Board Meeting

The next meeting will be established via email.

Adjournment

J Schoen made the following –

- Motion: Adjourn the meeting
- 2nd: J Steere
- Discussion: None
- Vote: Unanimous approval

The meeting was adjourned at 6:50pm MT.