

CRESTED MOUNTAIN CONDOMINIUM ASSOCIATION
MEETING MINUTES OF THE
BOARD OF DIRECTORS
RUSTLER GULCH CONFERENCE ROOM
February 18, 2020
3:00 PM MST

Directors Present: Jennifer Rhatigan
Jeff Vandersteeg
Rick Jungers
Kevin Mineo
Michelle White

Mountain Home Management: William Laird
Annalise Smith

Evergreen Management: Reed Meredith

Owners Present: Bevan and Justine Cotten

President Jeff Vandersteeg called the meeting to order at 3:05 with 5 of 5 board members present.

The following motion was made and seconded:

MOTION: To waive the meeting notice requirement and approve the agenda.

Vote: Unanimous Approval.

The following motion was made and seconded:

MOTION: to approve the minutes of the August 2, 2019 board meeting as presented in the packet.

Vote: Unanimous Approval.

Reed Meredith of Evergreen Property Management presented the FYE 2019 Financial Statements at this time. The Balance Sheet at January 31, 2020 showed total cash of \$58,727.31. Total funds in the money market account were \$33,907.48 and there was \$24,819.83 in checking. Accounts receivable include \$4,428.70 of dues not paid as of January 31, 2020. It was discussed that the uncollected A/R owners will receive an email asking for dues to be paid to avoid late fees.

Meredith stated the net income at January 31, 2020 was \$11,269.19. The ending fund balance was \$40,356.34. Meredith stated the association could maintain savings if there is not too much snow removal this season. Meredith stated total income was \$83,207.90 compared to a budget of \$84,382.69. Meredith explained that the owner loft fees are seeing less usage than what was budgeted. Total operating expenses are running under budget by a total of \$969.21. Meredith explained various expense line items. Hot tub supplies and repairs are over budget by \$1,485.79, due to the purchase of a new pump and heater. Insurance rates are over budget due to consistent rate increases. Snow plowing is under budget by \$1,813.75 since the pile of parking lot snow has only needed to be removed once this season. Roof snow removal is under budget by \$940 so far. Water and sanitation is over budget because of another rate increase that kicked in January. Meredith explained that the association has no control over this increase or amount they are being charged for usage. Meredith stated total operating expenses were \$71,566.42 on a budget of \$72,535.63. Meredith explained that the capital expense of \$372.29 was due to relocating the irrigation control because it was getting too hot in the closet it was located in. Jennifer Rhatigan asked where the irrigation control was moved, and Reed responded it is now in the mechanical room next to loft. Meredith explained the capital budget totaling \$3,300 was for a new hot tub cover but he was able to contact Smart Top Cover and all the replacement parts needed were sent for free. Mountain Home installed the replacement parts but explained a new cover is being developed that the association may want to look into in the future. Total operating and capital expenses were \$71,938.71 on a budget of \$75,835.63. Meredith stated the net income for this fiscal year to date is \$11,269.19 with an ending fund balance of \$40,356.34. Meredith informed the board that all financial accounting has now been turned over to Mountain Home Management as of January 30, 2020.

Meredith reviewed the 5-year capital plan. The budget for FY 2019-2020 included the \$3,000.00 for hot tub cover which as noted above, has not been spent. Meredith explained FY 2020-2021 includes a budget for loft upgrades including \$5,000.00 for carpet replacement and \$5,000 for new furniture. Meredith stated there is \$4,000.00 budgeted for re-sealing masonry rockwork and \$1,000.00 budgeted for miscellaneous painting on the exterior of the building. Meredith stated the anticipated ending fund balance for FY 2019-2020 is \$38,996.80, the exact amount of which will be determined by FYE figures at 4/30/20. This balance transfers to the beginning fund balance for FY 2020-2021. Meredith explained the restricted fund assessment and interest increased for FY 2020-2021 because of the dues increase previous instituted by the Board in the 4th quarter of 2019. Meredith advised that the association would be wise to work toward having \$50,000 as a minimum reserve balance.

There was a discussion involving the repaving of the easement in front of the building. Vandersteeg stated it looked like there were healthy cracks developing where the snow has melted back. Reed mentioned the potential for re-sealing just those cracks, and that any work in the easement area would need to be coordinated with Colorado Properties as the costs are shared.

Rhatigan stated she would like to make updating the bathroom in the loft a high priority. Meredith noted that it was likely that the line items in the capital plan for loft carpet and furniture may be over budgeted. Meredith stated the board should prioritize what items they would like replaced in the loft.

Billy Laird of Mountain Home Management gave his management report. Laird stated the hot tub circulation pump and high limit switch have been replaced. Laird explained the high limit switch kept shutting the heater off. Laird stated that since he was having those issues, he purchased a new heater which pushed the hot tub supplies/ repair line item over budget. Laird believes the issue has been resolved and the hot tub has been holding up at 104 to 106 degrees. Laird also explained that he replaced 2 thermostats for the baseboard heaters in the loft with matching digital thermostats. Laird stated snow removal has been going well but the only thing that may need to be addressed is removing the snow from around the windows for egress. Laird explained he has been in touch with CBMR Mountain Manager, Mark Vogeli regarding the grooming issues in front of the building. A discussion ensued regarding the plowing, dangers, and the association's liability involving skiers who come through the trees above the units in front of the building. There was discussion of installing fencing and the best way to proceed to keep skiers and Crested Mountain Condo owners safe. Jennifer Rhatigan stated it was prudent to come up with a solution regarding this issue due to liability concerns. Meredith mentioned possibly installing a sign stating the skier is leaving the resort and entering private property. The board instructed Laird to come up with a plan with Mark Vogeli of CBMR/Vail Resorts. The board requested this issue be revisited and added to the summer meeting agenda.

Vandersteeg stated it seemed to him there were motion sensor lights on garages, but the lights were no longer coming on. Reed explained those lights have not worked since several months after installation because roof leaks from the deck above had damaged the electrical components. Reed explained replacing the lights would only be a temporary fix as the roof still leaks and the only solution would be to reposition the lights on the face of the siding on the soffit.

Laird explained the dumpster has been getting full more often and was advised by the board to add a second pick up during the week for the busy months of February and March.

A discussion ensued about the new regulations from the Town of Mt. Crested Butte regarding short-term rentals and the obligation of the association. The board agreed that the HOA is not given the responsibility or authority through its bylaws or covenants to know who rents short-term and who does not. Meredith agreed and described the ownership as it appears on titles for units and stated it might be worth consulting an attorney regarding what the association's responsibility is for individual units that rent. There was discussion about potential lawsuits being considered among other condo HOAs regarding the new STR regulations. The board agreed to table this discussion until summer in anticipation of more clarity. Kevin Mineo advised letting the town know Crested Mountain Condo's parking lot plan and the board agreed.

Rhatigan asked to confirm the new PO Box for the association which is now located in the Town of Crested Butte at PO Box 2902, Crested Butte, CO 81224.

Discussion ensued regarding switching bank accounts to Community Banks of Colorado, to provide a more convenient banking option as all other association accounts are at this bank.

The following motion was made and seconded:

MOTION: To move the checking and money market accounts from Bank of the West to Community Banks of Colorado.

Vote: Unanimous Approval.

The following motion was made and seconded:

MOTION: To add Annalise Smith and William Laird along with Jeff Vandersteeg and Jennifer Rhatigan as signers on the new bank accounts.

Vote: Unanimous Approval.

The following motion was made and seconded:

MOTION: To accept and approve January 31, 2020 financial statements as presented.

Vote: Unanimous Approval.

The following motion was made and seconded:

MOTION: To ratify the association management agreement with Mountain Home Management.

Vote: Unanimous Approval.

There being no further business, the meeting was adjourned at 4:34 pm.



Annalise Smith, Recording Secretary



Jeff Vandersteeg, Crested Mountain Condo Association President