

**CRESTED MOUNTAIN NORTH HOMEOWNER ASSOCIATION
MEMBER MEETING
Thursday, February 4, 2021 – 9:00 A.M.
VIA ZOOM**

Present: Rosalind Cross (J1, J2 and L6)
Luke and Stephanie Duffield (J4)
Jeff and Lindsey Olsen (J5)
Laughlin & Boyd Interests LLC (J6)
Julia Gearhart (K1)
Jared Marten, CBMR (K2 emp)
Geoff and Pauline Gough (L1)
Conor and Jamie Bemis (L2)
Carl and Melissa Stewart (L4)
Amy Savin (L5 and L9)
Bill and Elizabeth Eggert (L8)
Rob Harper, Toad Property Management

Proxy to Rosalind Cross: Charlie Doan (J3)
Brett Shomaker (L7)

Proxy to Amy Savin Brian Murray (L3)

Rosalind Cross took the roll call, confirmed a quorum and the meeting was called to order at 9:05 am. Rob confirmed notice of the meeting went out by email on January 21, 2021 and all owners had signed a waiver to accept notice by email instead of regular mail.

Rosalind Cross made a motion to approve the minutes of the July 29, 2020 meeting. Melissa Stewart seconded the motion and it was unanimously approved.

Rosalind Cross explained the purpose of the meeting was to consider an amendment to the Bylaws to adjust the frequency of audits, flexibility for the Board to select the date of annual meeting and reduce Board meetings to twice a year unless it was necessary to have more frequent meetings. Rosalind explained the reasoning for the proposed changes and said suggestions and opinions could be covered in the meeting and if necessary voting would be conducted by specific topic to indicate if individual topics would be acceptable. Owners were given the opportunity to state their preferences and opinions on the proposed changes to the Bylaws. An annual financial review by an independent CPA in the non-audit years was suggested as a possible compromise.

Geoff Gough expressed concern about the significant repair cost of renovating the Association owned K unit without the \$30,000 cost being approved by the Association. Rob Harper and Rosalind Cross explained the renovation/restoration project had increased in scope, including leaks and safety concerns, and had been discussed at length in multiple board meetings. Amy Savin expressed concern that \$30,000 had been spent without either a Board vote or an HOA vote because this violated the governing documents which required any spending over \$20,000 to be put to an HOA vote. Rosalind Cross explained the extent of the work was not known at the beginning of the multiple projects and the work was performed over multiple months and discussed at Board meetings as separate items as problems arose. It was generally agreed transparency within the Association was important. Rob said that he felt that he and the Board had been transparent. An audit would not identify a capital cost such as the \$30,000 renovation work as being something that the Board or Toad had not disclosed. It was suggested that an internal committee or the board tracking the actual work performed and making that information available to all owners would provide more transparency. Rob Harper said financial reports could be sent to owners at any time upon request and AppFolio, the property management software used by Toad, provided the ability for Board members or owners to log in and review the income and expenses. Carl

Stewart volunteered to review expenses in AppFolio and share that information. Rob Harper encouraged interested owners to request a review of the expenses when they were in town.

Rosalind Cross said small amendments could be made to the amendment to the Bylaws as part of the vote but if significant amendment was required it would be necessary to have an additional meeting. Rosalind explained the attorney had made a mistake and 70% approval was required to adopt the amendment and not 100% as shown in the original version of the document. It was agreed a vote would be taken with owners emailing their vote to Rob Harper.

Rosalind Cross made a motion to approve the Second Amendment as written and amended by legal counsel to reflect at least 70% approval. Melissa Stewart seconded the motion. The motion failed with 53.15% voting no and 46.85% voting yes.

Rosalind Cross made a motion to approve the Second Amendment with an amendment changing the audit requirement from at least every 5 years to at least every 3 years. Geoff Gough suggested every 2 years for an audit. Bill Eggert seconded the motion. The motion failed with 69.64% voting yes for the motion and 30.36% voting no.

Votes would be taken on specific sections of the Second Amendment to determine support.

Melissa Stewart made a motion to hold the annual meeting at a convenient date determined by the Board instead of specifying a particular month. Geoff Gough seconded the motion. The motion passed with 100% of owners supporting that amendment in paragraph 2 of the proposed Second Amendment to the Bylaws.

Melissa Stewart made a motion for Board meetings to be held at least twice a year with the flexibility to schedule additional meetings as necessary. Rosalind Cross seconded the motion. The motion failed with 69.64% voting yes to the motion and 30.36% voting no to paragraph 4 of the proposed Second Amendment. Board meetings would continue to be held quarterly.

Melissa Stewart made the motion to change the audit requirement from 5 years to 3 years in paragraph 3. The remainder of paragraph 3 would not change and would read: To keep and maintain full and accurate books and records showing all of the receipts, expenses, and disbursements and to permit examination thereof at any reasonable time by each of the Owners, and to cause a complete audit of the books and accounts by a certified public accountant when determined necessary or appropriate by the Board, but in no event less than once every three (3) years. Rosalind Cross seconded the motion. The motion failed with 69.64% voting yes to the motion and 30.36% voting no to paragraph 3 of the proposed Second Amendment regarding audits.

Rosalind Cross said she would share the results of the meeting with Aaron Huckstep, the Association's legal counsel, and documents could be amended to give the Board flexibility in scheduling the annual meeting each year.

Geoff Gough made the motion to change the audit requirement from 5 years to 2 years in paragraph 3. The remainder of paragraph 3 would not change and would read: To keep and maintain full and accurate books and records showing all of the receipts, expenses, and disbursements and to permit examination thereof at any reasonable time by each of the Owners, and to cause a complete audit of the books and accounts by a certified public accountant when determined necessary or appropriate by the Board, but in no event less than once every two (2) years. Bill Eggert seconded the motion. The motion passed with 90.99% voting yes and 9.01% voting no to paragraph 3 of the proposed Second Amendment regarding audits.

Rosalind Cross said legal counsel would update the Second Amendment to the Bylaws to reflect an audit at least every two years.

Rosalind Cross explained some owners had suggested an amendment to the Condominium Declaration and the legal costs to make changes would be approximately \$5,000. Rosalind encouraged owners to reach out to her with suggested amendments and there would be discussion at a future owners meeting.

Rob Harper said work continued regarding heat in the L Building and Alpha Mechanical were attempting to resolve a leak inside the boiler tank. Rob said the work on the tank was probably covered by the warranty. Excessive heat in units in the L Building was discussed and it was suggested a fan in the mechanical room might alleviate the heat problem.

Rob Harper said Pinnacle Construction would install the snow fences as soon as the fences were received. Rob said delivery of the back ordered fences should be within the next week.

Rosalind Cross suggested holding a Board meeting later in the month as the owner meeting had already lasted more than two hours. Discussion at the meeting would include the Amendment to the Bylaws, the Stewarts offering to review Association financial information, approach for discussions to amend the Association governing documents and heat in the L Building.

Rosalind Cross said all owners were welcome to join the Board meetings and information was circulated at least three days prior to the meeting.

Geoff Gough said parking in front of the L Building continued to be a problem and allocated parking spaces would be beneficial. Rosalind Cross said lines were being added to the parking lot and additional gravel spaces had been added by the K Building. Amy Savin said L Building appeared to be the only building with a parking problem. Concern was expressed about the public using the parking lot for drop off for the slopes, etc. Rob Harper confirmed Toad checked Crested Mountain North parking passes in vehicles during the day but did not have vehicles moved based on building location. Concern was expressed about vehicles for J and K Buildings being parked at the L building and flat bed trucks parked in the lot needed to be moved. Rob Harper said Toad would inspect the parking lot and tag any vehicles parked without a pass.

Owners would be asked if they would like to be included in a contact list.

At 11:08 am Rosalind Cross made a motion to adjourn the meeting. Melissa Stewart seconded the motion and it was unanimously approved.

Prepared by Rob Harper, Toad Property Management

As a postscript to these minutes, both Toad and Rosalind went back two years in the minutes to review the work discussed at the 2019 meeting. Most Board members attended the 2019 meetings as the kitchen, bathroom, carpeting and crawlspace issues grew into bigger projects than originally expected due to mold, crawl space issues and wall damage. The 2019 approved minutes disclose that the total of the various projects in K1E was approaching \$30,000.00. No one objected or requested a review until this meeting. The K1E unit is leased at \$1500.00 a month.