

**PROSPECT HOMESTEAD OWNERS' ASSOCIATION
ANNUAL MEETING MINUTES
THURSDAY, FEBRUARY 2, 2023 – 6:30 PM
VIA ZOOM**

Participating: Andrew Arell
Jess Forbes
Dawn Passant
Daniella Runge
Erica Sollberger
Michelle Zembal
Hannes Gehring, Toad Property Management

Proxies:

Hannes called the meeting to order at 6:38 pm. Hannes confirmed notice of the meeting was mailed on January 19, 2023 and said there was not a quorum.

Hannes said without a quorum the minutes of the prior year meeting could not be approved. Hannes explained as there was not a quorum at the meeting the 2023 Budget as approved by the Board and circulated with the notice of the annual meeting would automatically be adopted. There were no questions on the 2023 Budget as presented.

Hannes explained the Board had prepared a budget to include exterior painting with the work staged over several years. Hannes said the work would be funded by a Capital Assessment which would be spread over the year in four installments. Hannes explained the insurance company had increased rates mid-term and Hannes said he was reaching out to other insurance companies and agents in an attempt to find a preferable rate. Hannes explained insurance assessors might want to inspect the buildings prior to providing a rate for a new policy.

Hannes said the \$12,000 Capital Assessment would be split between owners in accordance with the Covenants. Andrew said it had not been possible to paint the exterior of an entire building since 2019 and Hannes said the work would be spread over three years.

Dawn questioned why the Association did not have funds for maintenance work despite the increases in dues in the past. Hannes said increased expenses throughout the valley had made it difficult to meet operating expenses and inflation was running high. Erica said the Board had increased dues to put more money in Reserve and Andrew explained the Reserve Account had been depleted during an extensive repair on one building. Erica explained once the delinquent dues were collected the Association would have a healthy Reserve. Andrew said Lance Windel needed to pay delinquent dues on his 22 units as part of the agreement he had reached with the Town. Two other owners were delinquent on dues. Hannes said he had reached out to all delinquent owners and three owners had promptly paid the arrears and to recover the funds from Lance Windel, the developer of 22 units, would be a great benefit. Hannes said one owner had entered into a payment plan with the Association and a lien had been filed against the other owner. Hannes explained the Colorado Common Interest Ownership Act (CCIOA) set out the procedure to recover funds and Hannes said that procedure was

being followed. Hannes explained late fees and interest were added to a delinquent account and in most cases the Association paid any legal expenses incurred to recover that debt.

Hannes explained Erica's term on the Board was expiring and one owner's name had been proposed but that owner was not participating in the meeting. Andrew made a motion to appoint Erica to another term on the Board. Michelle seconded the motion and it was approved.

At 7:10 p.m. Andrew made a motion to adjourn the meeting. Erica seconded the motion and it was approved.

Prepared by Rob Harper, Toad Property Management

DRAFT