

**PROSPECT HOMESTEAD OWNERS' ASSOCIATION  
ANNUAL MEETING MINUTES  
THURSDAY, FEBRUARY 15, 2024 – 5:30 PM  
VIA ZOOM**

Participating: Andrew Arell  
Dawn Passant  
Daniella Runge  
Carlos Velado  
Kelly Loeffler  
Ben Preston  
Brandon Cvilikas, Toad Property Management  
Kat Loughan, Toad Property Management

Brandon called the meeting to order at 5:36 p.m. Brandon confirmed notice of the meeting was mailed on February 2, 2024 and said there was a quorum.

Carlos Velado said he was on the call as an owner and also as the Town of Mt. Crested Butte representative. During any voting Carlos confirmed he would be voting on behalf of the Town units and would abstain from the vote as an owner.

Carlos Velado made a motion to approve the minutes of the February 2, 2023 meeting. Andrew Arell seconded the motion and it was unanimously approved.

Andrew Arell explained the 2024 Operating Budget had been approved by the Board and during the meeting the 2024 Capital Budget would be discussed.

Brandon Cvilikas said he had been working with American Family and had been successful in making changes to insurance and secured a refund of approximately \$4,000 for prior overpayments on the insurance premiums. Brandon confirmed roof shovelling would be underway on one of the buildings and the owners had been notified.

Brandon said the 2024 Operating Budget had a dues increase and \$6,000 had been added to the Reserve Fund line item. Brandon explained lenders wanted to see 10% of the annual operating expenses going into the Reserve each year. Brandon confirmed the \$4,000 from the insurance company had gone into the Operating Account. Andrew Arell said some owners were delinquent on dues and approximately \$14,000 was owed to the Association. Attempts were being made to recover those delinquent dues and legal fees in the 2024 Budget had been increased to pay for legal counsel to assist in recovering the money. Concern was expressed about owners not paying dues and Carlos Velado said the Gunnison County Housing Authority did not assist in the collection of dues. Carlos said the Housing Authority would assist when a violation of the Deed Restriction occurred. Brandon confirmed late fees and interest continued to be added to the delinquent accounts and it might be possible to recover legal fees at the time of sale. Brandon explained there was a specific process which had to be followed to recover the delinquent dues. Kat Loughan confirmed payment plans had to be offered to all delinquent owners and if the payment plan was not followed it was necessary to once again follow the notice periods. After following the legal process to collect the dues a lien could be filed for dues and interest and penalties. Legal fees might also be added to the account.

Dawn Passant said one owner was not paying dues as that owner wanted to be reimbursed by Toad for work performed. That owner also wanted to see three bids for any repair work undertaken and recent work had only had one contractor bid on the project. Concern was expressed that all owners were being made to suffer as a result of non payment of dues.

Brandon Cvilikas said insurance rates were increasing nationwide and the 2024 Budget anticipated an increase for the Association at the next renewal. Brandon explained the 2024 Budget expenses for landscaping and snow removal had been reduced slightly from the actual expenses of 2023. Water & Sewer expenses continued to increase.

Andrew Arell made a motion to ratify the 2024 Operating Budget. Ben Preston seconded the motion and it was approved by a majority with Carlos Velado abstaining as an owner of one unit.

Andrew Arell said most of the units were in reasonable condition and Andrew said exterior painting could be delayed for a year. If exterior painting was scheduled it would be necessary to have a Special Assessment to pay for that work. Brandon Cvilikas said he had reviewed prior year painting projects so a schedule of exterior painting could be established for the future. The exterior painting needs of the buildings varied due to the materials used and the impact of the weather. Ben Preston suggested future maintenance projects, including window and roof replacement, needed to be addressed to reduce the financial impact on owners. Andrew Arell said delaying the exterior painting by a year would allow the Association to start to build up Reserve Funds and collecting the money owed by the three owners delinquent on the dues would help to increase the exterior maintenance funds.

Brandon Cvilikas said a Capital Plan could be prepared for the Association and Andrew Arell said the Board would discuss a Capital Plan. Attempts could be made to work with a contractor to recommend and guide the Board on the life and potential cost of maintenance of the buildings.

Ben Preston expressed concern about the solar panels and suggested not replacing parts when the current solar panels failed as he felt the return from the solar panels was not enough to warrant the expense of the plumber. Kelly Loeffler said they had been paying personally to have the solar panels on her unit inspected every year by a plumber. It was agreed the owners were responsible for annual inspections but the Association would be responsible if damage to solar panels occurred due to snow removal. It was agreed it would be an ongoing discussion.

Brandon Cvilikas agreed to reach out to contractors to obtain bids for the preparation of a 5 year Capital Plan.

Brandon Cvilikas said the proposed Capital Assessment of \$17,000 for the year had been broken down to quarterly payments based on the unit size and percentage. Those quarterly payments would be in addition to the regular quarterly dues payment. Brandon confirmed the Board would approve any projects funded from the Capital Assessments. After discussion Ben Preston made a motion to approve the 2024 Capital Assessment of \$17,000. Andrew Arell seconded the motion and it was approved by a majority. Brandon confirmed the vacant lots contributed to the dues and Capital Assessments in accordance with the square footage outlined in the governing documents.

Brandon Cvilikas said Andrew Arell was willing to continue on the Board for an additional three year term and Brandon said no other owners had volunteered to join the Board. Carlos Velado made a

motion to appoint Andrew Arell to the Board for an additional three year term and thanked Andrew for his work and his willingness to continue on the Board. Ben Preston seconded the motion and it was approved by a majority.

Brandon explained all owners were welcome to participate in Board meetings. Brandon said Erica Sollberger had left the Board as a result of the transfer of ownership of the lot. That left a vacancy on the Board and the Board would operate as a two person Board until that vacancy was filled.

Ben Preston asked if landscape watering could be reduced during the Summer and Brandon Civilikas said efforts would be made to correct the watering in specific zones.

Concern was expressed about vehicles not being moved from the vacant land when the Town needed to perform the weekly snow clearing. Carlos Velado explained the Town could not ticket those vehicles as the land was not a public parking lot. It was agreed the parking was a privilege which was appreciated by many owners and the rules needed to be followed. Brandon agreed to send a reminder every Tuesday asking people to move vehicles and Carlos agreed to provide the timing of the plows.

The next meeting was scheduled for Thursday, February 13, 2025 at 5:30 p.m.

At 7:00 p.m. Carlos Velado made a motion to adjourn the meeting. Dawn Passant seconded the motion and it was unanimously approved.

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Prepared by Rob Harper, Toad Property Management