

Majestic Plaza Condominium Association
2017 HOA Meeting Minutes from
Wednesday, November 15, 2017
10:00 A.M. @ Peak Property Management and Sales

MEETING MINUTES

Call to Order/Proof of Notice/Roll Call

The annual Majestic Plaza Homeowner's Association meeting was called to order at 10:05 A.M. on Wednesday, November 15, 2017 at Peak Property's Management and Sales office. The meeting notice was emailed and mailed out October 6, 2017 and the meeting packet was emailed October 27, 2017. The meeting was represented by the following owners and a quorum was established for an official meeting.

HOA Owners

Attendees:

- Unit 101 Murray Wais (Call in)
- Units 102, 103: Michael Burke
- Unit 105: Bushfence, LLC - Tony Borland
- Units 106,107: Kingpen LLC. - Eric Naughton
- Units 110,120,121,220,221,222,223,241,242,243,244,245,246, A, B, E, F: Roscoe Development - Doug D'Apuzzo
- Units 130, 140: Acme Liquor - Leonard Ossorio proxy to Doug D'Apuzzo
- Unit 141 Creative Catering - Josephine Kellett
- Units C, D Rocking Horse Bldg: Chris Shar

Peak Property Management and Sales

Tom Hein-Associations Manager

Brenda Alagna-Associations Accountant

Confirm Owner's Contact Info

Tom Hein asked the owners to review the owner contact list and let him know of any updates or changes after the meeting.

Approval of HOA Meeting Minutes from November 16, 2016.

Tom Hein asked the owners if they had reviewed the meeting minutes from the 11/16/16 annual meeting and did anyone have any changes or comments they wanted reflected to them before voting on them. None were made. Tony Borland made a motion to approve the meeting minutes, Josephine Kellett seconded the motion, all were in favor, and the motion was approved.

Managers Report

Tom Hein welcomed everyone to the 2017 Majestic Plaza annual HOA meeting and new owners Michael Burke (units 102, 103) and Josephine Kellett (unit 141) Creative Catering. It was another busy year for Peak Property and the HOA with the December and January heavy winter snow removal, a property damage insurance claim due to a Town water break in February 2017, roof leaks, and general maintenance and

repairs. Future maintenance and repairs should be the focus of the HOA as the property is 25 years old and things will soon need replacement or repairs. Lastly, a dues increase is being proposed for the 2018 budget.

Old Business (Review of the 2016 November Agenda's New Business)

1. Clark's Market

-Tom Clark of Clark's Market called into the meeting to speak with the owners about their upcoming remodel. Clark's Market is working towards submitting plans to the Town of CB for a large remodel and upgrade of their grocery market. They plan to extend the back of the store to their property line and push the front out to the existing concrete edge. This would add approximately 6000 sq. ft. for a total store size of 17,000 sq ft. The main issue Clark's and the Town have is parking. Town has said that Clark's will need 10-11 additional parking spots as part of the remodel approval. Tom Clark mentioned possibly Rocking Horse parking lot could be improved and designed to accommodate. Doug D'Apuzzo mentioned that the Rocking Horse building's parking area is strategic to Majestic's snow storage operations and that Majestic and Clark's have a cross easement sharing the parking lot. The Majestic HOA cannot give up any parking spots because they are important to the Majestic operations. Tom Clark said parking lot security was mentioned as a possible alternate solution to parking. The Majestic HOA looks forward to working with Clark's and their remodel.

2. Snow Plowing/Snow Storage update

-The CB Town Snow Plan's final draft will be voted on by the town council Dec. 5, 2016. It contains rules and regulations regarding snow storage and removal. It does specifically mention line of sight can't be blocked by snow at intersections, or stop signs and snow can't be stored in the right away of the street. The Town is being more aggressive with snowplowing (plows 3" +) and enforcing stricter rules regarding snow storage. Tom Hein will move the dumpsters around in the Bubble Wrap parking lot to make more room for snow storage.

3. Review Reserve Study

- Tom Hein reviewed the Majestic's reserve study plan with the owners. The purpose of the reserve study is to identify future repairs and improvements, their cost, and timing to start saving for them. Since reserve funds are not currently set aside at this time to a dedicated reserve account, if capital had to be raised for a project or emergency, an assessment would be required. Tom Hein will continue to discuss the reserve study every year.

4. Tom Hein reported that the following additional general maintenance is expected next spring:

a. Bubble Wrap Parking Lot- Need to evaluate in Spring '17 if additional rock needed.
Approx. cost \$1700.00

-Meeting Results: Rock was not needed in Spring '17, but will be needed Spring '18.

b. Asphalt crack fill, seal coat, and stripe parking areas. Asphalt repairs. See attached bids.

-The owners asked for some revised bid cost and requested to re-evaluate the parking lots in the spring '17.

-Meeting Results: Owner's decided to defer work and re-evaluate at 2017 annual meeting in November.

c. Pothole patching. Approx. cost \$2600.00. 50% cost shared with Clark's.

-To be evaluated and discussed with Clark's in the spring '17.

-Meeting Results: Work deferred.

d. Stain Rocking Horse decks. Approx. cost \$1400.00.

-Meeting Results: Work deferred.

e. Stain Acme Liquor deck and stair treads. Approx. cost \$600.00.

-Meeting Results: Work Completed.

5. A review of the association's documents to CCIOA's required 2009 and 2012 state statutes for HOA's revealed that the association needs to adopt the required resolutions. They are policies and procedures for HOA governance regarding the Association and its owners/tenants. Tom Hein reported he has a template that is boiler plate of the resolutions and could provide the association with a set to review and adopt instead of hiring an attorney to do them. Below are the required resolutions and a brief explanation of them. Doug D'Apuzzo asked if they were required and Tom Hein said yes, but would check with the Association's attorney to confirm. The attorney did confirm they are required. Tom Hein will follow up with the BOD's regarding adopting them.

1. **Enforcement of Covenants and Rules**-Adoption of this policy creates a covenant complaint form which be completed by an owner and set to the Managers to complain of a violation. The complaint form must be completed, signed, and the owners must be prepared to attend any follow up meetings or court. The owner (even if the violation was committed by a tenant or guest) accused of the violation has the opportunity to respond on another form and may request a hearing. It includes a form called the Notice of Determination Regarding Violation. The determination form, which will be issued by the Board, may levy a fine for the violation, or state the level of damages or expenses now due.
2. **Adoption of Policies, Procedures, Rules, Regulations, Guidelines**-Policy states that if any documents are amended in the future you will receive a copy electronically or by mail and you have 30 days to provide comment/feedback.
3. **Inspection and Copying of Association Records**-Policy states that an owner can request copies of documents or request the opportunity to review documents at a central location. This is not new, but designated to protect an owner's privacy and prevent owner records being used to solicit money or used for commercial purposes.
4. **Reserve Study and Funding**-Policy allows Association's assessment money to be put into a Reserve Account for capital improvement projects.
5. **Alternative Dispute Resolution**- This policy encourages the resolution of disputes through alternatives to litigation except when the Association is attempting to recover unpaid dues or assessments
6. **Investment of Reserve Funds**-Policy states that the reserve funds be invested in a manner that assures maximum safety and appropriate liquidity.
7. **Conduct of Meetings**-Sets out how meetings should be run and be conducted.
8. **Conflicts of Interest**-Any person with a conflict of interest must excuse themselves for any decision regarding conflict.
9. **Collection Policy**-we can expand this to include dues too. Under this new policy, the Association can still collect unpaid dues or assessments from owner by filing a lien, using Small Claim Court, or foreclosure. The major change is that the Association must give an owner 30 day to enter a payment plan. If delinquent owner does not contact the Association with in those 30 days or defaults on the payment plan, then all steps above can be taken.

New Business

1. Follow up on adopting required CCIOA Resolutions.
-**2017 Meeting Results:** The CCIOA resolutions are required per the state of Colorado under DORA for all HOA's they are policies and procedures for HOA governance. Doug D'Apuzzo has copies to review, sign and forward to Leonard Ossario for signing. Once signed and returned to Peak Property they will be posted on Peak's web site.
2. Trailers, Campers, Recreational Vehicles-Discuss updating Association's Rules and Regulations to not allow them?

-2017 Meeting Results: The owners agreed that owners and tenants should be able to do what they want with there assigned parking spot, but they must licensed and registered, and must follow the parking protocol for parking and moving vehicles/trailers for snow removal and plowing.

3. Review Reserve Study with owners.

-2017 Meeting Results: The owners reviewed and discussed the Majestic's reserve study.

The owners approved the following repair for next spring with an assessment if necessary; paint touch ups as needed on around the bottom 12" of the entire majestic property, paint the white wood trim on the Rocking Horse building, and add rock to the Bubble Wrap parking lot. The owners deferred the following repairs to discuss next year;

1. Metal siding around bottom of 12" of building.
2. Replacing the roof above Le Bosque.
3. Replacing broken concrete, especially in front of units 101, 102.
4. Stain the Rocking Horse Building.

4. Insurance change from Liberty Mutual to Cincinnati Insurance. Same coverages, deductibles, and \$2000.00 less in premium cost.

-2017 Meeting Results: Peak Property obtained a few insurance quotes for a new carrier and switched to Cincinnati Insurance for a premium savings of \$2000.00. Includes same policy coverages as the previous policy.

5. Recommended Maintenance and Repairs:

-2017 Meeting Results:

- a. Bubble Wrap Parking Lot- Additional rock. Approx. cost \$2000.00.

-Approved for spring 2018.

- b. Asphalt crack fill, seal coat, and stripe parking areas. Asphalt repairs. Approx. cost \$3500.00.

-Parking lot stripping approved, seal coat/crack fill deferred.

- c. Replace or Overlay Le Bosque Roof. Approx. cost \$51,550.00.

-Deferred until next annual meeting.

- d. Stain Rocking Horse building and decks.

-Deferred until next annual meeting.

- e. Monitor leak coming into Bubble Wrap from above deck or back door threshold transition.

Financial Report

The Majestic Plaza HOA as of October 27, 2017, had \$1,669.64 in the operating checking account, \$116.06 in the savings account and \$200.48 in accounts receivables for a total current asset amount of \$1,986.18. The Association's 2017 budget based on a cash basis as of October 27, 2017 had a negative net income of \$5,624.10. Adjusted for additional accounts payables (cash basis) the budget is negative \$7,071.84. The Association will finish the year with a negative net income covered by the Association's operating account and no income will be left over to be swept into savings. The Association finished the year negative because it does not take in enough income to meet its basic expenses.

The Association's monthly expenses average \$11,545.34 and its monthly average income is \$8,834.04.

Snow plowing and roof snow removal again contributed to the negative net income this year. An assessment was done to cover the plowing and roof snow removal cost during the fiscal year.

Tom Hein discussed establishing a Restricted Reserve account as it is required per the Associations Declarations. Reserve funds are not currently being set aside to a dedicate reserve account, and if funds had to be raised for an improvement or emergency repair, an assessment would be required.

A Management fee increase as of January 1, 2018 was built into the proposed budget options. Peak Property has not applied a management fee increase since 2006 and the increase was \$70.00. Based on the past few years financials the roof and plowing snow removal budgets have not been realistic to the actual expenses. It's recommended the HOA consider increasing those budget amounts. In addition, utilities such as electricity, water, sewer, trash removal, recycling have yearly increases of 2-4%. Eric Naughton offered to do a light bulb audit and help source LED bulbs for the HOA to transition to them as needed. Tony Borland asked that Peak Property watch for alternative snow plowing options and ways to reduce trash cost. Murray Wais commented since Le Bosque closed the trash container does not fill up on a regular basis as it use to. The owners reviewed and discussed the 2018 proposed budget scenario's and options, and a dues increase and reserve allocation was recommended by Peak Property. After discussing all options Doug D'Apuzzo recommended they try the 10% dues increase splitting it 80-20 between income and a reserve account and re-evaluate the financials next year.

Eric Naughton made a motion to approve the 2018 proposed budget with a dues increase of a total of 10% allocating 8% going towards HOA dues income and 2% towards a reserve account starting January 1, 2018, Josephine Kellett seconded the motion, all were in favor, no opposed, and the motion was approved.

Election of Board of Directors (Three-year terms)

Eric Naughton made a motion to re-nominate the existing Board of Directors to another 3 year term, Chris Shar seconded the motion, all were in favor, no opposition, and the motion was approved.

President- Doug D'Apuzzo 2017-2020

Vice President-OPEN

Treasurer-Leonard Ossorio 2017-2020

Establish Date for next meeting-November 14, 2018, 10AM @ Peak Property

Adjournment

Chris Shar made a motion to adjourn the meeting, Tony Borland seconded the motion, all were in favor, and the motion was approved. The meeting was adjourned at 12.20 P.M. on November 15, 2017.