

**PLAZA CONDOMINIUM ASSOCIATION  
MINUTES OF HOMEOWNERS' MEETING AT  
MT. CRESTED BUTTE, COLORADO  
August 1, 2014, AT 9:30AM**

MEMBERS PRESENT: John Battaglia (by phone)  
 Sidney & Barbara Pinkston  
 Terry & Mary Toole  
 Cyndi Baily (by Phone)  
 Max & Andy Evans  
 Greg & Patricia Burns  
 Scott Stagner (by phone)  
 Art & Cathy Romack  
 Charlie Farrell & Jan Blue  
 Aldo Kosuch (by phone)  
 Diane & Mike Brown  
 Bill & Jeanne Shirk  
 David & Teri Reed  
 MDT Development  
 Janice Prewett  
 Harry Ludwig (by phone)  
 Chris & Christina Donnelly (by phone)  
 Steve Bertone (by phone)  
 Thor Hoppess (by phone)  
 Bill & Jeanne Shirk  
 John Bruns (by phone)  
 Ronny McCutchin  
 Betty Whiteside (by phone)  
 Mitch Burnbaum  
 Billy & Barbara Powell

MANAGEMENT COMPANY PRESENT: Lynn Kiklevich  
 Antoinette Wilson  
 Jason Fries  
 Todd Burnett

**Call to Order**

The meeting was called to order at 9:32 AM

Attendance was verified and it was established that a quorum of homeowners was represented at the meeting; 70.5714% of the homeowners were either present or represented by proxy.

UNIT	OWNER	ATTENDING/PROXY/CONF CALL	% of Vote
31	Wine & Champagne LLC	Present via Phone	1.522
32	Plaza Association	Present	1.523
33	Andy Mazloom	Proxy to John Battaglia	1.638

34	Blaine McAnally	Proxy to Scott Stagner	1.792
35	MDT Development	Present	3.462
36	Employee Unit	Present	0.0426
37	Employee Unit	Present	0.0218
38	Employee Unit	Present	0.023
131	Stephen Berenson	Proxy to HOA President John Bruns	1.479
132	James and Kathleen Reese	Absent	
133	Stave & Sondra Delaroche	Proxy to HOA Aldo Kosuch	1.874
134	John & Cyndi Baily	Present via phone	1.874
135	Maxwell and Andrea Evans	Present	1.479
136	Janice Prewett	Present	1.479
231	Sidney & Barbara Pinkston	Present	1.479
232	Sidney & Barbara Pinkston	Present	1.479
233	Frank Yates	Absent	
234	Frank Yates	Absent	
235	Terry & Mary Toole	Present	1.479
236	Bill Fountain	Absent	
237	Doug Wells , Ted Lodden	Absent	
238	Stephen DeLaroche	Proxy to Aldo Kosuch	1.479
239	Snowflakes and Wildflowers LLC	Present via Phone	1.874
240	Jim & Charlotte Finley	Absent	
241	Barbara Kleinhoff	Absent	
242	Don Brown	Absent	
331	Greg & Patricia Burns	Present	1.479
332	John Gibson, Ltd	Proxy to HOA President John Bruns	1.479
333	Judith and David Eichel	Absent	
334	Ron Paasch	Proxy to HOA President John Bruns	1.874
335	Alfredo & Gloria Sotolongo	Absent	
336	Scott Stagner	Present via phone	1.479
337	Ray and Sherrie Nichols	Proxy to HOA President John Bruns	1.479
338	Michael & Linda Englehard	Absent	
339	Giorgio Favio	Absent	
340	Alex & Lisa Roddey	Proxy to Board HOA President John Bruns	1.874
341	Andrew and Monti Konen	Absent	
342	Randy Hertz	Proxy to HOA President John Bruns	1.479
431	Art & Cathy Romack	Present	1.479
432	Rober Geier Trust	Absent	
433	Diane Whatley Brown	Present	1.874
434	Arnold and Melanie Casciato	Proxy to HOA President	1.874
435	Charlie Farrell & Jan blue	Present	1.479
436	David Meadors	Absent	
437	Al and Nancy Roselin	Present	1.479
438	Harry & Gail Ludewig	Present via Phone	1.479
439	Betty Whiteside	Present via Phone	1.874
440	Chris & Christina Donnelly	Present via Phone	1.874
441	Steve Bertone	Present via Phone	1.479
442	James Cavendar	Absent	
531	Thor Hoppess	Present via Phone	1.479
532	Bill & Jeanne Shirk	Present	1.479
535	David & Teri Reed	Present	1.479
536	Jody Helbling	Proxy to Aldo Kosuch	1.479
537	Aldo & Amy Kosuch	Present via Phone	1.479
538	Chris & Ken Duncan	Absent	
539	Dr. Mitchell Burnbaum	Present	1.874
540	Jack & Carolyn Bertelsmeyer	Proxy to HOA President John Bruns	1.874
541	John & Elizabeth Bruns	Present	1.479
542	Ronald L & Carolyn McCutchin	Present	1.479
637	Billy & Barbara Powell	Present	1.479
638	David Nesbitt	Proxy to HOA President John Bruns	1.479
641	Mary C. Utley	Absent	
642	Robert Berger	Proxy to Sidney Pinkston	1.479
	<b>TOTAL REPRESENTATION:</b>		<b>68.9334</b>

**Motion:** by Sidney Pinkston to waive the reading of and approve the minutes from the August 2, 2014 Annual HOA meeting

**Seconded:** by Terry Toole

**Vote:** The motion was unanimously approved

## **PRESIDENT'S REPORT**

Dave Reed the Vice- President of the board of directors presented the Presidents Report to the Owners.

Dave began by giving the owners brief overview of the history of capital projects that have taken place over the past few years leading up to the window replacement project. The board has spent a significant amount of time researching window products, manufacturers and contractors for this project. The Plaza is 33 years old this year and Dave reported that owners in Gateway Condominiums that were built the same year as the Plaza has started replacing their windows and they have discovered some issues with leaking and mold. This concerns the board members as it is probable that the Plaza will find some of the same issues. At this point the bid that was secured last year with Pella is good through December 31<sup>st</sup> 2014. So each year this project is pushed back there is a good chance the price will increase. The board has asked one of their members, Aldo Kosuch, to use his expertise in researching window products, costs and installation contractors.

Discussion: There was a lengthy discussion about the process, the window choices, questions about approved colors for the optional blinds inside the window, and whether the windows in the first floor units really needed to be replaced. The board reiterated that it is their responsibility to keep the integrity of the building a priority. Max Evans said that he thought that he read in last year's annual HOA meeting minutes that the windows and doors were approved together in 2012 when the doors approved for replacement. It was noted that even though this was mentioned last year, after looking back at the 2012 meeting minutes, the verbiage used in the motion was only door replacement not door and window replacement. Dave ended the conversation at this point by reiterating that this project will be moving forward in the very near future.

## **MANAGER REPORT**

### **SUMMER PREVIEW**

CBMR is on pace for a record-breaking summer this year. The 4<sup>th</sup> of July holiday kicked off the season with a "bang" – with over 15,000 people on Elk Avenue to watch the best parade in America. We were 100% booked for the weekend at the Plaza. ***There is already more than twice the rental revenue on the books at the Plaza as was achieved last summer*** and have some more "sold-out" dates coming up in late July and early September so be sure to check availability with Toni if you want to add reservations to your calendar.

A lot of fun activities are on tap for this summer including another season of the LIVE! from Mt. Crested Butte music series (every Wednesday beginning in July), the **Free** Friday lift ticket program, and the Mt. CB Blue Grass Festival. The Resort is hosting the US Pro

Cycling Challenge again this year, and are looking forward to welcoming those professional racers to Mt. Crested Butte on August 19.

The resort continues to add trails to the Evolution Bike Park trail network on the mountain and we are getting a reputation now for having one of the biggest, most accessible downhill and cross-country trail networks in the state.

The Beer and Chili Festival will be on August 23<sup>rd</sup> this year, moving from its usual date in September. Craft brewers from all over the state of Colorado will converge on Mt. Crested Butte along with amateur and professional chefs showing off their best chili recipes.

In addition, CBMR made some significant improvements to the on-mountain wedding venues and are hosting over 50 destination wedding events this summer.

Butte 66 restaurant is open this summer for lunch and dinner with a new menu – so if you are in the base area, check it out. And the Iron Horse Tap is open right here in the Plaza Wednesdays – Mondays from 4pm – Close.

### **UPDATED WEB SITES**

Last November CBMR launched a new website that features their new logo and a cleaner, fresher template. The Plaza is one of three lodging properties featured in the Lodging section, along with the Grand Lodge and the Lodge at Mountaineer Square. Management will be shooting some new photography of the Plaza this summer and adding these photos to your pages.

The Plaza HOA website has also been updated and we are working hard to keep the content fresh and relevant. Check it out for current news and events, meeting schedules and meeting minutes. If you have an idea for a feature, an announcement or a picture you would like posted, send it to Toni Wilson or Lynn Kiklevich. The website url is [www.plazhoa.org](http://www.plazhoa.org). Note that it is .org – not .com.

### **AIRLINE INFO FOR 2014-15**

CBMR has contracted with American Airlines to serve the Gunnison airport daily from Dallas again next year. The Chicago service that was added by CBMR last year performed very well and will return next year with an extra flight on peak Saturdays.

United will also continue to fly from Denver twice per day and from Houston on Saturdays. Houston will also have two flights per day on some peak Saturdays. This results in about a 7% increase in seat capacity over last season.

Bookings are also looking very strong for the winter season, with the Plaza pacing up nearly 18% over this same time last year.

## **MAINTENANCE UPDATES**

Several significant capital improvement projects were completed last year including:

- Renovation of the 1<sup>st</sup> floor hot tub room and sauna
- Renovation of the ski locker rooms
- Modernization of the South elevator and refurbishment of the interior cab to match the North elevator
- Refurbishment of one of the deed-restricted employee housing units

In addition, the breezeway ceiling was repaired and completely re-finished after years of chronic water leaks. Management has received great reviews on the new luggage carts.

## **Financial Report**

### **BALANCE SHEET**

On April 30, 2013, the balance sheet reflected total cash on hand of \$224,015. There was Accounts Receivable of 8,156 and Pre-paid expenses totaled \$4,524.

The Operating Fund balance totaled \$15,437 and the Replacement Fund balance was \$166,366.

### **INCOME STATEMENT**

The year-end income statement reflects total revenues of \$554,955 compared to a budget of \$552,318.

Operating expenses totaled \$394,431 which was \$12,494 more than budget.

Expense Variances in excess of \$1,000 are explained below:

Cable and Internet - \$3,518 over budget (but \$1,200 less than last year)

- Average of \$522/month for internet bandwidth and technical support. This is \$140 less per month than last year. The HOA is paying less/mb for bandwidth, but we boosted the bandwidth to the maximum (16mb) during the peak months (up from 8mb last year) to try to meet guest expectation – which was not in the budget.
- \$1,730/month for Time Warner Cable service (increase in rate on August 1)
- \$650 in unbudgeted repairs

Note: Janice Prewett reported that she cannot get a good signal. Management will check into this for Janice.

Contingency - \$6,105 over budget.

- The breezeway ceiling was completely re-finished and painted after years of chronic water leaks (issue resolved).
- The 5<sup>th</sup> floor snow melt tubes were covered to increase efficiency
- Numerous repairs to drywall and paint in 5<sup>th</sup> and 6<sup>th</sup> floor units from old water leaks (since repaired)
- Numerous repairs to common plumbing (aging cast iron pipes are failing, requiring replacement)

Contract Labor - \$4,181 over budget.

- Unbudgeted tree removal at the direction of the Board (\$2,100)
- Window cleaning was over budget by \$1,200 because we did all of the atrium windows inside and out which needed to happen, but was not in the budget.
- \$800 of Christmas decorations posted to this account that were budgeted in Miscellaneous

Elevator - \$1,719 under budget. The HOA received a discount on service fees once the south elevator upgrade was completed and we had zero un-scheduled service calls last year.

Firewood - \$1,084 under budget.

Hot Tub Supplies – \$1,722 under budget. No major part failures and did not need new hard covers this past year.

Natural Gas – \$6,039 over budget. Two large and unexpected rate increases last year.

Landscaping - \$1,673 over budget

Miscellaneous - \$1,296 under budget. \$800 of Christmas decorations posted to Contract Labor, but budgeted here.

Trash Removal - \$1,666 over budget. Higher occupancies + multiple trips to the county landfill to dispose of old furniture, televisions, etc. that were dumped in the parking garage throughout the year.

Capital Repairs - \$3,566 under budget

## **2014 Audit Report**

Terry Toole reported that once again the Plaza had a clean audit and that the auditors had made only a small adjustment to the financial statements.

## **ELECTION OF DIRECTORS**

There was one terms on the board of directors up this year currently being held by David Reed.

Current Directors	Term Expiration
David Reed	2014
John Bruns	2015
Charlie Farrell	2015
Terry Toole	2016
Aldo Kosuch	2016

The nominating committee solicited nominations for the board of director seats currently up for this year and received responses from David Reed and Janice Prewett.

There were two nominations for the board of directors that were chosen by the nominating committee. Those nominations were Dave Reed owner of 535 and Janice Prewett owner of 136. After both candidates spoke on behalf of themselves Janice Prewett withdrew her nomination stating that Dave Reed is doing an excellent job.

Being there were no other nominations John Bruns entertained a motion to re-elect Dave Reed  
Vote: Unanimously Approved

## **NEW BUSINESS**

### **2014-15 APPROVED BUDGET**

#### **Overview**

For the fourth year in a row, the 2014-15 budget reflects no increase in operating or capital assessments.

Operating expenses are budgeted 1.6% higher than the current year's budget at \$387,721. The Capital expense budget is \$46,600.

Net Operating Income is budgeted to be \$18,403 and the Net Capital Contribution is projected to be \$99,657.

#### **Expenses**

Budgeted Operating Expenses reflect less than 1% increase over the current year projected actual expenses. The only significant variance is in Contingency, where we will continue to budget \$12,000 in spite of going significantly over that number this year. Management has accounted for rate increases in Electricity (2%) and Natural Gas (4%), as well as Insurance (5%).

**2014-15 Capital Budget**

Total capital revenues are projected to be \$146,780 and the total capital expense budget is \$46,600 resulting in a net capital contribution of \$99,656. This will result in a year – end capital reserve balance of \$266,106, not accounting for any operating surplus we may realize.

The Association realized an operating surplus this past year of \$14,000 and the board approved an equity transfer of the \$14,000 to the capital reserve account.

**FY15 Approved Capital Budget**

		<b>Budget</b>
Asphalt Maintenance	Sept	10,000
Replace retaining wall adjacent to Wood Creek	Sept-Oct	14,500
Replace roof on tennis court shop and repair drywall and stucco	Aug - Sep	11,100
Replace Conference Room Furniture	June	5,000
Replace Luggage Carts	June	<u>6,000</u>
		46,600

Billy Powell then asked to be recognized and made a short statement regarding the policy of the Association to have a designated short term rental provider. He stated that while he has no problem with CBMR, he felt that owners should have a choice on rental providers.

MDT Development approached the owners and board members regarding their monthly dues amount asking to have their monthly dues amount decreased as they do not feel they should pay for the amenities that they do not use. After a lively conversation Charlie Farrell asked Mary Heitman to state her proposal. Mary responded that she did not have one. Sidney Pinkston noted that in order for the board to have the ability to reduce the monthly dues amount the declarations and bylaws would have to be amended. This is a costly and probable impossibility as all lenders as well as owners would have to sign off on this amendment.

**ESTABLISHMENT OF NEXT MEETING DATE**

This was not done at the meeting. The Board of Directors will set the meeting date at their meeting and notify all of the owners via the HOA web site.

**ADJOURNMENT**

**Motion:** by Max Evans to adjourn the meeting

**Seconded:** by Billy Powell

Vote: Unanimously Approved

**There being no further business, the meeting was adjourned at 11:10AM.**

**Respectfully Submitted**

---

Antoinette Wilson  
CBMR Properties  
Owner Liaison

---

Charlie Farrell  
The Plaza at Wood Creek  
Secretary

