

1650 PEARL CONDOMINIUM ASSOCIATION, INC.

P.O. Box 871, Lafayette, CO 80026 303-284-9305

Board of Director's Meeting Minutes Wednesday, December 17, 2014, 6:00pm – 8:00pm

The following were present at this meeting:

Board Members: Mike Dee, Jamie Villecco, Lindsay Bethel and Sigurd Zebauers.

Unit Owners: Denise West (proxy for Janet West), Brooke Egly, Olivia Sentonoi, Craig Adams (also proxy for Will Self, Mella Wheatley, Shayne Eaton and Reinhold Reiter), Brian & Frances Hartz, Steve O'Donnel, NoahWinningham.

I. Opening - Call meeting to begin / Introductions

II. General Business, Administrative and Building Issues Discussed

A. Current general/maintenance issues – discussed as follows:

1. Reviewed completed projects from 2014 – Swamp Cooler, Security Entry System, Landscaping/Fence, Roof Coating/Restoration w/ 15 year warranty, Repair/Sealing of Concrete Stairs and Landings, Fire Extinguishers.
2. Discussed 2015 Proposed Projects –
 - a. Rooftop Deck – Need to investigate potential increase in insurance cost from Seneca if deck is added; pull together bids to install roof tile system with protective fence surrounding deck area; etc. Cost currently estimated at \$15,000.
 - b. Laundry Machines – Investigate further if we can break contract with MacGray in order to purchase and maintain building owned laundry machines. Cost currently estimated at \$4,000.
 - c. Door Repairs – Move forward to repair/replace back door and rooftop door. Cost currently estimated at \$2,500. (This project is not optional as building needs properly working doors for both locations).
 - d. Deck Furniture and Grill – Purchase and install if Rooftop Deck is installed. It was discussed and decided that this would make more sense than installing on our front patio where furniture/grill could easily be stolen. Cost currently estimated at \$1,200.
 - e. Note – Projects a, b & d will be voted on once information has been gathered. A formal request will be made via email to get each unit owners vote in regard to each of these proposed projects.
3. Sign to Shut Down Idling Vehicles on north side of building – Craig Adams (Unit #2) to speak with iVita Wellness owner/manager about installing a sign that would notify customers to not leave there vehicles idling. This will help minimize the amount of vehicle fumes entering units on the north side of the building.
4. Owner Occupancy Requirement – it was agreed by the board and other owners present that the Owner Occupancy issue was to be tabled until our next meeting. However, the board will begin to investigate the pros and cons of keeping vs. removing the Occupancy Agreement that is currently in place. It was suggested that it would be in the best interest of the board and owners to consult with a real estate attorney in regard to how this issue should be handled/addressed.

APPROVED

B. Current Board Members Terms, Nominations and Changes:

- ☐ Mike Dee – (president & treasurer) – term ends December 15, 2015.
- ☐ Sharle Kochman – (vice president & secretary) – term ends December 15, 2015.
- ☐ Sigurd Zebauers – term ends December 15, 2015.
- ☐ Jamie Villecco – term ends December 15, 2015.
- ☐ Lindsay Bethel – voted in by the those in attendance. Term ends December 15, 2015.
- ☐ **NOTE-1:** All current board member positions are two year terms.
- ☐ **NOTE-2: Board Member Term Extensions:** At the 2011 board meeting, it was agreed that at the end of a board member's term, if no one was nominated to take their current position and the board member desired to continue as a member, their position would be extended. If, however, another owner was interested in this position on the board, a vote would need to be taken to see whether the original board member or nominee would take the position.

APPROVED

III. Insurance

- A. General Liability, Property, D&O & Umbrella Insurance** – For the past few years the HOA has been covered by Auto-Owners Insurance. Auto-Owners recently declined to renew the policy for the coming 2015 policy period. A spreadsheet was presented reflecting quotes from other insurance providers. It was agreed by the board and owners present that Seneca will be our new insurance provider. Anderson-Ban will remain the insurance broker. The new premium for 2015 is \$5,724 per the quote provided.

APPROVED

- B. Certificate of Insurance (Owner)** – Certificates of Insurance (listing 1650 Pearl Condominium Association, Inc. as an “additional insured”) shall be provided by all owners annually and are due each year by January 15th.

PREVIOUSLY APPROVED

- IV. Owner Occupancy Update** – Current ratio of “Owner-Occupied” to “Investor-Owned” units is 51.85%. A minimum of 51% is required by HUD. The board will continue to maintain this minimum requirement and investigate with a real estate attorney on how we will handle transactions above this limit.

PREVIOUSLY APPROVED

- V. Foreclosure Update** – No foreclosures are in process as of this date.

VI. Financials

- A. Budget** – The proposed budget for 2015 was reviewed, discussed, and increased from \$130/mo to \$140/mo per the board in order to meet increased operational expenses. In addition, it is likely a general assessment will be forthcoming in regard to the proposed capital projects for 2015. Therefore, it is advisable that owners begin planning to set aside appropriate funds in anticipation of the potential projects in 2015 mentioned above. The goal of the board is to keep dues at a minimum level that will cover our operational costs. Capital expenditures will typically be paid for through general/special assessments.

APPROVED

- B. Year-to-Date Financials** - reviewed year-to-date P&L and Balance Sheet.

1. Noted there is currently \$27,000 in the Capital Reserve Account. The board agreed that this is an appropriate amount to maintain at this time, but will confirm with lenders amount is acceptable.

APPROVED

- C. Tax Return** – 2013 tax return was not reviewed but is available upon request. Completed by Lang & Co. CPA's.

APPROVED

- VII. Next Meeting** – Our Annual meeting is to be determined sometime during the fourth quarter of 2015.