

**SODA CREEK CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
January 17, 2019**

I. CALL THE MEETING TO ORDER

The Soda Creek Condominium Association Annual Homeowner Meeting was called to order at 4:02 p.m. in the Basic Property Management office.

Board Members Present Were:

Nathan Nosari, President, 497B

Janice Engel, Secretary, 435F (via teleconference)

Ashley Nettles, 397E

Representing Basic Property Management was Gary Nicholds. Erika Krainz of Summit Management Resources was recording secretary.

II. APPOINTMENT OF BOARD MEMBER

Ashley Nettles was appointed to the Board.

II. FINANCIALS

Gary Nicholds reported that as of December 31, 2018 the Reserve Cash balance was \$336,490 and the Operating Cash balance was \$170,258 for a Total Cash balance of \$506,748. The year-end Operating surplus was \$4,781, which could be transferred to Reserves or applied to next year's assessments. The year-end Reserve surplus was \$69,302 for a combined surplus of \$74,084.

Motion: Nathan Nosari motioned to accept the financials as presented. Ashley Nettles seconded and the motion carried.

Motion: Nathan Nosari motioned to retain the \$4,781 surplus in Operating. Ashley Nettles seconded and the motion carried.

III. 2019 Budget

Gary Nicholds reviewed the options for the 2019 Budget:

1. No dues increase would result in a bottom line \$1,364 Operating deficit.
2. A 1% dues increase would result in a bottom line \$332 Operating deficit.
3. A 2% dues increase would result in a bottom line \$700 Operating surplus.

Given the 2018 year-end surplus, Nathan Nosari said he was comfortable with no dues increase but noted he would support small inflationary increases every year. Janice Engel pointed out that there are a number of upcoming Reserve projects on the Reserve schedule. There should be adequate funds unless window replacement is added. Ashley Nettles was concerned about basing the financial decisions on the old Reserve Study since there had been discussion at the Annual Meeting about doing a new Reserve Study in 2018, which did not occur. Janice clarified that the Board decided to put the new Reserve Study on hold until the Declarations were amended. Ashley recommended a communication to the owners and tabling a dues

increase. The Board agreed to present the 2019 Budget with no dues increase at the Annual Meeting.

Action Item: Ashley Nettles will work on a communication to the owners.

IV. ANNUAL MEETING PREPARATION

The owner poll results for the Annual Meeting date were six for February 20th and seven for February 23rd.

Action Item: Gary Nicholds will try to book Dillon Town Hall for the meeting on Saturday, February 23rd at 9:00 a.m. He will look into setting up a conference call option for the meeting.

The Board reviewed the proposed agenda. The main topic of discussion will be the Declarations amendment. Other agenda items will be a review of the Financials, an Owner Forum, the Board Election and a discussion of the Declaration changes to build a healthy community.

Action Item: Nathan Nosari will send the amended Declarations to all Board members for review and draft a summary of the Declarations changes that can be sent to owners prior to the meeting by January 30th. The summary should be sent to the membership by February 14th and a deadline set for soliciting input.

The Board will meet on Friday, February 1st at 3:30 p.m. to review the amended Declarations.

Action Item: Management will post “save the date” notices for the Annual Meeting on the unit doors.

V. GENERAL DISCUSSION

There was discussion about parking enforcement. There are some abandoned vehicles, vehicles without plates and campers, which are not allowed. The Board agreed that any vehicles without plates and campers should be towed as soon as possible. Gary Nicholds said owners should be given one week notice to move these vehicles.

Action Item: Gary Nicholds will draft an email for Board approval stating that parking rules will start to be enforced for recreational vehicles, vehicles that are not being moved and vehicles without valid plates.

VI. ADJOURNMENT

The meeting was adjourned at 5:06 p.m.

Approved By: _____

Board Member Signature

Date: _____

**SODA CREEK CONDOMINIUM ASSOCIATION
ANNUAL HOMEOWNER MEETING
February 23, 2019**

I. CALL MEETING TO ORDER

The Soda Creek Condominium Association Annual Homeowner Meeting was called to order at 9:08 a.m. in the Dillon Town Hall.

Board Members Present Were:

Nathan Nosari, President, 497B
Ashley Nettles, 397E

Janice Engel, 435F

Owners Present (*via teleconference) Were:

Shirley Beaty, 435D
Cindy Wagner, 495H*
Walter Galdamez, 435G
Michelle Iblings, 395C
Blanca Menendez, 395E
Danielle Root, 497E
Heather Gerhart, 495F*

Susan Brind'Amor, 497A
Omar & Denise Diaz, 495A
Rebecca Granger, 397G*
Wilbert Martinez, 435H
Michelle Nosari, 497B
Miroslava Sidorin, 397H
Michelle Flynn, 495C

Representing Basic Property Management were Gary Nicholds, Eric Nicholds and Jason Blarjeske. Erika Krainz of Summit Management Resources was recording secretary.

II. PROOF OF NOTICE OF MEETING/QUORUM

Notice of the meeting was sent in accordance with the Bylaws. With 19 units represented in person or by proxy a quorum (20 units) was not reached.

III. APPROVAL OF LAST ANNUAL MEETING MINUTES

The February 10, 2018 Annual Meeting minutes could not be approved due to lack of a quorum.

IV. PRESIDENT'S REPORT

Nathan Nosari reviewed the following highlights from 2018:

1. An attorney was hired to start the Declarations revisions.
2. Reviewed the Reserve Study and determined that no consultant is needed. The existing Reserve Study will be updated with five-year plans after the Declaration changes are approved.
3. Confirmed that individual units (and not the crawl spaces) need to be tested for radon. Owners on the ground floor who are willing to have their unit tested should contact Gary Nicholds. The unit needs to be kept closed for 48 hours during the testing period.

Nathan Nosari reviewed the 2019 Board goals:

1. Parking Passes - Will reissue parking passes.
2. Communication - Will establish bi-monthly teleconference Board Meetings and looking for volunteers to help with the Association website.

3. Boilers - Replaced the domestic boilers several years ago. The contractor who did the work has moved out of the County and the Board is looking for a new HVAC contractor to complete the heat exchangers in order to consolidate the boilers and only rely on the newer boiler for each building for both heat and hot water.
4. Declarations – The new Declarations will be put to a membership vote.
5. Window Project 2020 - Planning is underway.
6. Clean Up Day - Wilbert Martinez, Shirley Beaty and Mirka Sirdorin volunteered to help organize the clean up day with Ashley Nettles.

V. FINANCIAL REPORT

A. 2018 Year-End Financial Results

Nathan Nosari reported that there were no owner delinquencies. The Association ended 2018 with Total Liabilities and Equity of \$506,068 and Net Operating Income of \$4,781. Operating Revenue was \$192 favorable to budget due to Laundry income. Operating Expenses were \$4,589 favorable to budget. Net Reserve Income was \$69,302. Reserve Revenue was \$7,458 favorable to budget due to transfer fee income and Reserve Expenses were \$19,143 favorable to budget.

B. 2019 Budget

The 2018 Operating surplus will be carried forward in the 2019 Budget. The 2019 total monthly assessments remain the same at \$355/unit/month, consisting of \$215/month for Operating and \$140/month for Reserves. Danielle Root noted she would be in favor of smaller incremental increases to avoid the need for a large increase or special assessment. Janice Engel said there have been annual increases for the past several years and the Reserve balance is much stronger. The Board will consider another increase after the Declarations amendment has been completed. The budget as drafted results in a \$1,364 deficit at year-end, excluding the 2018 surplus of \$4,700 which will be carried forward.

Reserve expenses scheduled in 2019 are boiler heat exchanger installation to eliminate the need for the second boiler in each building (\$12,000), decks/patios and fences (\$19,000, which will be deferred for at least one more year) and \$8,500 for revising the Declarations.

The Reserve Fund grew by \$75,000 in 2018 and is anticipated to grow by \$62,000 in 2019. The Reserve Fund cost estimates will be updated after the Declarations amendment. The Reserve balance is getting close to the goal of an 80% funded level.

Per the Colorado Common Interest Ownership Act, the budget must be presented to the membership so they have an opportunity to reject it prior to implementation. Rejection of the budget requires an active vote in opposition by at least 51% of the membership. This vote can be in person, by email or via teleconference. An owner who is silent is assumed to be voting in favor.

Motion: Danielle Root motioned to ratify the 2019 Budget as presented. Michelle Nosari seconded and the motion carried.

VI. ELECTION OF OFFICERS

The term of Janice Engel expired and she indicated she was willing to run for reelection. There were no other nominations from the floor but the election could not be conducted due to lack of a quorum so the current Board will remain in place. Owners were encouraged to dial in for the bi-monthly Board Meetings. Wilbert Martinez said he would be willing to consider serving in the future and will try to join the Board Meetings in the coming year.

VII. PRESIDENT'S REPORT

Nathan Nosari reviewed the Rules and Regulations:

1. Members need to pick up after dogs.
2. Dogs cannot be on decks unattended and shall not relieve themselves while on the decks.
3. Nightly rentals are not allowed. All leases must be at least 180 days and must be submitted to the Board.
4. Owners should be respectful of their neighbors and avoid making excessive noise.
5. Disposing of furniture, appliances and other large items is not allowed in the dumpster. Such items must be disposed of at the landfill. Owners should notify management if they see unauthorized use of the dumpster or items being left by the mailboxes. Owners are encouraged to inform their tenants about options for disposal of items. Ashley Nettles suggested creation of a flyer that can be posted on doors in April.

Other reminders:

1. Cars should be moved for plowing.
2. Owners should park cars by the Rice barn if they are out of town.
3. Owners should not park in handicapped spots in front of each building.
4. Cars parked in the lot must be registered and operable.

Action Item: Include a reminder in next owner communication about not parking on or over the sidewalk.

A Window Committee will be created. Owner volunteers will be solicited for this committee and to work on the website.

VIII. UNFINISHED BUSINESS

A. *Reflective Signs*

Eric Nicholds provided samples of reflective signs with building numbers that can be installed by the building entrances. The Board and interested owners will meet at the property after the meeting to select the preferred sign style.

B. *Declarations*

The original Declarations were drafted in 2003. Proposed changes will bring the Association into state compliance and address quorum and insurance requirements, window ownership, parking, pets, flooring and the potential to create community storage.

The next steps will be to send a draft of the revised document to the membership, hold feedback sessions and conduct a written vote. At least 67% (27 units) of the membership will need to vote in favor for the amended Declarations to be approved. The goal is to have the process completed by this fall. Owners were encouraged to engage with their neighbors to ensure there is adequate owner participation in the process.

Action Item: Nathan Nosari will create a map that indicates which units are owner or renter occupied.

Action Item: A new Gmail address will be created for owners to submit comments on the proposed amendments.

C. *Windows*

The Declarations specify that windows are an individual owner responsibility. The Board is looking at organizing a project to replace all windows to take advantage of bulk pricing. Some of the original large sliding windows are not code compliant and will need to be replaced with double hung. Owners who have already replaced windows probably did so without the proper permits. There are also issues with water intrusion and mold. The Board is recommending a change to the Declarations to make the windows an Association responsibility. The bid in 2017 for window replacement was about \$200,000. Since then, the cost has increased to \$400,000, equating to about \$10,000/unit. The Board will have to decide how to pay this expense. Options include paying some portion from Reserves, a special assessment and financing. The project will probably be scheduled in spring/summer 2020 after the Declarations have been revised.

Action Item: Nathan Nosari will talk to the Housing Authority about loan options.

Michelle Nosari and Miroslava Sidorin volunteered to work with Jason Engel on the window replacement project.

IX. MANAGEMENT COMPANY REPORT

Eric Nicholds reviewed the following:

1. There were a number of heating issues. Countywide was hired to resolve the problems.
2. RKR is the plowing contractor. The contract call for plowing after 4" or more of snowfall but they occasionally plow when there are lesser amounts to take care of wind drifting. More frequent plowing reduces the need for breaking up snowpack. The contract includes a set number of plows for the season and Gary Nicholds has shared he doesn't believe we've exceeded that number.

X. OWNER FORUM

Owner comments addressed the following:

1. Nathan Nosari requested that Eric Nicholds engage Turner Morris to remove the ice dams on the roof now and regularly as they appear in the future.
2. An owner requested that the snowbanks be pushed back at the second entrance to improve visibility.

3. Shirley Beaty noted that there is a drainage issue by the first entrance. The County should be asked to correct the slope when that section of Cove Boulevard is repaved next year.
4. Owners can call Basic Property Management to report power outages so pilot lights can be relit if necessary.
5. Owners reported that the water is too hot in Building 397 and not warm enough in Building 435. Basic Property Management will work with Walter to set all boilers to code.
6. Walter Galdamez was recognized by the ownership for his assistance at the property.
7. Miroslava Sidorin said an owner in her building had requested the addition of garbage cans outside for the dog waste bags. After discussion, there was consensus that garbage cans were not a good idea due to the potential for being used for other trash and attracting wildlife, odor and responsibility for maintaining them.
8. Nathan Nosari said the Board is considering a pet policy that might include registering pets and providing a DNA sample. Owners were encouraged to take photographs of pet waste violations and send them to Basic Property Management.

XI. ADJOURNMENT

The meeting was adjourned at 11:24 a.m.

Approved By: _____ Date: _____
Board Member Signature

Soda Creek Condominiums

Annual General Meeting

February 23, 2019



Introductions

2018 Board of Directors:

- Nathan Nosari
- Janice Engel
- Ashley Nettles
 - Appointed to complete Johnathan Smith term

Introductions

HOA Management:
by Basic Property Management

- Gary Nicholds
- Eric Nicholds
- Patti Vande Zande (accounting)

Agenda

- Proof of Notice of Meeting/Quorum
- Approval of Last Annual Meeting Minutes
- Financial Report
- Election of Officers
- Unfinished Business
- New Business
 - Governing Documents Update
- Board Report
- Property Managers Report
- Owners Forum

2018 in Review

- Hired Attorney to start Declarations revisions. Working Draft
- Reserve Study – no consultant needed.
 - Updating existing with 5-year plans.
- Radon – Confirmed that individual units need to be tested, not the crawl spaces.

2019 Goals

- Parking Passes
- Communication
 - Set Standing Bi-Monthly (every other month) Boarding Meeting
 - HOA Website Updates
- Release Domestic Boiler Consolidation Project
 - MJ Plumbing MIA
 - Will seek new HVAC contractor.
- New Declarations is anticipated for membership vote
- Window Project 2020 Planning
- Community Clean-up Day

Financial Report

Delinquencies

No Delinquencies.

Thank you!

Balance Sheet

12/31/2018

	<u>Dec 31, 18</u>	<u>Dec 31, 17</u>	<u>\$ Change</u>
ASSETS			
Current Assets			
Checking/Savings			
Alpine Bank - ICS	268,574.17	267,523.07	1,051.10
Alpine Bank Checking	188,100.82	110,368.53	77,732.29
Alpine Bank Reserve Savings	50,073.51	50,056.28	17.23
Total Checking/Savings	<u>506,748.50</u>	<u>427,947.88</u>	<u>78,800.62</u>
Accounts Receivable			
Accounts Receivable	<u>(680.22)</u>	<u>780.91</u>	<u>(1,461.13)</u>
Total Accounts Receivable	<u>(680.22)</u>	<u>780.91</u>	<u>(1,461.13)</u>
Other Current Assets			
Undeposited Funds	<u>0.00</u>	<u>1,954.25</u>	<u>(1,954.25)</u>
Total Other Current Assets	<u>0.00</u>	<u>1,954.25</u>	<u>(1,954.25)</u>
Total Current Assets	<u>506,068.28</u>	<u>430,683.04</u>	<u>75,385.24</u>
TOTAL ASSETS	<u><u>506,068.28</u></u>	<u><u>430,683.04</u></u>	<u><u>75,385.24</u></u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
Accounts Payable	<u>7,250.59</u>	<u>5,948.91</u>	<u>1,301.68</u>
Total Accounts Payable	<u>7,250.59</u>	<u>5,948.91</u>	<u>1,301.68</u>
Total Current Liabilities	<u>7,250.59</u>	<u>5,948.91</u>	<u>1,301.68</u>
Total Liabilities	<u>7,250.59</u>	<u>5,948.91</u>	<u>1,301.68</u>
Equity			
Reserve Fund	336,490.01	336,490.01	0.00
Retained Earnings	88,244.12	20,765.06	67,479.06
Net Income	<u>74,083.56</u>	<u>67,479.06</u>	<u>6,604.50</u>
Total Equity	<u>498,817.69</u>	<u>424,734.13</u>	<u>74,083.56</u>
TOTAL LIABILITIES & EQUITY	<u><u>506,068.28</u></u>	<u><u>430,683.04</u></u>	<u><u>75,385.24</u></u>

Revenues and Expenses

Net Operating Income of **\$4,781**

- Operating Revenue exceeded Budget by \$192.
- Operating Expenses below Budget by \$4,589.

Net Reserve Income of **\$69,302**

- Reserve Revenue exceed Budget by \$7,458
- Reserve Expenses below Budget by \$19,143

Operating Income Statement

	Jan - Dec 18	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
Association Dues	103,200.00	103,200.00	0.00
Laundry Revenue	1,581.13	1,404.62	176.51
Operating Interest	15.08		
Total Income	104,796.21	104,604.62	191.59
Gross Profit	104,796.21	104,604.62	191.59
Expense			
*Administration			
Accounting & Legal	0.00	500.00	(500.00)
Insurance	9,767.16	10,600.00	(832.84)
Management Fee	8,280.00	8,280.00	0.00
Miscellaneous	23.15	150.00	(126.85)
Office Expense	846.35	800.00	46.35
Total *Administration	18,916.66	20,330.00	(1,413.34)
*Repair & Maintenance			
Roof Snow Removal	0.00	2,000.00	(2,000.00)
General Supplies	1.82	700.00	(698.18)
Landscape/Grounds Maintenance	1,454.30	1,200.00	254.30
General Building Maintenance	24,853.73	23,250.00	1,603.73
Total *Repair & Maintenance	26,309.85	27,150.00	(840.15)
*Utilities			
Gas & Electric	16,833.29	18,600.00	(1,766.71)
Sewer	17,424.00	17,424.00	0.00
Snow Removal	5,748.89	6,500.00	(751.11)
Trash Removal	3,553.95	3,600.00	(46.05)
Water	11,228.09	11,000.00	228.09
Total *Utilities	54,788.22	57,124.00	(2,335.78)
Total Expense	100,014.73	104,604.00	(4,589.27)
Net Ordinary Income	4,781.48	0.62	4,780.86

Reserve Income Statement

Other Income/Expense			
Other Income			
Reserve Dues	67,200.00	67,200.00	0.00
Reserve Interest	1,068.33		
Closing Deposit	6,390.00		
Total Other Income	74,658.33	67,200.00	7,458.33
Other Expense			
Reserve Expense			
Annual Improvement	0.00	16,000.00	(16,000.00)
Declaration Change	5,356.25	8,500.00	(3,143.75)
Total Reserve Expense	5,356.25	24,500.00	(19,143.75)
Total Other Expense	5,356.25	24,500.00	(19,143.75)
Net Other Income	69,302.08	42,700.00	26,602.08

Resolution – Excess Capital Retention 2019

**Resolution of
Soda Creek Condominium Association Inc.
Regarding Capital Contributions**

WHEREAS, The Soda Creek Condominium Association (“Association”) is a Colorado corporation duly organized and existing under the laws of the State of Colorado, and

WHEREAS, the members desire that the Association shall act in full accordance with the rules and regulations of the Internal Revenue Service (“IRS”);

NOW, THEREFORE, the members hereby adopt the following resolution by and on behalf of the Association:

RESOLVED, that amounts collected by or paid to the Association for capital replacement purposes for the fiscal year ended December 31, 2017 shall be set aside for future major repairs and replacements and allocated to capital components as provided by the guidelines established by section 118 of the Internal Revenue Code and IRS Revenue Rulings 75-370 and 75-371. Such amounts shall be deposited into a separate account. Any amounts so added to replacement funds shall be allocated to the various components at the discretion of the Board of Directors.

The resolution is adopted and made part of the minutes of the meeting of _____.

BY: _____

ATTESTED: _____

Resolution – Excess Operating Income 2019

**Resolution of
Soda Creek Condominium Association Inc.
Regarding Excess Income Applied Towards Subsequent Year's Expenditures**

WHEREAS, Soda Creek Condominium Association Inc. ("Association") is a Colorado corporation duly organized and existing under the laws of the State of Colorado, and

WHEREAS, the members desire that the Association shall act in full accordance with the rules and regulations of the Internal Revenue Service ("IRS");

NOW, THEREFORE, the members hereby adopt the following resolution by and on behalf of the Association:

RESOLVED, that excess membership income over membership expense collected by or paid to the Association for the fiscal year ended December 31, 2017 shall not be directly refunded to owners, but shall be applied against subsequent tax year member assessments as provided by IRS Revenue Ruling 70-604.

The resolution is adopted and made part of the minutes of the meeting of _____.

BY: _____

ATTESTED: _____

Monthly Assessments (Dues)

Applying 2018 Operating Surplus to 2019 Operations

Monthly Assessment NO increases for 2019

- \$355 per month.

Monthly Assessment allocations:

- Operating allocation:
 - \$215 per month – 60.6%
- Reserve allocation:
 - \$140 per month – 39.4%

Board Approved 2019 Operating Budget

	Historical Data						Current year data			2019 Proposed Budget
	Jan - Dec 12	Jan - Dec 13	Jan - Dec 14	Jan - Dec 15	Jan - Dec 16	Jan - Dec 17	Jan - Aug 18	Jan - Dec 18 Est Year End Results	2018 Budget	
Ordinary Income/Expense										
Income										
Association Dues	93,000.00	95,489.38	91,104.00	91,104.00	93,528.00	98,400.00	86,000.00	103,200.00	103,200.00	103,200.00
Dues Increase									0.00	0.00
Coin Revenue	2,085.64	2,026.50	2,132.01	2,008.90	1,404.62	1,954.25	527.63	1,100.00	0.00	0.00
Late Fees	40.00	75.00	0.00	75.00	(15.00)	88.66	0.00	0.00	0.00	0.00
Operating Interest	3.40	1.50	1.32	3.73	3.40	8.09	9.26	14.00	0.00	0.00
Total Income	95,129.04	97,592.38	93,237.33	93,191.63	94,921.02	100,451.00	86,536.89	104,314.00	103,200.00	103,200.00
Gross Profit	95,129.04	97,592.38	93,237.33	93,191.63	94,921.02	100,451.00	86,536.89	104,314.00	103,200.00	103,200.00
Expense										
*Administration										
Accounting & Legal	385.00	580.00	375.00	0.00	0.00	2,726.00	0.00	0.00	500.00	500.00
Insurance	6,493.00	4,917.67	7,141.83	5,702.40	8,798.10	8,205.00	5,742.00	9,000.00	10,600.00	10,600.00
Management Fee	13,677.00	14,832.00	8,386.00	7,800.00	7,800.00	8,050.20	6,900.00	8,280.00	8,280.00	8,280.00
Miscellaneous	123.26	60.00	42.88	37.81	147.00	244.21	23.15	150.00	150.00	150.00
Office Expense	111.11	434.11	674.31	708.04	817.78	965.85	613.73	800.00	800.00	800.00
Total *Administration	20,789.37	20,823.78	16,620.02	14,248.25	17,562.88	20,191.26	13,278.88	18,230.00	20,330.00	20,330.00
*Previous Year Overage/(Deficit)	(10,500.00)									
*Repair & Maintenance										
Roof Snow Removal	0.00	0.00	1,406.25	1,577.50	402.50	2,970.00	0.00	1,500.00	2,000.00	2,000.00
General Supplies	629.01	504.84	2,295.88	687.29	366.64	73.67	1.82	90.00	900.00	760.00
Landscape/Grounds Maintenance	3,587.06	1,185.00	1,291.32	1,115.97	1,786.14	1,114.03	1,204.30	1,250.00	1,200.00	1,300.00
General Building Maintenance	28,485.59	22,643.07	28,322.85	19,677.42	23,134.00	22,116.00	16,013.73	23,250.00	0.00	23,250.00
Total *Repair & Maintenance	32,701.66	24,332.91	33,316.30	23,058.18	25,689.28	26,273.70	17,219.85	26,090.00	4,100.00	27,310.00
*Utilities										
Gas & Electric	18,289.35	19,696.71	20,559.01	17,833.08	16,384.38	17,589.13	11,027.35	16,000.00	18,600.00	18,400.00
Sewer	17,424.00	17,424.00	17,424.00	17,424.00	17,424.00	17,424.00	13,068.00	17,424.00	17,424.00	17,424.00
Snow Removal	2,125.00	2,500.00	4,875.00	3,050.00	4,440.00	7,890.00	3,315.00	6,500.00	6,500.00	6,500.00
Trash Removal	4,644.00	4,694.00	5,443.00	3,602.00	3,264.00	3,426.00	2,610.00	3,500.00	3,600.00	3,600.00
Water	9,185.59	8,818.13	11,850.17	10,279.26	9,623.79	9,704.48	5,204.79	11,000.00	11,000.00	11,000.00
Total *Utilities	51,667.94	53,132.84	60,151.18	52,188.34	51,136.17	56,033.61	35,225.14	54,424.00	57,124.00	56,924.00
Total Expense	94,658.97	98,289.53	110,087.50	89,494.77	94,388.33	102,498.57	65,723.87	98,744.00	81,554.00	104,564.00
Net Ordinary Income	470.07	(697.15)	(16,850.17)	3,696.86	532.69	(2,047.57)	20,813.02	5,570.00	21,646.00	(1,364.00)

Board Approved 2019 Capital Budget

Reserve Dues	51,000.00	54,198.62	58,584.00	58,584.00	62,472.00	64,800.00	56,000.00	67,200.00	67,200.00	67,200.00
Reserve Interest	193.82	134.91	116.56	156.84	681.15	736.63	674.90	750.00	0.00	0.00
Closing Deposit	0.00	0.00	5,613.30	5,613.30	4,875.00	3,990.00	6,390.00	6,390.00	0.00	0.00
Total Other Income	51,193.82	54,333.53	64,313.86	64,354.14	68,028.15	69,526.63	63,064.90	74,340.00	67,200.00	67,200.00
Other Expense										
Reserve Expense										
Annual Improvement	3,140.55							0.00	0.00	0.00
Asphalt Sealing/Striping	250.00	7,840.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Asphalt	0.00	0.00	0.00	0.00	14,595.00	0.00	0.00	0.00	0.00	0.00
Boiler Replacement	(25,900.00)				29,660.00	0.00	0.00	0.00	12,000.00	0.00
Declarartion Changes							5,356.25	5,356.25		
Heat Exchange	0.00						0.00	0.00	0.00	0.00
Decks/Fences	5,150.00								19,000.00	0.00
Landscaping	5,630.00									
Building Painting		0.00	0.00	38,600.00	0.00	0.00	0.00	0.00	0.00	0.00
Contingency		7,830.00	0.00	2,500.00	18,646.00	0.00	0.00	0.00	0.00	5,000.00
Trsf Rsv Activity to Fund	62,923.27	38,663.53	0.00	0.00			0.00	0.00	0.00	0.00
Total Reserve Expense	51,193.82	54,333.53	0.00	41,100.00	62,901.00	0.00	5,356.25	5,356.25	31,000.00	5,000.00
Total Other Expense	51,193.82	54,333.53	0.00	41,100.00	62,901.00	0.00	5,356.25	5,356.25	31,000.00	5,000.00
Net Other Income	0.00	0.00	64,313.86	23,254.14	5,127.15	69,526.63	57,708.65	68,983.75	36,200.00	62,200.00

Reserve Fund Status

- Grew the Fund by \$75k in 2018;
- Anticipate growing the Fund by \$62k in 2019.
- Update Reserve Fund estimates after Declaration approval.

Election

Officer Terms

Janice Engel – term expires February 2019

Ashley Nettles – term expires February 2020

Nathan Nosari – term expires February 2021

Window Committee

Communications – Website

Volunteers?

Board Report

Rules and Regulations

- Members need to pick up after dogs.
- Dogs can not be on decks unattended and shall not relieve themselves while on the decks.
- No nightly rentals, all leases have to be at least 180 days.
 - All leases are required to be submitted to the HOA.
 - Members value that this community does not allow nightly rentals and the transient population.
- Noise, everyone has the right of a quiet right of enjoyment. This shall not be infringed upon. Noise includes loud music, television, and talking and heavy walking.
- Disposing of furniture, appliances, and other large items are not allowed in the dumpster... Take it to the landfill. Please notify us if you witness this.

- Reminders:
 - Move cars for plowing
 - If traveling, leave car by rice barn
 - Do not park in handicapped spots in front of each building

Unfinished Business

Signs

- Reflective Signs

Declarations

Original 2003

Timeline

1. Draft to Membership
2. Multiple Feedback Sessions
3. Vote – 67% approve

Potential Changes

- Bring HOA into State Compliance
- Quorum and Insurance Requirements
- Window Ownership
- Parking
- Pets
- Flooring
- Potential to create community storage

Property Manager's Report

Owner Forum

Adjournment

**SODA CREEK CONDOMINIUM ASSOCIATION
SPECIAL HOMEOWNER MEETING
June 27, 2019**

I. CALL MEETING TO ORDER

The Soda Creek Condominium Association Special Homeowner Meeting was called to order at 6:33 p.m. in the Dillon Town Hall.

Board Members Present Were:

Nathan Nosari, President, 497B
Ashley Nettles, 397E

Janice Engel, 435F

Owners Present (*via teleconference) Were:

Shirley Beaty, 435D
Wilbert Martinez, 435H
Michelle Nosari, 497B
Johanna Triguera, 395A
Lori Zick, 397A
Jennifer Prim, 497D
Wade Parkinson, 495B
Kreisor Hernandez, 395D

Walter Galdamez, 435G
Blanca Menendez, 395E
Stefanie Smiel, 395H
Raeann Kennedy, 397D
David Wagner, 495H
Sonata Ridevanaviclute & K. Griska, 435C
Sarah & Andrew Carney, 495D

Maris Davies of Altitude Law was present.

Representing Basic Property Management was Gary Nicholds. Erika Krainz of Summit Management Resources was recording secretary.

II. PROOF OF NOTICE OF MEETING

Notice of the meeting was sent to all owners.

III. GOVERNING DOCUMENTS DISCUSSION

Nathan Nosari reviewed the objectives of the meeting, which are to discuss why the Declarations need to be changed, the process, the key proposed changes and owner input. The governing documents are out of date (created in 2003), not legally compliant and are too rigid. The intent is to make the governing documents reflective of the community members' lifestyle and to provide flexibility as the needs change. There will be multiple meetings and communication channels (email, mail and verbal). Once there is an agreed upon draft, the amended Declarations will be presented to the owners for a vote on the document. Approval will require an affirmative vote of at least 67% of the membership (27 units). If more than 34% of the membership (17 units) rejects the amended document, the existing Declarations will remain in force. The vote will not be anonymous and there will be one vote per unit. The goal is to hold the vote in October.

Nathan reviewed the key changes to the Declarations:

1. Bring the Association into compliance with CCIOA and the Colorado Non-Profit Act.

2. Quorum for Annual General Meeting – transfer the requirement from the Declarations to the Bylaws Section 4.6 and change the 50% quorum requirement to 20%. Mr. Griska felt a 20% quorum was too low. It was noted that the highest attendance at the Annual Meeting has been 30% and there has not been a quorum since 2006. Maris Davies said a 20% quorum requirement is quite typical.
3. Insurance Requirements (Section 9.1) – change the coverage from “at conveyance” to “bare walls”. If the coverage would be left as “at conveyance” and there was a fire, the units would be rebuilt to 2003 standards. With “bare walls” coverage, the Association policy would include the drywall, subfloor and ceiling and the individual owner HO6 policy would be responsible for any upgrades.
4. Strengthen Short-Term Prohibition Language (Section 7.3) – There will be no change to the six-month minimum term for rentals.
5. Parking (Section 7.11) - transfers regulation from the Declarations to the Rules and Regulations to allow for flexibility. A new policy will be drafted once the Declarations changes are approved and the Board is authorized to do so.
6. Pets (Section 7.6) - The proposed draft still prohibits renters from having pets. This includes renters in owner-occupied units. A Pet Policy will be drafted to deal with other pet-related issues. The maximum will remain two dogs and one cat per unit.
7. Architectural Guidelines Approval (Section 8.8) – Changed to provide that if an owner submits an architectural request and the Board does not respond within 30 days, it is an automatic denial instead of an automatic approval to protect the Association.
8. Create Community Storage as a Potential Revenue Source (Section 7.12) - Provides for the possibility of garages within the Planned Unit Development setbacks, under deck storage and entryway storage.
9. Flooring (Section 7.4) – Changed to allow hardwood flooring in second floor units. There will be a policy to govern the type of material used and sound ratings.
10. Finances – Provides for loans and supplemental assessments (on one unit or a group of units) in Sections 6.11 and 6.5 and Assignment of Rents in Section 6.9 (if a delinquent owner is renting the unit and does not pay dues, the Association can collect the rent to pay the assessments).
11. Window Ownership (Section 4.4 and Exhibit B) – Currently the windows are an individual owner responsibility. This was changed to make windows an Association responsibility to ensure they are maintained and potential damage to the common element or other units is mitigated. The Association will have bulk purchasing power if all windows are replaced simultaneously. The Window Committee will be looking at options and provide a recommendation. The original windows are no longer code compliant. It may be possible to pay for a portion of the cost from Reserves and assess the remainder to the owners. The proposed declaration provides a loan option for capital projects, with includes window replacement.

Even if owners maintained ownership of the windows, the Board would have the authority to require replacement or do the work and assess the owner if there are leaks causing damage to the common element.

Owner comments addressed the following:

1. Smoking – The Board wants any regulations to be based on owner feedback. A rule or policy could be enacted to allow smoking only in units, on decks, 100’ from the

building or in a designated area. There have been complaints from owners about smoking on decks and in hallways and cigarette butts thrown on the ground. The only way to 100% ban smoking would be to include the prohibition in the Declarations, which is not being proposed. There is a nuisance provision in the Declarations that theoretically would cover the odor from smoke but it is difficult to enforce.

2. Pets – Many Associations restrict pets to owners only. The Colorado courts have not ruled on such a case yet but courts other states have ruled that it is not legal to create separate classes for tenants and owners. Owners can include a pet prohibition in their long-term leases and the risk is small that a tenant would choose to sue the Association. Maris Davies recommended keeping the restriction in the Declarations. A fine structure that has impact and is enforceable should be drafted to address violations.
3. Communication with Owners – Suggestions were made to communicate via conference calls, open houses or webinars. The information can be posted on the Association website, which is www.sodacreekcondos.org.
4. Valuation of Deed-Restricted Units - Jennifer Prim was in contact with Jason Dietz from the County. He is drafting a proposal to change the way the resale value is calculated so owners of deed-restricted units can realize a profit upon sale of the unit. Discussion groups may be formed.

Next steps:

1. Allow owners to review the revised Declarations over the next two weeks.
2. Schedule another informational session in mid-July.
3. Owners should send their input on the Declarations and policies to the Board.
4. There is an email address on the website that copies all Board members. Anonymous comments can be dropped off at Basic Property Management.
5. An owner requested as much advance notice as possible for any scheduled meetings.

IV. ADJOURNMENT

The meeting was adjourned at 8:14 p.m.