

**COPPER JUNCTION
ANNUAL HOMEOWNERS MEETING
SEPTEMBER 1, 2013**

MINUTES

1. **Call to Order.** The meeting was called to order at 9:30 a.m. by President George Hart. George introduced himself and asked owners to give their names and unit numbers. Phil Wells was introduced as the owner of Mountain Managers, the new financial management company for Copper Junction. Billy will remain as Building Manager.

George noted that the Declarations require 5 Board members, 3 elected by the Residential Members and 2 elected by the Commercial Members. George Hart, Ron Levin, and Ira Langenthal are the Board members for the residential and Susan Byers and Ryan Oliver are the commercial members.

2. **Affirmation of Attendance and Quorum.** 11 owners representing 8 units were in Attendance. In addition, 10 proxies were received. A quorum was established.

Also in attendance was Billy Krasowski, Building Manager for Copper Junction.

Representing Mountain Managers was Phil Wells.

3. **Operational Budget 2013/14.**

Several financial changes were discussed. Murray Bain has been hired to do a Reserve Study. The building will be evaluated and anticipated major capital expenses will be identified. What should be expected to be repaired and when will be determined. This will give the HOA a good planning tool for budgeting purposes and reserve funding requirements. The Reserve Study will help determine the amount that should go into reserves to, hopefully, prevent assessments. Once this is done, Mountain Managers will build a spread sheet showing anticipated capital expenses for each year for 10 years. This will be a working document that is updated annually. Items can be moved forward or back as needed. A project is not automatically done in the year listed but will be done when it's needed. Funding percentages and year end balances will be shown. The HOA is well funded at this time. Mountain Managers has not yet received all financial documents.

Dues payments will change from quarterly to monthly. Gaye will finish out the year as the HOA's accountant. She will be sending out bills for the previous quarter plus the month of October. If necessary, owners will be given the opportunity to pay over a 12 month period. Dues will then be collected in advance versus arrears. New dues amounts were included in the meeting packet and information on where to send dues payments will be sent to owners. There are several options available for owners for paying dues and these were noted in the welcome letter sent to owners in August. A copy of this letter/information will be included when minutes are sent to owners. Dues amounts were calculated on the square footages currently being used; not those listed in the Declaration. The current square footages have been used since 2002. It was noted that legally, the Declaration should be amended to reflect the new square footages. In Colorado, the Declaration is the primary governing document.

Owners asked if they could get a copy of the square footages. Ira stated that the HOA's attorney has a set of plans for the building but Mountain Managers does not. There are 2 important numbers – the square footage of units and the total square footage of the building. If a commercial space increases their square footage, an owner's unit will not change but the building square footage does.

Questions were asked on why the method of paying dues was being changed. It was explained that the arrears system was difficult for some owners to understand. Many owners didn't understand how the billings worked and what went into reserves. In addition, there are quite a lot of owners who would prefer to pay electronically. No system was set up for that but there will be one now.

The proposed operating budget for 2013-14 was reviewed. Going forward, more information will be provided to owners at meetings. This is the first budget Mountain Managers has prepared and while they had some numbers to work with they did not have copies of budgets from previous years. Future budgets will include a comparison between the current year and previous years.

For easier tracking purposes, common utilities (electric) are broken out from gas, and sewer and water. Gas is currently provided through X-cel but Mountain Managers has been asked to look into buying gas through Tiger Gas. Tiger Gas allows an HOA to lock in a rate for a set period of time.

Questions were asked on definitions of some of the line items. Once the transition to Mountain Managers is complete, monthly financials will be posted on the website. Copper Junction will have their own page on Mountain Managers website and will be able to review financials and see exactly where money was spent. Owners will be given a homeowner code to access the site once the site is fully set up.

4. **Old Business.**

- A. Previous year's minutes are typically approved at this time. Owners have not received copies and Mountain Managers did not have a copy. In the future, all meeting minutes will be posted on the website, sent to owners, and previous year's minutes will be included in the annual meeting packet. Ira had a copy of the minutes and this was passed around for owners to read. Approval of minutes was deferred until later in the meeting.
- B. Questions were asked on having a list of owners with all contact information available for owners. There will be an owners' list posted on the website, however, information listed is limited to what is a matter of public record (name, address, unit number) unless an owner gives specific permission for phone numbers, e-mails, etc. to be published. Many owners do not want their contact information published.
- C. Ira noted that the attorney has drafted up modifications to existing leases. The Board will approve and notify the 4 affected owners. Previous lease amounts were \$600 per year. That will now change to \$600 per year plus an escalation of 10% every 5 years. Whether or not the HOA can terminate a lease now in effect is being looked into and will be discussed at the next Board Meeting.

- D. Two owners have asked about buying/leasing common hallway space that goes to their units. The owner of 301 and 302 has a loft unit (301) with a very steep, narrow staircase. He has been unable to get an architect to give him a reasonable re-design and the owner is concerned that the existing staircase is hazardous. The owner would like to put a door/entry in the hallway that leads to 301 and 302 so he can expand enough to put in a stairway. 301/302 would then be turned into a 3 bedroom/loft unit. If approved, the owner must agree that if he sold in the future, the units would be sold as one unit – the owner could not sell 301 or 302 separately.

There are a couple of issues with this request that differ from other alterations that have been done before. Part of the hallway heating system runs through the area that would be blocked off and there is a window that provides light that would be blocked off. It was agreed that an architectural drawing would be needed that addresses the lighting, heating and actual construction before any decision can be made. The Board (acting as an Architectural Control Committee) can make this decision but did not want to proceed without getting owner input. George will go forward with the owner on this issue.

- E. There was a question on elevator security. The elevator used to be locked but is not at this time. It was explained that the elevator lock created significant issues for renters/guests. The Board looked at the problem and decided to unlock the elevator for this season and see if any security issues developed. None have been reported and rental companies have stated that it was much easier for renters to get to units. Lengthy discussion ensued about possible security issues with an unlocked elevator. Some owners felt that it could lead to unauthorized entry and theft. Others did not understand why renters had difficulty accessing the locked elevator. Apparently cards became demagnetized and would not work. Renters would then call someone for access and in some cases the owner received a \$100 invoice.

This led to a discussion on the possible new key system being looked at by Copper Mountain. It's unclear what they are going to do or if HOA's will go along with it. The new technology will not be compatible with any existing entry system. It's become evident that the new system is beneficial to Copper Mountain but not necessarily to owners, especially those who rent. There is a lot of dissatisfaction being expressed and hopefully, Copper will put in something that makes sense. If they do not, Copper Junction could do their own building separately. It would cost an estimated \$12,000 to \$15,000 to go to a KABA system. This is an extremely good system but no decision will be made until it is known what Copper is going to do.

A motion was made to leave the elevator unlocked. Additional discussion ensued before the motion was seconded. A vote was called for and passed with 11 in favor of leaving the elevator unlocked (including proxies) and 5 against.

It was resolved that the Board would review building security at each of their quarterly meetings. Billy will need to provide information on any issues that have occurred such as calls to security.

- F. Last year electric baseboard heaters were talked about versus the boiler system. It was explained that boiler life and efficiency will be looked at for the Reserve Study. That will let us know when the HOA will need to think about a new system. When that happens, other options can be considered to see if something will be better than the current system. Insulating the space between units was discussed. Insulating an older building can be prohibitively expensive. The best way to determine options is to have an engineering study down. Ira thought it would be a waste of money to consider insulation. He felt this would be a million dollar project and there are better ways to spend money. Nothing will be done until the Reserve Study has been completed. An engineering study (generally under \$2,000) can then be considered.

5. **New Business.**

- A. Amending the Declaration regarding percentage of ownership was discussed. It was noted that dues are paid based on revised square footage amounts but voting is done by the percentages listed in the Declaration. When patios were enclosed to save the HOA money on heat, square footage was reconfigured. This was done in the late 70's or early 80's. Each owner paid for his/her own patio enclosure. The area remains a Limited Common Element. Ira stated there were no disadvantage to leaving the Declaration as is. What was done had attorney approval and everything is documented and legal. Phil would like to meet with the attorney for clarification since Mountain Managers' attorney has stated that if a dues amount is disputed, the Declaration is the prevailing document. A meeting will be set up between George, Ira, Phil, and the attorney. This will be an agenda item for the next meeting.
- B. It was noted that several things have been done that are not in compliance with CCIOA. The HOA needs to decide whether or not they intend to follow CCIOA. A motion was made, seconded, and passed unanimously to follow CCIOA.
- C. Ira stated that Gaye has been handling the financial aspects for Copper Junction for 35 years. She will be finishing up the year but will be done in October. He asked the membership to approve a bonus for all her years of service. Discussion ensued on the amount that should be given. A motion was made to give Gaye the amount of her yearly income from Copper Junction (\$5,400) as a bonus. The motion was seconded and passed.
- D. Owners had the opportunity to read last year's minutes. A motion was made to waive reading of the minutes; the motion was seconded and passed. A motion was made to approve last year's annual meeting minutes; the motion was seconded and passes.

- E. There has been some talk about changing the annual meeting date to a different time of year. There are owners who feel Labor Day weekend isn't a good choice for attendance. It was suggested that mid June during the Frisco BBQ might be an alternative. A motion was made to change the annual meeting from September to June. The motion was seconded and additional discussion took place. It was noted that owners driving a long distance prefer a long weekend. A 3 day weekend also allows time for family activities. In addition, there are other meetings being held over Labor Day weekend that some owners want to attend. With so many owners living out of state, it may not make much difference when the meeting is held. A vote was called for the motion on the floor. The motion failed and the annual meeting will remain in September on Labor Day Weekend. The next HOA meeting will be held at Mountain Managers. Conference calling will be available for owners who are unable to attend in person.
- E. The restaurant renovation was brought up. It was noted that asbestos has been mitigated. One unit shares a wall with the kitchen and finds that it gets pretty noisy at times. The Board has not seen any plans, goals for the renovation. It was noted that the renovation is being done by a very professional person. All Towns have a noise ordinance. From what has been heard, it will be much quieter after the renovation is done.
6. **Election of Officers.** There was one vacancy on the Board (residential) for a 3 year term. The Board is on a 3 year rotation so not all terms expire at the same time. George's term will expire next year and Ron's the year after. Ira's term was up this year and he agreed to run for re-election. Nominations were open and Ira and Bev Levine were nominated. With 2 nominees for 1 position, elections took place by written ballot. After ballots were counted, Bev was elected to the Board for a 3 year term. It was noted that commercial proxies were not counted since this was a residential board position.
- Ira has served for 20 years and a motion was made for the HOA to pay his dues for the coming year in appreciation for his time and service. The motion was seconded and a vote was called. The motion passed unanimously. Ira was thanked for all he has done. He has a great deal of building knowledge and his experience has been an asset to the Board.
7. **Adjournment.** There being no further business, a motion was made, seconded, and passed to adjourn the meeting at 12:36 p.m.

Respectfully submitted:

Judy Freese, Recording Secretary (minutes prepared from a tape recording of the meeting.)

APPROVED:

Approved for distribution at the 1/14/14 Board meeting

George Hart, President