

**Sunridge at Avon
DBA LiftView Condominiums
Homeowner Association Annual Meeting
Thursday, August 5, 2015 6:00pm
LiftView Picnic Area**

Roll Call

- Owners present sign-in
- Inspection and Verification of Proxies

Quorum

- Verification - 23 people, 31 proxies

Welcome by Board President

Introduction of Board Members

HOA Q&A with Attorney David Firman

Discussion regarding Master Association Policies. **Most around the country have lost 40% of their premiums** and are therefore increasing premiums and deductibles. Result is that the insurance burden is being pushed to individual owners. This allows owners to determine the level of coverage they want. Our Association Declaration was written on a negligence based standard. Common example: roof leak. Association maintains the roof. There is no negligence on the part of the association. The roof just leaked. Interior damage caused to the unit will fall to individual owner to repair, unless owner can show that the association acted negligently. The association does insure *portions* of interior of unit. Drywall, subfloor, insulation, utilities...until they enter the unit. These are insured by association, absent deductible. Individual owner pays the deductible (\$10K). Another example: washer overflows. No negligence. Damage to the unit and the unit below. Damage will be allocated to a percentage for each unit. Let's say unit with washer overflow has 40% damage and unit below has 60% damage. Deductible will be allocated to percentage of damage. Unit above 40%, unit below 60%. Intended to ensure each individual owner has control over their own policy. Next example: Owner negligence. Sink overflowed. Owner crammed t-shirts into it. Entire loss and deductible will be paid by the individual owner. If owner is negligent, the first loss is all on owner. If it happens a 2nd time and the association did not take reasonable action it's the association responsibility. This is why it is necessary for the association to be involved with all repairs.

In the state of CO, each individual owner in the community is named on the Association Insurance policy. That's why the owner pays the deductible. Your own insurance will make you a rider. It is very important to take the Association Declaration and Insurance Policy to your personal insurance and have them fill in the gaps. Your policy should dovetail into the association policy. Difference in cost to you should be about \$5 per year. Check to be sure you have a policy in place that will cover the deductible piece. Read articles 4 and 5 for clarification.

Minutes from August 8, 2014 Annual Meeting

- Reading and Approval. Question: page 1 regarding question about gutters. Says *Many are not drip down deck or down stucco*. Remove the word not add dripping. Should read *Many are*

dripping down deck or down stucco. Also correct date at the top. August 7, 2014. Motion to approve: Christina. 2nd: Shannon. All in favor. **Motion passes.**

Treasurer's Report

- Review of final 2014/2015 fiscal year: Water & Sewer up 9.8% last year on January 1 before we had the budget figured out. Previous years water has gone up only up 3%. So we were over budget on that. Water meters are one way to cushion that impact of the \$7K overage. Chimney inspections: \$4K expense also incurred.
- Accounts Receivable: Looks excellent. Only 2 issues and both have been addressed through our collections process. You can view this on the LiftView website. It's all based on SB100.
- Review of the current operating budget: Having a difficult time due to fireplace project. We are \$1K or \$2K over budget without the fireplace project. The overage will be offset through the potential special assessment. We have still managed to continue with maintenance and repairs (but at a minimal level) in order to keep things protected and maintained throughout our property.
- Presentation of preliminary 2015/16 budget: Distributed in packet given to owners present. Notes to the side show changes from last year. Association is currently funding the cost of water meters. Over 18 month period, we will pay back the approximate \$300/unit that it cost to purchase and install meters by giving a credit on owner statements. After 18 months the credit will go away and flat dues will be in place. After this year, total operating assessments will go down approximately \$123K. Electrical bill went down approximately 20%. **Motion to approve** Joe. 2nd Phil. All in favor. **Motion passes.**

Manager's Report

- Projects completed:
 - all lights upgraded to LED: all changed over 15-18 year lights.
 - water meters installed: will allow us to budget more consistently. Owners can decide if they wish to bill tenants monthly or quarterly. Water cost is 2.1 cents per gallon. Question regarding billing: Owners will be billed only for the water you use in your unit. Takes effect October 1. Your January 1 statement will include the first real bill. You will see a credit for water already paid for *and* an actual charge for your usage. Average usage is \$3K / month for 2 bedroom unit. A mock bill will be sent over the next couple months to allow you to see your usage. The water meters will also allow HOA to know if there are any water leaks.
 - replaced D108 kitchen drain: pipe had crack on bottom. Excavating the concrete made it challenging. Also replaced the piping. We are working on a plan to replace first floor pipes on a schedule of about 1 per year. Annual inspection and drain inspection will be paired with fireplace inspection this fall. Question: is there a general trend for drain cracks? Jeff thinks we are at end of the trend. We see maybe 1 back up / year since we started the drain cleaning program.
- Remaining 2015 projects
 - fireplace restoration: 22 units left to complete. Very complicated project. Most all owners have been so cooperative and patient. Thank you everyone! When completed, everyone will have *safe* and *compliant* fireplace. Current cost is at \$712/unit. We are hoping it goes down before we are finished. After we are finished, Town of Avon will inspect and each fireplace and we will be ready to go. All units will have safety information placed inside during the annual inspection.
 - power wash buildings: finished today.
 - paint entry ways: minor painting before winter.
 - stucco repairs: minor repairs before winter.

- deck repairs: at least 3 need repairs. They are leaking and causing potential damage to support beams and units below. Each owner is responsible for repair but the HOA needs to oversee it (see conversation in HOA Q&A above). Almost every top floor owner will at some point need to replace their deck. Take care to keep water, ice and snow off deck. Problem arises where deck goes into the stucco. When the decks were built, there was no mitigation to keep water out of the wall. *Owners need to work with association if they plan to repair the decks themselves.*

Board Member Elections

- Terms expiring - Linda Wells and Joe Hepler. Vote to continue: Yes Linda. Yes Joe.
- Election of board members - Susan Overton A309 interested in 3 year position. Unopposed. Thank you Susan!

Old Business

- Plumbing - replaced D108 kitchen drain. Will evaluate exterior repair in the fall.
- Water Meters - all installed.
- Lights - replaced all hallway and parking lights.
- Other

New Business

- Fireplace project special assessment discussion and vote: Board has evaluated and suggested \$500/unit assessment. In order to deny, 51% of all voting members need to say no. Still have 2 more weeks to vote. Anything over \$500, 2/3 of all owners need to approve. It is extremely difficult to get that many votes. The assessment will replenish our reserves. If it was voted down, reserves would be seriously low. This would put FHA approval at risk. Payments for the assessment will be over 6 months: \$250 per quarter. Amount will be due at end of the quarter, not at beginning of quarter like the rest of the dues.
Poll: would owners present prefer assessments or dues increases in the future? Owners present prefer assessments moving forward.

Open Forum: *Question when can we use fireplaces? Last week in August they will be inspected by Fireless Chimney for cracks in refractory panels and the glass. Following that, the Town of Avon will release them. Should have complete release to use them in early September.*

Q: Garages? This has been on hold due to fireplace project. Still there. Money is required to even study garages. They are still an option, just have been delayed due to time and cost of the fireplace issue this year.

E102 owner. Recent sewer back up. Owner commented that Jeff was outstanding during process. Said we caught it relatively early. Cost about \$15K. He did not have the correct insurance and water and sewer rider. Also need the gap insurance. They need to contact our insurance agent and compare policies. *He stressed that owners should make sure they are covered where the association responsibility stops and yours starts.* Thank you very much for sharing your story for the benefit of other owners.

Date of Next Annual Meeting

- Date for 2016 Annual Meeting: Thursday, August 11, 2016. 6pm.

Adjournment: **Motion to adjourn:** Shannon. 2nd John. All in favor. **Motion passes.** Meeting adjourned 7:50pm.