



# **The Buttes Condominium Association**



**Annual Homeowners Meeting  
&  
Semi-Annual Board of Directors Meeting  
Friday July 17, 2020  
9 AM MDST  
Crested Mtn. Village  
Rustler Gulch Conference Room**



**PO Box 1012**

**Crested Butte, CO 81224**



## AGENDA

The Buttes Condominium Association  
Annual Homeowners Meeting  
Friday, July 17, 2020  
9:00 A.M. MDST

- 9:05- 9:15 I. Roll Call & Proxy Notification
- 9:15 II. Proof of Meeting Notice
- 9:15-9:20 III. Reading and Approval of Minutes of Previous Annual Owner Meeting
- July 19, 2019
- 9:20-9:30 IV. Report of President or Officers
- 9:30-9:45 V. Report of Managing Agent
- 9:45-10:10 VI. Unfinished Business
- 10:10-11:15 VII. New Business
- Ratify the actions of the Board of Directors in past year
- VIII. Election of Directors
- Election of two Directors for the terms expiring 2020  
John Seybold  
Peter Andrews
- 11:15-11:30 IX. Unscheduled Business
- 11:30-11:45 X. Set date of 2021 Annual Meeting
- 12:00 XI. Adjournment

The semi-annual Buttes Association Board of Directors meeting will immediately follow the annual owners meeting.

## **AGENDA**

The Buttes Condominium Association  
Semi-Annual Board of Directors Meeting  
Friday, July 17, 2020  
Immediately following the Owners Meeting

- I. Roll Call
- II. Reading and Approval of Minutes of Previous Meeting
  - July 19, 2019
  - February 7, 2020
- III. Report of President or Officers
- IV. Report of Managing Agent
- V. Election of Officers
  - BOD members coming up for retirement
    - Jim McGill, 2021
    - Jeff Campbell, 2021
    - Tom Raschella, 2022
- VI. Unfinished Business
  - Capital Projects:
    - Exterior Handrails, Stringers & Stairs
    - Exterior Light Fixtures
    - Asphalt Sealcoating
- VII. New Business
  - Acceptance of June 30, 2020 Financial Statements
  - Ratify Actions of Managing Agent(s) in Past Year
  - Set Date of the Next Meeting
- VIII. Adjournment

P.O. Box 2904  
Crested Butte  
CO, 81224

# THE BUTTES

Condominium Owners Association

NOTICE  
OF THE ANNUAL HOMEOWNERS MEETING  
& SEMI-ANNUAL BOARD OF DIRECTORS MEETING

You are hereby notified that the Annual Owners Meeting of the Buttes Condominium Owners Association will be held on **Friday, July 17th, 2020 at 9:00 am mdst**, in the Crested Mountain Village Conference Center, Rustler Gulch Room, Mt. Crested Butte, Colorado, to conduct such business as may come before the Annual Meeting. The semi-Annual Board of Directors Meeting will immediately follow the Annual Owners Meeting.

**Please complete the following form and return it for receipt by July 11th to: The Buttes Condominium Owners Association, P.O. Box 2904, Crested Butte, CO 81224.** You may also e-mail your proxy by copying the appointment language below to an e-mail, assigning your proxy to an individual who will be in attendance at the meeting in Crested Butte and sending to: [info@mountainhm.com](mailto:info@mountainhm.com). Please include "Buttes Proxy" in the subject line.

**If you are unable to attend the meeting in person, please be certain that the person that you name as your proxy will be attending the meeting.** If you cannot attend, assigning your proxy will enable the association to hold an officially recorded meeting and conduct business. You may direct how your proxy should be voted.

Copies of the annual meeting book information, including agenda, manager's report and financial statements, will be available via the Buttes website at: [www.butescondo.com](http://www.butescondo.com) by July 13th. Paper copies of the meeting information will be available at the annual meeting. Two Board member terms are up for election at the meeting. Any interested owners can submit a letter of interest by July 8th.

If you cannot attend in person, you are invited to "attend" the meeting via conference call. However, the association governing documents do not allow for voting or representation via telephone. Therefore, you must assign a voting proxy to someone who will be physically at the meeting in Crested Butte. You may direct your attending proxy how to vote for any vote during the meeting, but your proxy holder must be present at the meeting. The conference call has been arranged with a new call provider, [FreeConferenceCalling.com](http://FreeConferenceCalling.com), which will allow us to record and visually see who is logged in to the call. Normal long-distance charges will apply to each caller.

The call instructions are:  
At 9:00am Mountain Daylight Savings Time on Friday, July 17, 2020  
Dial: 1-503-300-6877  
Conference Code: 452109  
Please record your name and announce that you have joined the call.  
Please do not call from a speaker phone or cell phone if possible.

.....  
PLEASE COMPLETE AND RETURN  
.....

\_\_\_\_ YES, I will be attending the Buttes Condominium Owners Association Annual Meeting in person.

Name: \_\_\_\_\_ Unit(s): \_\_\_\_\_  
Printed Name

\_\_\_\_ NO, I will not be able to attend the Buttes Condominium Owners Association Annual Meeting and I have named below my proxy, who will be in attendance at the meeting and to vote for me in the matters to come before the Buttes Condominium Owners Association Annual Owners Meeting to be held on July 17, 2020 at 9:00 a.m.

I, the undersigned \_\_\_\_\_ Owner of unit \_\_\_\_\_

**Hereby appoint [PLEASE MARK ONE OF THE BELOW OPTIONS TO BE YOUR PROXY:]**

- The Buttes Homeowners Association Board of Directors
- \_\_\_\_\_ (Please print the name of your proxy if you select this option)

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

.....  
THE BUTTES CONDOMINIUM OWNERS ASSOCIATION BOARD OF DIRECTORS:

	<u>Term Expires</u>
John Seybold, President	July 2020
Jim McGill, Vice President	July 2021
Jeff Campbell, Sec./Treasurer	July 2021
Peter Andrews, Director	July 2020
Tom Raschella, Director	July 2022

## The Buttes Condominium Owners Association Owner Contact List June 2020

Unit	Owner(s)	Owner Address	Main Email
B501	James C. McGill Living Trust	2121 South Yorktown, Suite 1103, Tulsa, OK 74114	jim@ediche.com
B502	Hartson-McFarland LLC	4 Doverwood, San Antonio, TX 78248	rhartson@earthlink.net
B503	Jeff Goldberg & Livia Markoozy	1909 Edgewater Dr., Plano, TX 75075	jeffrey@goldmark.org
B504	John & Mary Seybold	660 CR 340, Parachute, CO 81635	jseybold@willowwisp.net
B505	Mike & Maja Ivanetic	8940 Savannah Park, Orlando, FL 32819-4432	M18940@aol.com
B506	Frederick & Amy Funke	931 Inca Parkway, Boulder, CO 80303	funke@twitter.com
B507	Lloyd Banta	PO Box 576, Lyons, CO 80540	banta_property@yahoo.com
B508	Richard & Lynn Zellmann	13755 Hildenshire PL, Colorado Springs, CO 80908	zellmann.richard@gmail.com
B509	Mark Snoddy	275 Junction Trak, Roswell, GA 30075-3020	marksnoddyjr@att.net
B510	Ben & Emily Greenwood	4679 Ingram CT, Boulder, CO 80305	greenwer@colorado.edu
B511	Don & Judy Garrett	1300 Brookside Dr., Norman, OK 73072	dgarrettmd@sbcglobal.net
B512	Paul & Jennifer Pierson	6960 Tokalon, Dallas, TX 75214	jkpierson1969@yahoo.com
B513	Andy & Cheryl Ewart	7 Smith Farm Rd., Stratham, NH 03885	asewart@comcast.net
B514	Campbell Family	16706 Carson Way, Broomfield, CO 80023	jamkagroupllc@gmail.com
B515	Gene Sherman	2430 Harvard Street, Sacramento, CA 95815	gsherpb@yahoo.com
B516	Caleb & Charity Sevian	3851 Sunshine Canyon Dr., Boulder, CO 80302	CSevian@w3llc.com
B517	Tom & Sue Raschella	13710 NE 26th Pl, Bellevue, WA 98005	tomraschella@gmail.com
B518	Rafe & Lois Gibson	1009 Quail Rd., Southlake, TX 76092	rgibson@decocreteinc.com
B519	Matthew Barker	8965 North AWL Road, Parker, CO 80138	barkermfb@msn.com
B520	Peter & Christine Andrews	16 Fernhurst Farmington, CT 06032	pandrews@andrewsagency.net
B521	Stock Real Estate LLC	20 S. 10th St., Kansas City, KS 66102-5514	stock.dustin@gmail.com

THE BUTTES CONDOMINIUM ASSOCIATION  
ANNUAL OWNERS MEETING MINUTES  
July 19, 2019  
9:00 AM

Owners Present: John Seybold  
Matt Barker  
Emily Greenwood  
Jeffrey Goldberg  
Richard & Lynn Zellmann

Owners Present by Telephone: Tom Raschella  
Amy Funke  
Jeff Campbell  
Sharon Stone  
Andy Ewart

Management Company Present: Reed Meredith, Evergreen Management Inc.

Member Represented	Unit
Jim McGill (proxy Seybold)	501
Reid Hartson ( proxy Seybold)	502
John & Mary Seybold	504
Jeffrey Goldberg	503
Fred Funke (proxy Board)	506
Zellmann	508
Greenwood	510
Don & Judy Garrett (proxy Seybold)	511
Jennifer Pierson (proxy Seybold)	512
Ewart ( proxy Board)	513
Campbell (proxy Seybold)	514
Tom & Sue Raschella ( proxy Board)	517
Matt & Sandra Barker	519
Peter Andrews (proxy Seybold)	520
Winquist / Stone (by proxy McGill)	521
TOTAL REPRESENTATION	15

A quorum was established with 15 of 21 members present, and 75.93 % of ownership represented in person or by proxy. The meeting was called to order by association president John Seybold at 9:02am.

The following motion was made and seconded:

MOTION: To approve the previous minutes from the July 20, 2018 homeowners meeting as written.

Vote: Unanimous Approval.

Association president John Seybold welcomed everyone to the meeting and briefly reported on the completion of the Hot Tub & Patio project. Seybold complimented Evergreen Management on their persistence in completing the project despite multiple obstacles. He stated that the hot tub patio & grill area are a significant upgrade and will increase Buttes property values.

Reed Meredith presented the Manager's Report at this time as follows:

New Teocalli Lift Installation: CBMR has removed the old Teocalli and Twister chairlifts earlier this spring. The Teocalli Lift will be replaced with a fixed grip quad chair and re-aligned so that the top of the lift is at the top of the Red Lady Chairlift. The Twister Lift will not be replaced.

Employee Housing Issue: The recent "success" of Vail Resorts has added to the sale of real estate in the area. Many homes and condominiums that were previously available as long term rental housing for locals have now become second homes and VRBO's. You will notice almost every business in town has a "Help Wanted" sign in the window. The proposal to build affordable housing apartments in the Brush Creek area has hit multiple setbacks and objections by the surrounding neighborhoods.

Adaptive Sports Center Opens: The Crested Butte Adaptive Sports Center is complete and opened on July 2<sup>nd</sup>. The \$14M Kelsey Wright Building at the base of the slopes is a beautiful building that features long term ski lockers for rent, housing for visiting client families, and the full array of outdoor activities for our physically challenged guests.

Buttes Insurance Site Audit: Evergreen Properties met with the Farmer's Insurance underwriter earlier this spring to inspect the exterior of the Buttes buildings and grounds for possible liability issues. We are pleased to report that our efforts to minimize

liability, particularly with regard to the exterior hot tub, have paid off. The Farmer's representative was impressed with fenced security of the hot tub and the nightly locked closure. His report indicated that no additional measures were necessary.

## MAINTENANCE REPORT

Evergreen Properties works continually to address the maintenance and landscaping needs of the Buttes Association exterior. Among the many services that we provide are the Daily, Weekly, and Monthly projects that follow:

Daily:

- Daily walk of the property
- Vacant unit inspections during freeze threats
- Lighting and security inspections
- Maintenance and Security of the Hot Tub and Deck area
- Hot Tub Water Testing and Chemical Balance
- Exterior property inspection and trash pick-up
- Parking lot patrol and enforcement
- Watering of lawn area, flower baskets, and garden areas
- Snow Removal - stairway, walkway, and parking clearing
- On site- 24hour response to late night emergency maintenance calls

Weekly:

- Exterior lighting replacement
- Landscaping and Lawn maintenance
- Flower, Tree, and Shrub maintenance
- Dumpster and Trash pick-up coordination
- Meetings with various contractors working on Buttes Units

In addition to the routine maintenance noted above we have completed the following projects:

- ❖ Garden & Lawn Clean Up and Maintenance: A very late spring delayed our landscaping efforts as the heavy spring snowstorms continued through May and even into June.

### Completed / In Progress Projects:

- ❖ Annual Flower Arrangements: Eight colorful hanging flower basket arrangements have been placed around the Buttes complex walkways and are maintained on a daily basis.
- ❖ Exterior Handrail Painting: We are in the process of completing the annual repainting of the handrails. Postponement of the metal railing project has necessitated that we re-paint and re-secure the handrails in an effort to make them last another year.
- ❖ Completion of New Hot Tub Patio and Commercial Hot Tub: Evergreen Properties is pleased to announce that the project is complete! The new commercial hot tub and concrete patio looks great and provides a first class amenity for the Buttes. We persevered through multiple setbacks and problems to push this project to completion. Some of the issues we encountered included:
  - Continued collapse of excavation site due to hillside drainage
  - Discovery of unknown and unmarked utilities
  - 3 re-designs of the site plan in order to avoid disturbing utilities
  - Delays in pouring concrete due to weather and contractor ( final pour was December 15<sup>th</sup>)
  - Multiple issues regarding electrical requirements for commercial hot tub – other than the hotels, ours is the ONLY code compliant hot tub facility in Crested Butte!
  - Multiple utility line breaks including telephone and cable
  -
- ❖ Completion of New Grill & Seating area: At final grading of the hot tub project, we designed a lower grill and seating area. Large boulders were installed to terrace the hillside and create a flat area. This new amenity separates the grill from the hot tub.

## FINANCIAL REPORT

The June 30, 2019 Balance Sheet shows total Assets of \$156,574.20, and total Liabilities of \$55,950.21. Accounts Receivable shows that 20 of 21 owners are current in their payment of dues at 6/30/18.

The June 30, 2019 Income Statement Compared to Budget shows that the total Expenses of the association for the first 7 months of the fiscal year were unfavorable to budget by \$318.03. Significant savings in the line items of Hot Tub Labor (\$3,280.00), Electricity ( 883.74) helped to offset the Snow Removal and Plowing overages which totaled \$6,414.75.

The Capital Expenditures for the year were over budget by \$20,169.08. This entire overage is due to the unforeseen costs of the hot tub deck project.

Reed Meredith went through the 5-year capital plan, informing the group that this plan is re-evaluated every year and projects are moved from year to year based upon need. The current forecast indicates that reserves should be sufficient to cover future repairs and replacements and the remainder of the "renovation" projects without the need for special assessment.

Matt Barker stated that he was disappointed that some of the "renovation project" items had been moved out to 20-21, particularly the handrails. Reed Meredith reported that this project had been delayed a year due to finances, and the possibility of re-thinking and expanding the project to include the stairs and stringers as well. Meredith is concerned that deterioration of the stairs in the future will necessitate removal of the "new" handrails. He suggested that the board look into a fabricated one-piece stringer/stair/handrail combo that could be installed on top of poured sonotubes, thereby replacing all components of the stairway at once. While this option would no doubt be more expensive, it would provide long term savings.

Jeff Campbell stated that the board will be looking at options and will certainly consider moving the handrail/stair project up if finances allow.

Richard Zellman began a discussion of the association insurance policy, indicating that the Board should look at the possibility of increasing coverages due to increased property values in Crested Butte. Reed Meredith noted that the current policy, which is a bare walls policy, has an automatic increase rider which increases the covered value by 6% annually. In addition, the entire policy amount of over \$5M is available for any one building. Meredith stated that it was important to differentiate "market value" of a unit with the actual cost of building. It was also pointed out that all owners are required to maintain an HO6 policy for the interior of their units and include a minimum of "building property" as well. The association insurance policy only covers the exterior of the building and up to the level of the unfinished interior. All interior finishes and furnishings are the responsibility for the unit owner's policy. All such policies must name the Buttes Association as an additional interest, so that the association receives notification of any policy cancellation. Please contact Reed Meredith if you need further information.

Election of Director:

Board member Tom Raschella's term expires at this meeting. Tom presented a letter of interest which was included in the annual meeting book.

The following motion was made and seconded:

MOTION: To elect Tom Raschella to a 3-year term on the Buttes Board of Directors, to expire at the 2022 Annual Meeting.

Vote: Unanimous Approval.

The following motion was made and seconded:

MOTION: The owners ratify and approve of the actions of the Butte Board of Directors in the past year.

Vote: Unanimous Approval.

The date of the next annual owners meeting was set as July 17, 2020 at 9am MDST.

There being no further business, the meeting was adjourned at 10:15am.

Respectfully Submitted:

Approved:

\_\_\_\_\_  
Reed Meredith, recording secretary

\_\_\_\_\_  
John Seybold, President



THE BUTTES CONDOMINIUM ASSOCIATION  
MEETING MINUTES OF THE  
BOARD OF DIRECTORS  
July 19, 2019  
Immediately following the owners meeting

Board members present: John Seybold

Present by Telephone: Tom Raschella  
Jeff Campbell

Evergreen Management Present: Reed Meredith

The meeting was called to order at 10:25am by President John Seybold with 3 of 5 board members present.

The following motion was made and seconded:

MOTION: To approve the Board meeting minutes of: July 20, 2018, Nov 9, 2018, February 5, 2019.

Vote: Unanimous Approval.

Jeff Campbell began a discussion of the Capital Reserve Plan. Campbell pointed out that the new capital plan is much more fiscally responsible by maintaining a higher reserve balance each year. He noted that in the previous plan, the reserves dropped well below \$10,000, which could easily be eliminated by excessive operating costs in a big snow year.

John Seybold added that it is likely that operating costs will continue to increase over the years and that at some point in the future a small regular assessment increase may be necessary to cover operating costs. Reed Meredith noted that the board has always directed management to structure costs so that dues remain constant, however, the last increase in dues was back in 2008. Evergreen Management has worked to contain operating costs as much as possible but increases in utilities, insurance, and service providers have increased operating costs 7% between 2008 and 2019.

Jeff Campbell asked if some of the funds budgeted for landscaping could be moved up into next summer, perhaps plating some new Aspen trees to replace the ones that have been removed. The board will discuss this at the winter budget meeting.

Reed Meredith began a discussion of how to landscape the terraced area between the hot tub and grill area. He does not recommend planting grass as there is no irrigation and it would be difficult to mow. He suggested landscape fabric with either brown mulch or decorative rock on top. The board directed that mulch was preferred.

#### Election of Officers

After discussion, the following motion was made and seconded:

MOTION: To re-elect the current slate of officers: John Seybold-President, Jim McGill -Vice President, and Jeff Campbell as Secretary Treasurer

Vote: Unanimous Approval.

The following motion was made and seconded:

MOTION: To accept and approve the June 30, 2019 financial statements as presented.

Vote: Unanimous Approval.

The following motion was made and seconded:

MOTION: The association hereby ratifies and approves the actions of the managing agent made on behalf of the Buttes Association, Evergreen Management Inc, in the past year.

Vote: Unanimous Approval.

Jeff Campbell began a discussion of paint chipping off of the wooden window frames. Reed Meredith noted that the units are responsible for the unit doors and windows, and that during the renovation project, all owners were afforded the opportunity to replace their windows with metal framed windows. Evergreen Properties has the paint colors and codes and can supply for those who wish to repaint their window frames.

Reed Meredith began a discussion of dogs on the property. He stated that many more owners and guests are bringing dogs to the property. He reminded the board that the association declarations only allow pets by unit owners, not guests. While this is the rule, it is difficult to enforce and many visiting guests are less considerate in picking up their dogs "mess". He asked the board if they would consider purchase and installation of a "poop bag" station. The board was in favor and also suggested that a letter be written to all owners reminding them of their responsibility to pick up after their dogs. Meredith stated that most of the "offenders" were presumed to be guest dogs.

There being no further business, the meeting was adjourned at 11:00am.

Respectfully Submitted:

Approved by:

\_\_\_\_\_  
Reed Meredith, Recording Secretary

\_\_\_\_\_  
John Seybold, President

THE BUTTES CONDOMINIUM ASSOCIATION  
MEETING MINUTES OF THE  
BOARD OF DIRECTORS  
TELEPHONE CONFERENCE CALL  
February 7, 2020  
11:00am MST

Directors Present by telephone: John Seybold  
Jeff Campbell  
Tom Raschella  
Peter Andrews

Mountain Home Management: William Laird  
Annalise Smith

Evergreen Management Present: Reed Meredith

President John Seybold called the meeting to order at 11:06 with 4 of 5 board members present by telephone.

The following motion was made and seconded:

MOTION: To waive the meeting notice requirement and approve the agenda.

Vote: Unanimous Approval.

The following motion was made and seconded:

MOTION: to approve the minutes of the July 19, 2019 board meeting as presented.

Vote: Unanimous Approval.

Reed Meredith of Evergreen Property Management presented the FYE 2019 Financial Statements at this time. The Balance Sheet at November 30, 2019 showed total assets of \$174,252.14 and total liabilities of \$49,107.00. The ending combined fund balance was \$125,145.14.

Reed Meredith stated the beginning fund balance at December 1, 2018 was \$188,223.31. Total income for the fiscal year was \$146,641.12. Meredith mentioned the other income line item of \$5,069 included a 20-year capital credit payment from GCEA. Meredith then summarized the association's expenses. He mentioned the electric, hot tub labor, and supplies were under budget because there was no hot tub for most of the year. Meredith stated insurance expense was \$340 over budget because insurance rates have gone up which is expected every year due to an automatic increase rider. Meredith mentioned last year was a big snow year and there were extra snow removal costs which put the association over in plowing by \$2,456.50 and shoveling by \$3,943.88. Supplies are over budget by about \$1,000 because of the hanging baskets purchased to hang during the summertime. Water and Sanitation costs have gone through several increases in the last year and half. Meredith mentioned this expense is beyond the association's control. Meredith summarized that total operating expenses were \$107,732.18 on a budget of \$109,988 resulting in being under budget by \$2,255.82.

Meredith mentioned the capital expenditures totaled \$101,987.11. This should not be a surprise because this is all related to the building of the hot tub, deck, and landscape area below. It went significantly over budget but there is now a nice amenity for the association. Meredith stated the everyone has enjoyed the hot tub and the feedback has been good. Total expenses were \$209,719.29 on a budget of \$192,488.00. The fund balance at November 30, 2019 was \$125,145.14 which was carried forward to the new fiscal year December 1, 2019.

The following motion was made and seconded:

MOTION: To approve the 2019 Fiscal Year-End Financial Statements as presented.

Vote: Unanimous Approval

Meredith noted things have been running smooth during this management transition. Billy Laird mentioned the routine maintenance is going well but addressed two water drain issues that have occurred at the Buttes. Laird mentioned that in December, there was a roof drain freeze above unit 510. Laird explained that upon initial investigation, it appeared the issue was coming from the roof but later discovered there was an air gap in the foundation close to unit 501 causing cold air to come in and freeze one of the main lines that the drain was tied in to. Laird stated he placed heaters in the crawlspace and sealed it off. Laird recommended revisiting this crawlspace in the spring to ensure everything is still sealed and insulated and to revisit other issues in that crawlspace that may need to be addressed. Meredith mentioned this was an involved repair because we are looking at an approximate \$5,000 hit when all is said and done. Meredith advised against an insurance claim since the expenses of the freeze would be right at the deductible, and the association should avoid insurance claims for marginal expenses in order to maintain insurability.

Laird addressed the other drain issue stating he received a call from the interior manager of unit 503, Peak Property Management, stating the unit had water overflowing from the bathroom sink and that they felt it was an association issue. Peak Property would not isolate the issue and left the unit prior to Mikey McAuley of Mountain Home Management's arrival where he discovered water coming out of the second-floor bathroom sink. McAuley stated it appeared the unit had been having ongoing plumbing issues as evidenced by multiple bottles of Draino under the bath sink. McAuley and Al Maunz of Al's Backhoe Service went down into the crawlspace and located the clogged drain where Maunz hotsied and unclogged the drain which contained mud, dirt and the smell of Draino. Al Maunz reported that the "clog" was located between the unit plumbing and the main line connection.

A conversation ensued regarding how these situations should be handled in the future. Laird believes this could be a personal homeowner situation since it appeared the drainpipe that was clogged was between the sink but before the pipe meets the main line. Meredith reviewed the Declarations which state "An owner shall maintain and keep the interior of his own unit in good taste and repair, including the fixtures thereof. All fixtures and equipment installed within the unit commencing at the point where the utility lines, pipes, wires, conduits or systems (which for brevity are hereafter referred to as "utilities") enter the unit shall be maintained and kept in repair by the owner thereof." Meredith stated the board has always used this as guidance and considered that if something happens between the owner line and before hitting the main line, the issue would be the owner's responsibility.

A discussion ensued about how the board and managing agent should set a policy and precedent for these situations should they occur in the future. The board discussed that if these issues arise due to the negligence of the interior property management company, it should not fall back on the association.

The following motion was made and seconded:

MOTION: To direct the managing agent to approach the homeowner of unit 503 and bill them directly for these repairs.

Vote: Unanimous Approval

The following motion was made and seconded:

MOTION: To direct management to draft an email to homeowners to remind them they are responsible for all utilities as listed in the declarations from the point at which they enter the unit to the point in which they meet the common lines.

Vote: Unanimous Approval

Reed Meredith presented the proposed 2020 budget. Meredith stated the total income budgeted for the year is \$141,104.96. Meredith went through the proposed expenses. Meredith stated snow plowing and shoveling are budgeted higher in the upcoming year to reflect a 3-year average. Total operating expenses are \$114,440 and this increase is mainly attributable to snow plowing, shoveling and sanitation increases. Meredith mentioned Mt. Crested Butte Water & Sanitation keeps increasing their rates and he went to a meeting and mentioned associations are being unfairly charged because there are many units who don't use much water. The association is allotted 11,000 gallons per unit so the association is paying for more water than the association will use. Reed stated that unfortunately, there is no way around this. Mt. Crested Butte Water & Sanitation told Meredith they understand the reasoning and they will look into it on the next budget cycle. Meredith mentioned it would be wise to continue to ask the question.

The following motion was made and seconded:

MOTION: To approve proposed operating budget

Vote: Unanimous Approval

Meredith presented the financials and plan for capital expenditures. The proposed capital expenditures total \$50,875. Meredith stated the beginning reserve fund balance for FY 19-20 is \$125,145.00. \$2,500 is budgeted for sealing the parking lot and \$8,750 is budgeted for replacing the exterior light fixtures. These projects including management fees total \$12,375. Meredith stated renovation completion costs include \$38,500 for replacing all handrails on exterior handrails. The total of these capital expenditures is \$50,875.

Meredith mentioned there has been discussion of stringers and stairs along with the handrails as a part of a larger project. Meredith stated it may be a more long-term solution to replace them all at once. Meredith mentioned potentially using prefabricated handrails and stringers that could be installed over the existing railroad tie stringers. Meredith asked if there was interest from the board to replace all or if the board just wanted to replace handrails. The board stated their preference for doing the whole thing right at one time, but the board needs a hard cost before making a final decision. Meredith mentioned the railroad ties are deteriorating and all would need to be replaced at some point in the future. The Board asked to explore prefab over stairs and discussed options of splitting the project into phases. Meredith mentioned that financially, there would still be \$125,145 in capital in 2022 and that there are enough funds to do this project this year. Meredith mentioned looking at exterior light fixtures and stated the lights do still work so the board may forego replacing them if they choose. The board directed the managing agent to look into getting numbers for the stair repair as they take priority over replacing the exterior light fixtures. Laird will find the most long lasting, cost effective solution and get numbers together within the next couple of months.

The following motion was made and seconded:

MOTION: To have the manager explore and get numbers for the pre-fabricated stair/stringer/handrail project and report back to the board.

Vote: Unanimous Approval

A discussion ensued regarding the irrigation and landscaping. Reed advised not doing any landscaping work before irrigation. Reed mentioned an arborist has stated all the Aspen trees may need to come down at some point because they were planted too close to the buildings. Some of the trees may need to come down in the spring. The board stated the sooner trees are replaced, the better since they add aesthetic value to the property.

Meredith mentioned unscheduled business which includes turning over A/R, A/P and dues to Mountain Home Management. Meredith mentioned needing new signature cards which would remove Evergreen Properties and add Mountain Home Management. Meredith mentioned needing new signature cards. Meredith asked if the board wanted to have a member on the signature card. There is currently not a board member on the signature card, but Meredith stated that having a board member on the signature card would allow that board member to call the bank and check on accounts. The board decided Jeff Campbell should be on the signature card.

The following motion was made and seconded:

MOTION: To remove Evergreen Properties representatives Reed Meredith and Laura Meredith, and to add Mountain Home representatives William Laird and Annalise Smith as signers on all Buttes accounts. Board Member Jeff Campbell will also be added as a signer on the accounts.


Vote: Unanimous Approval.

The annual meeting is scheduled for July 17, 2020 at 9am.

There being no further business and the meeting was adjourned at 12:37 pm.



Annalise Smith, Recording Secretary

  
John Seybold, Buttes Assoc. President.



**Manager's Report  
for the  
Buttes Condominium Association**

**Maintenance Report**

**Completed Projects**

- Roof Leak: Back in January of 2020, the Butte's roof was leaking into unit 510's loft. Upon inspection, we found that the drain line was backed up and frozen down in the crawlspace where it enters the main sewer line. The cost of repairs totaled \$3,765.65.
- Water Meter: The Town of Mt. Crested Butte informed us the water meter was no longer giving readings. Tests were performed by running water which resulted in no registration of gallons used. The town mandated the association replace the water meter at a cost of \$1,520.00.
- Hot Tub: The hot tub is currently closed due to COVID-19.

**Lawn Maintenance**

- We have done a lawn cleanup of the walkways and gardens, repaired broken hose bibs, replaced broken sprinkler timers, and purchased flower baskets and flowers for the property. We are mowing and trimming weekly. All bushes and gardens are being watered every two to three days. We have spread fertilizer on the lawns, sprayed dandelions with Speedzone, removed tent caterpillar nests and re-mulched the hot tub area and around the stairs to try and stimulate grass growth.

**Capital Projects for Discussion**

- Sprinkler & Irrigation: Included in the capital forecast for 2022 but something we can start preparing for or something that may take precedence over some other items.
- Aspen Trees: Reed informed the Board at the February 7<sup>th</sup>, 2020 board meeting an arborist stated all the aspen trees may need to come down at some point because they were planted too close to the buildings. We do not see this as an issue yet, but we will keep monitoring them.

- Railings: On the capital forecast for 2020. This is an extensive project. We have brought some steel contractors and we have a couple of options, but we need to come up with a concrete plan for how these can be replaced. Until then, we cannot get a real budget put together. We will be shoring up existing railings to get us through until next summer.
- Exterior Light Fixtures: The Board mentioned at the February 7<sup>th</sup>, 2020 board meeting the handrails should take preference over replacing the light fixtures.
- Sealcoat Parking Lot: On the capital forecast for FY 19-20. Not urgent and can possibly put off another year.
- New Gas Grill: Not urgent
- Replace Hot Tub Cover: Not urgent

### **Short-Term Rentals**

We would just like to make sure everyone is clear on the new short-term renting regulations for Mt. Crested Butte including their inspections, what you need for inspections, parking, fire extinguishers, etc.

### **Management Responsibilities**

Property managers are responsible for everything inside of the exterior walls. We as HOA managers are responsible for everything outside of those walls and all common areas and elements. Your property manager should be thoroughly checking your unit and we should all be working together to maintain all units to preserve longevity of the buildings.

### **Financial Report**

The June 30, 2020 balance sheet shows total assets of \$177,483.75 and total liabilities of \$40,694.34. Accounts receivable at 6/30/20 shows 20 of 21 owners were current in their payment of dues. As of July 10, 2020, 21 out of 21 owners are current on their first and second quarter dues.

The June 30, 2020 income statement compared to budget shows that the total expenses of the association for the first seven months of the fiscal year were favorable to the budget by \$2,434.07. Most expense line items are under budget which helps offset the overage we will see for Water & San whose rates have raised from \$1,880.76 to \$2,095.59 per month.

**The Buttes Condominium Owners Association**  
**Balance Sheet**  
As of June 30, 2020

	<b>Jun 30, 20</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
Community Banks - Cap Reserve	\$ 159,504.12
Community Banks - Operating	\$ 7,839.58
<b>Total Checking/Savings</b>	\$ 167,343.70
<b>Accounts Receivable</b>	
A/R - Owners	\$ 3,311.05
<b>Total Accounts Receivable</b>	\$ 3,311.05
<b>Total Current Assets</b>	\$ 170,654.75
<b>Other Assets</b>	
Prepaid Insurance	\$ 6,829.00
<b>Total Other Assets</b>	\$ 6,829.00
<b>TOTAL ASSETS</b>	<b>\$ 177,483.75</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
Accounts Payable	\$ 6,713.13
<b>Total Accounts Payable</b>	\$ 6,713.13
<b>Total Current Liabilities</b>	\$ 6,713.13
<b>Long Term Liabilities</b>	
Refundable Working Capital	\$ 33,981.21
<b>Total Long Term Liabilities</b>	\$ 33,981.21
<b>Total Liabilities</b>	\$ 40,694.34
<b>Equity</b>	
Opening Bal Equity	\$ 125,145.14
Net Income @ 6/30/20	\$ 11,644.27
<b>Total Equity</b>	\$ 136,789.41
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$ 177,483.75</b>

**The Buttes Condominium Owners Association**  
**Profit Loss Budget vs. Actual**  
December 2019 through June 2020

	<b>ACTUALS</b> Dec. 2019 - June 2020	<b>BUDGET</b> Dec. 2019- June 2020	<b>\$ VARIANCE</b> Dec. 2019- June 2020
Beginning Fund Balance @ 12/1/19	\$125,145.14	\$125,145.14	
<b>Income</b>			
Assessments - Operating	\$66,698.31	\$66,698.31	\$0.00
Assessments - Restricted	\$15,413.67	\$15,413.67	\$0.00
Interest Income	\$493.57	\$141.44	\$352.13
Late Fees	\$0.00	\$33.33	-\$33.33
<b>Total Income</b>	<b>\$82,605.55</b>	<b>\$82,286.75</b>	<b>\$318.80</b>
<b>Expense</b>			
Audit & Tax Return	\$0.00	\$250.00	-\$250.00
Board of Directors Expense	\$0.00	\$50.00	-\$50.00
Contract Labor	\$3,200.10	\$3,200.00	\$0.10
Dues Discount	\$1,515.66	\$1,900.00	-\$384.34
Electric	\$1,263.15	\$1,811.60	-\$548.45
Hot Tub Labor	\$3,774.76	\$3,816.52	-\$41.76
Hot Tub Supplies	\$421.20	\$857.63	-\$436.43
Insurance	\$6,440.50	\$6,205.00	\$235.50
Landscaping	\$1,875.82	\$2,050.00	-\$174.18
Legal	\$0.00	\$250.00	-\$250.00
Maintenance Labor	\$2,950.03	\$3,151.95	-\$201.92
Management Fees	\$13,125.00	\$13,125.00	\$0.00
Miscellaneous	\$0.00	\$150.00	-\$150.00
Office Supplies / Postage	\$35.93	\$51.22	-\$15.29
Snow Plowing	\$4,639.64	\$5,000.00	-\$360.36
Snow Shoveling	\$13,148.83	\$13,000.00	\$148.83
Supplies	\$965.40	\$1,500.00	-\$534.60
Trash Removal	\$1,429.89	\$1,839.74	-\$409.85
Water & Sanitation	\$14,475.26	\$13,416.69	\$1,058.57
Website	\$180.11	\$250.00	-\$69.89
<b>Total Operating Expense</b>	<b>\$69,441.28</b>	<b>\$71,875.35</b>	<b>-\$2,434.07</b>
Capital Expenditures	\$1,520.00	\$25,437.50	-\$23,917.50
<b>Total Expenses</b>	<b>\$70,961.28</b>	<b>\$97,312.85</b>	<b>-\$26,351.57</b>
<b>Net Ordinary Income</b>	<b>\$11,644.27</b>	<b>-\$15,026.10</b>	<b>\$26,670.37</b>
<b>Net Income</b>	<b>\$11,644.27</b>	<b>-\$15,026.10</b>	<b>\$26,670.37</b>

**The Buttes Condominium Owners Association**  
**Approved**  
**FY 2019-2020 Budget**

	<b>Approved 2020</b>
<b>Beginning Fund Balance @ 12/1</b>	\$ 125,145.14
<b>Income</b>	
Assessments - Operating	\$ 114,340.00
Assessments - Restricted	\$ 26,414.96
Interest Income	\$ 250.00
Late Fees	\$ 100.00
Other Income	\$ -
<b>Total Income</b>	<b>\$ 141,104.96</b>
<b>Expense</b>	
Tax Return	\$ 250.00
Board of Directors Expense	\$ 500.00
Contract Labor	\$ 4,000.00
Dues Discount	\$ 3,800.00
Electric	\$ 2,500.00
Hot Tub Labor	\$ 7,240.00
Hot Tub Supplies	\$ 1,500.00
Insurance	\$ 12,750.00
Landscaping	\$ 6,250.00
Legal	\$ 500.00
Maintenance Labor	\$ 5,200.00
Management Fees	\$ 22,500.00
Miscellaneous	\$ 250.00
Office Supplies / Postage	\$ 200.00
Snow Plowing	\$ 5,000.00
Snow Shoveling	\$ 13,000.00
Supplies	\$ 2,500.00
Trash Removal	\$ 3,000.00
Water & Sanitation	\$ 23,000.00
Website	\$ 500.00
<b>Total Operating Expense</b>	<b>\$ 114,440.00</b>
<b>Capital Expenditures</b>	\$ 50,875.00
<b>Total Expenses</b>	<b>\$ 165,315.00</b>
<b>Net 2018-19 FYE Ordinary Income</b>	<b>\$ (24,210.04)</b>
<b>Unaudited Fund Balance @11/30</b>	<b>\$ 100,935.10</b>



Line #		Repair or Replacement	Life	Repair or Replacement	Annual Accrual	2019-20FY	2020-21FY	2021-22FY	2022-23FY	2023-24FY	2024-25FY	2025-26FY
2												
3	<b>REPAIR/REPLACEMENT REGULAR RESERVES</b>											
4		Cost	Years	Year	Accrual							
5	Metal Roof Flashing Drip Edge	\$10,000	35	2024	\$286							
6	New Metal Chimney Chase Caps	\$8,500	35	2022	\$243						\$10,000	
7	Parking Lot Paving	\$35,000	30	2047	\$1,167			\$8,500				
8	Entry Road Paving (25%) shared	\$10,000	30	2047	\$333							
9	Sealcoat Parking Lot	\$2,500	2	2018	\$1,250	\$2,500		\$2,500		\$2,500		
10	Replace Hot Tub Deck / Tub / Grill Area		50	2019	\$0							
11	Replace Hot Tub Shell	\$8,500	20	2019	\$425							
12	New Gas Grill	\$600	5	2017	\$120		\$500					
13	Exterior step/Handrail Replacement	\$25,000	30	2050	\$833							
14	Replace New Hot Tub Cover	\$1,000	3	2019	\$333		\$1,000		\$1,000			
15	Vapor Barrier Crawl Spaces	\$20,000	40	2021	\$500							\$1,000
16	Paint Siding	\$60,000	25	2040	\$2,400							\$20,000
17	Replace fit membrane roofs (12)	\$42,500	20	2037	\$2,125							
18	New exterior light fixtures(56)	\$8,700	25	2020	\$348	\$8,750						
19	Replace Upper retaining wall	\$20,000	40	2022	\$500							
20	Replace Lower Retaining Wall	\$10,000	40	2030	\$250					\$20,000		
21	Replace Metal Roofs	\$50,000	35	2048	\$1,429							
22	Honda Snowblowers (2)	\$6,600	10	2021	\$660			\$6,600				
24	Other Including Project Mgmt Fee %											
25	<b>Total Expenditures</b>	<b>\$318,900</b>				\$1,125	\$150	\$1,760	\$100	\$2,250	\$1,000	\$2,100
26					\$13,202	\$12,375	\$1,650	\$19,360	\$1,100	\$24,750	\$11,000	\$23,100
27												
28	<b>RENOVATION COMPLETION COSTS</b>	<b>Budgeted Cost</b>				2020	2021	2022	2023	2024	2025	2026
29	Install irrigation system	\$30,000						\$30,000		NA	NA	NA
30	Handrail Replacement ( only handrails no steps)	\$35,000				\$35,000		NA	NA	NA	NA	NA
31	New Landscaping	\$5,000					NA	\$5,000	NA	NA	NA	NA
32	Concrete Walkways	\$50,000				NA	NA	NA	\$50,000	NA	NA	NA
33	Other Including Project Mgmt Fee %	\$13,333				\$3,500		\$3,500	\$5,000		NA	NA
34												
35	<b>Total Expenditures</b>	<b>\$133,333</b>				\$38,500	\$0	\$38,500	\$55,000	\$0	\$0	\$0
36												
37												
38	<b>RESERVE FUNDS ( REGULAR + RENOVATION)</b>					2020	2021	2022	2023	2024	2025	2026
39	Reserve Fund Beginning Balance @ 12/1					\$125,145	\$100,935	\$125,950	\$94,755	\$65,320	\$67,235	\$82,900
40	Yearly addition - Reserve dues + Interest					\$26,415	\$26,415	\$26,415	\$26,415	\$26,415	\$26,415	\$26,415
41	Interest on Reserves					\$250	\$250	\$250	\$250	\$250	\$250	\$250
42	Yearly Expenditure - reserves					(\$50,875)	(\$1,650)	(\$57,860)	(\$56,100)	(\$24,750)	(\$11,000)	(\$23,100)
43	Operating Income Current Fiscal Year					\$114,440	\$114,440	\$114,440	\$114,440	\$114,440	\$114,440	\$114,440
44	<b>Total Operating Expenditures current fiscal year</b>					<b>(\$114,440)</b>	<b>(\$114,440)</b>	<b>(\$114,440)</b>	<b>(\$114,440)</b>	<b>(\$114,440)</b>	<b>(\$114,440)</b>	<b>(\$114,440)</b>
45												
46												
47	<b>RESERVE FUND ENDING BALANCE Anticipated at 11/30</b>					<b>\$100,935</b>	<b>\$125,950</b>	<b>\$94,755</b>	<b>\$65,320</b>	<b>\$67,235</b>	<b>\$82,900</b>	<b>\$86,465</b>

John Seybold  
660 CR 340  
Parachute, CO 81635  
Phone: 414-704-1113 Fax: 419-715-1728  
jseybold@willowwisp.net

June 30, 2020

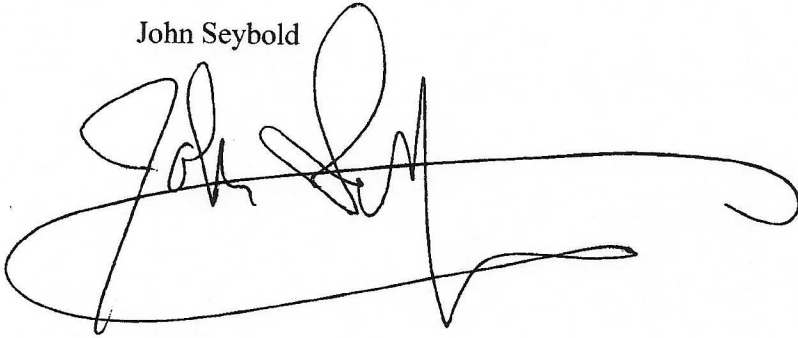
Attn: Board of Directors, The Buttes

Please accept this letter as my letter of interest to remain on the Board of Directors for The Buttes for another term.

Please consider my interest to remain on the Board of Directors for The Buttes for another term.

Sincerely,

John Seybold

A handwritten signature in black ink, appearing to read 'John Seybold', with a large, sweeping flourish extending to the right.