

Silvanite Condominium Association, Inc.

Board of Directors Meeting Minutes

May 16th, 2024

The Board of Director's meeting was opened by Bill Gavenas of Crested Yeti Property Management at 12:00 pm MST. This meeting was held in the conference room of the Community Banks of Colorado, 503 6th St., Crested Butte CO, and via ZOOM.

Bill Gavenas asked for a roll call of the board present. Quorum is established.

Kevin van Horn (KH) – BoD President

Kyle Ryan (KR) – Board member

Sarah Stearns (SS) – Board member

Bill Gavenas (BG) – Crested Yeti Property Management

Proof of Notice for Meeting

- Bill Gavenas stated that the notice and agenda for the meeting was sent out on May 13th, 2024. The meeting was properly noticed.

Managers' Report

- Bank Account balances and shortfalls
 - Operating Account as of 16 May: \$3,471.80
 - Reserve Account as of 16 May: \$10,807.42
- Last year's activity, P&L and things to note on the property
 - Snow removal over budget – there is 1 unpaid invoice for over \$4K that cannot be paid until next month (June)
 - Water usage is increasing / could be from increased tenant number or leaking faucets/toilets – add to note to homeowners to check units
 - \$8000 has been moved from the reserve account to cover operating expenses over the fiscal year / Overall there is a running net loss of approximately \$11K for the fiscal year
- Delinquency report
 - 3 homeowners are delinquent with some portion of their dues. Unit 3 has set up their autopayment incorrectly and has likely transposed the numbers. Mail sent to that owner to rectify. The other 2 have been noticed to become current.

New Business

1. Water/Sewer & Insurance

- The current water and sewer bills are increasing. Could be due to leakage in faucets/toilets. Board also indicated that there are newly installed washers and more tenants in a few units that also account for the increase usage. BG to include a note in the next message to homeowners to check for potential leakages.
- BG informed the board that overall insurance rates are increasing for HOAs on average between 50 and 300%. The estimated premium for next year is expected to increase from 12K to 20K at the current deductible amounts. This needs to be accounted for in the budget.

2. 2025 Budget preparation / review and approvals

- Walked through the P&L and 2025 budget proposal line by line to predict and set expectations for the coming year more accurately. The last 2 fiscal years, the operating budget was exceeded and for 2024 the short fall is approx. \$11,000. Therefore, there needs to be a correction to refund the reserve account, and avoid any net losses for FY25. The board discussed several options.

Option 1 – Prepare a budget to account for the expected expenses that includes rebuilding the reserve account loans at the end of the year. (Currently 11K). This will be built into the next years dues amounts per unit.

Option 2– Prepare a budget to account for the expected running expenses that does not include the loans from the reserve account but will include a special assessment to account for the shortfall to be paid as a lump sum by each homeowner.

The board will meet again to review these 2 options and which one to present to the general membership for adoption. BG to schedule that first week of June.

3. STATUS of Bylaws and other covenant

- The current bylaws and responsible governance policies need updating to align with current Colorado standards (CCIOA)*.

Motion 1 – KH made a motion to have the HOA bylaws and responsible governance documents reviewed and updated by the HOA attorney to align with new CCIOA changes. KR seconded the motion. *The motion was approved by all board members.*

*The Colorado Common Interest Ownership Act (CCIOA) is a set of laws that govern the formation, management, powers, and operation of common interest communities (HOAs) in Colorado.

4. Planned projects or repairs

- The roof (especially the areas facing the parking lot/facia and soffits) was damaged heavily during the winter season and needs repair. There is also water leaking into unit 12 from the convergence area of the roof and the stair caps. This should be rectified during summer 2024. Action is for BG at Crested Yeti to get an estimate for the fixes from 2-3 roofers.
- The side porch / common deck area has some rotting boards and should be repaired.
The board unanimously approved the fix.
- Brown Bear Plumbing made some repairs to the iron pipes in the crawl space last year 2023. These temporary fixes need to be completed and the pipes need replacing for the long term. This is expected to cost approx. \$10K for the permanent fix. This expense will be included in the 2 scenarios for the 2025 budget.

5. General membership meeting preparations / dates

- The board will determine the general membership meeting date at the next board meeting at the beginning of June.

6. AoB

- The grounds of the HOA are beginning to look a bit shabby. The general spaces below the stairs and the areas on the north side have debris and personal items that are not allowed. BG to send a notice to all homeowners about the rules of personal items and keeping the area tidy.

Adjournment of Meeting

- Kevin made a motion to adjourn the meeting.
- Second by BG and unanimously Approved.

Meeting closed at 13:10 PM MST