

# **Silver Queen West Condominium Association**

## **Annual Meeting - Minutes**

### **November 9, 2013**

**Greeting by Association President.** Doug Foote, the Association President, called the meeting to order at 9:33AM. A President's letter was included with the annual meeting package. There were 54 owners in attendance representing 36 units. Proxies received represented five units. By the voting designation of unit size, 41.1% of the units were represented meeting the 10% quorum requirement.

**Approval of minutes.** *The minutes from the October 27, 2012 annual meeting were unanimously approved as written.*

**2013 & 2014 building restoration.** Board member and restoration committee chairman, David Necker updated the ownership of the restoration status. Phase I is essentially complete. The final costs for Phase I & II are anticipated to be within the two million dollar budget. Within the current project budget it may be possible to include some ownership requested additions such as new doors on the west side. The Phase II construction documents are being prepared. The Phase I work was an inconvenience for many owners and it will be the same with Phase II. David requested the continued understanding of the ownership inconvenience with the 2014 Phase II work to be done on all four buildings including unit access walkways, railings and balconies. The plan is to have the Phase II construction contract negotiated with the Phase I contractor, Travis Construction. Pictures and material samples were displayed at the meeting to point out and discuss the scope of the work, materials and color placement for the Phase II work. The Phase I work focused on the studios in Buildings C and D and the first floor balcony area above the studios. The stucco to be used in the Phase II work will have a sand finish. The shingle wall material is a composite with an expected 15 year maintenance cycle. The wood railing will be a red stain color with the flues painted a rust color to complement the wood tone. The design will break up the building mass. The freestanding garages will have Recla (metal) siding with the doors remaining the factory paint color. The interior of the stairwells will be in the light color to make this area brighter. The exterior lighting will be upgraded. Proposals to add fireplace gas lines to the units have been received for up to \$56,000. The expense would only add a stub out to each unit. Due to the cost, the gas line conversion is not part of the Phase II work. The Phase II work is planned to start early in April with the windows and doors replaced, with the rest of the work to continue through the summer with completion in late October or November. Owners will be notified when major work will be done in or around their unit. Deck lighting with a switch will be considered by the Board based on a request at the meeting. The deck membrane installed in Phase I is called Dectec and was used at Silver Queen East. The membrane can get hot so owners may consider adding a carpet covering. The deck surface material was used as the product does not weigh much and structurally this was the only choice to be within the building weight limit.

**Financial Report.** Bob Polich from Mountain Systems presented the financial report. The meeting information included the financial summary through September 2013, a projected 2013 year-end, and the 2014 budget. The 2014 assessments increased 2.6% to keep up with inflation. The assessment payment options are a prepayment option with a 5% discount, ACH automatic bank withdrawal, or by check. The 2013 operating expenses are expected to be \$10,000 better than budgeted at year-end. Most of the savings were realized in lower maintenance costs. Legal

expenses related to the enforcement of rules and regulations were over budget. The new boiler systems continue to provide reduced utility cost. Savings realized from operating expenses are transferred to the reserves. The restoration was over budget for the Phase I work but overall it remains on target. The two million dollar budget is for the construction costs and does not include the design and other costs associated with the restoration. The reserve portion of the assessment remains the same for 2014. The special assessment is as announced in 2012 and is due by March 31, 2014. The Association will be communicating with owners to determine the number planning on using financing through the Association to allow planning for the borrowing needed. Up to five year financing is available through the Association based on a clean assessment payment history and with a 25% down payment on the special assessment by March 31, 2014. There will be legal documents required by the Association to obtain the financing. The projected finance rate would be from 5.5 to 6% and the rate would be floating for the duration of the financing. The meeting packet included a replacement reserve schedule. The focus currently has been on the restoration project but there are other future items to consider such as rebuilding the lower parking lot and the repair of the service line to Buildings A and B. The Association reserve budgeting is based on planning for future reserve expenses and to not have another special assessment.

**Property operations.** Tom Brennan, Property Manager, provided a summary of operations for the year. Much of this years work has been involved with the restoration project. Work completed this year included the chimney cleaning, crawl space utility lines, and small repair projects as needed. The plumbing and heating systems are working well. The grounds improvement and tree nursery continue to be maintained. Areas of the grounds will need to be restored following the construction work. The plow truck and backhoe are in good condition and ready for winter. Tom requested that owners update him on key codes and keys to get into the units in the case of an emergency. Emergencies encountered include roof leaks, plumbing leaks, and lockouts. Owners are reminded to notify your renters about the rules and regulations. Tom encourages owners to contact him prior to any interior work for information regarding structure concerns, electrical wiring, and the location of heating and plumbing pipes. Tom thanked everyone who has worked and helped around the project this past year.

**Other.** Some power connections in the garages were removed to prevent over loading the circuits and the electrical lines were found to not be to code. Charcoal grills cannot be used or stored anywhere on the property. Tenants are not allowed to have pets. A reminder was made for all owners to make sure they have an HO6 insurance policy for their unit that covers contents and personal liability. A new owner's manual is being developed including information on the care of the new deck surface. Only a plastic snow shovel should be used on the new deck surface. The manual will also detail other restrictions and suggestions such as how to store firewood on the deck surface. The deck membrane is strong but if ripped or damaged, the repair will be an owner's expense. There was a reminder to not feed the natural wildlife. Everyone attending expressed their gratitude to the Board and Tom and Karen for all their hard work.

**Board of Director Election.** There were two positions open on the Board of Directors. *Nominated and elected to the Board unanimously were Larry Funk (Unit 7214/15) and Dennis Minder (Unit 7223).*

The Annual meeting was adjourned at 11:18 AM.