
CRESTED BUTTE SOUTH PROPERTY OWNERS ASSOCIATION

61 TEOCALLI ROAD, CRESTED BUTTE, CO 81224
PHONE (970) 349-1162, WEBSITE: www.cbsouth.net, FAX (970) 349-1163

Board Meeting Minutes April 14, 2021 - via Uber Conference

Board Members on Conference Call: Mary Haskell, Liz Jordan, Matt McCombs, David Neben

Staff Attending: Dom Eymere, Benita Bellamy, Sue Wallace

Public in Attendance as identified by Uber Conference Call Log: Kristin Engel, Jaima Giles, Danielle Herder, Dawn Howe, Melissa Stewart

Mary called the meeting to order at 6:04pm.

Approval of Minutes for March 10, 2021 P.O.A. Board Meeting

Updates and/or corrections to the March 10, 2021 Meeting minutes were requested. None were identified. Matt made a Motion to approve the March 10, 2021 minutes. Mary seconded the Motion and the Motion carried.

Monthly Financial Report for March 31, 2021

Dom provided the Financial report update for the period ending March 31, 2021, Total Income was \$412,426 and Total Expenses were \$103,630 resulting in Net Income of \$308,796.

From a Balance Sheet perspective, as of March 31, 2021. Total Assets were \$1,342,188. Operating and money market accounts totaled \$330,932. Reserve Funds totaled \$361,419. Refundable Performance Deposits amount to \$147,000 and are held in segregated accounts. Staff continues to search for interest rate options that would earn higher than current money market rates. Another Certificate of Deposit at Synchrony Bank is maturing at the end of April in the amount of \$54,000. Staff recommends that this CD be converted to a money market account until rates increase.

The collection of Dues remains relatively consistent with past years, with ~\$324,000 collected as of March 31, 2021 of the \$352,000 invoiced out, or approximately 92%. In summary, the POA remains in good financial condition. Matt made a Motion to convert the CD in the amount of \$54,000 to a money market account, Liz seconded the Motion. All were in favor and the Motion carried.

Dom requested any questions regarding the Budget to Actual Report. It was noted that Commercial application fees increased significantly with the application submittal for the Haverly LLC project. Mary asked for a follow up regarding the Zamboni repair; Dom noted the repair fees will be reflected in the May Financials. Mary asked if all the winter equipment is being stored in operating condition for which Dom confirmed. Liz motioned to approve the March 31, 2021 Financial report and Matt seconded the Motion. The Motion carried.

CRESTED BUTTE SOUTH PROPERTY OWNERS ASSOCIATION

61 TEOCALLI ROAD, CRESTED BUTTE, CO 81224
PHONE (970) 349-1162, WEBSITE: www.cbsouth.net, FAX (970) 349-1163

New Business

Scheduled Property Owner Comment Time

Danielle Herder was on the call to inquire about the proposed language for Short Term Rental for the Covenant rewrite. She requested clarification about the number of days that are identified for a maximum short term rental use. Sue addressed the questions and recapped the CASC meeting discussions. Sue explained that the committee is trying to balance both sides of comments shared during the CASC meeting. There are those in favor of Short-Term Rental properties and there are those who prefer to see limitations. Danielle feels that a 90-day restriction is very prohibitive and affects the property values impacting the property rights of the owners. She stated this was not approved at the time of purchase for her property. Sue clarified the current covenants do not identify any regulations on this topic which is why it is under review with the rewrite; the only thing that has been developed to date was a Board policy. If Short Term Rentals are not referenced within the covenants, it cannot be enforced. The goal of including language within the covenant is to protect property values as well as balancing the requests of all the owners. Sue suggested that if including a 90-day restriction is not preferred, an option would be to remove it from the covenant language and place it within a written Board policy. Danielle agreed and shared her perspective that limiting the number of days is only a benefit to primary homeowners and causes hardship to second homeowners. Jaima Giles joined the conversation and suggested starting off with a less restrictive policy rather than placing a restriction within the covenants. Placing restrictions may be premature unless there are complaints and violations occurring. It would be best to have data and history prior to setting restrictions.

Consideration of an Application to Cluster Two Lots, Zuni Brewery, Lot 17 and Lot 18, Block 6, Filing # 2, 325 and 247 Elcho Avenue –(Action)

This topic was removed from the discussion because the application was not received prior to the meeting.

Consideration to Amend the Bylaws to allow for On-line Voting- (Action)

Dom reintroduced language drafted for the Bylaw amendment to approve on-line voting, as permitted by CCIOA. Liz made a motion which led to an additional board discussion. Dave stated that this motion was premature, and the process should be to identify the vendors under consideration. He stated we need to be able to authenticate emails and evaluate the technology prior to a change to the Bylaws. Matt reviewed the language and noted that nothing is hindering the Board from proceeding with the Bylaw amendment, then completing the proper due diligence that Dave spoke about. Sue asked Dave if he could identify some of the critical factors to request complete proposals. Dom reiterated that the Bylaw amendment is the driving force and first step toward looking for vendors; we need the Bylaws to identify that online voting is permitted. Mary and Matt agreed with Dom; Dave and Liz agreed to wait. No motion was made. The Board agreed to move forward with the due diligence and add the Bylaw discussion to a future board agenda. No motion was made.

CRESTED BUTTE SOUTH PROPERTY OWNERS ASSOCIATION

61 TEOCALLI ROAD, CRESTED BUTTE, CO 81224
PHONE (970) 349-1162, WEBSITE: www.cbsouth.net, FAX (970) 349-1163

Consideration and Review the Scope of Work for a Park Master Plan Process – (Action)

Sue presented her outline for the Red Mountain Park Planning Proposal. The outline identifies a proposal for a master plan development of Red Mountain Park and Brackenbury Park. The purpose of the outline is to request funding through the Met Rec from their Developed Recreation fund in 2021. The Scope of Work identifies looking at the current park uses and expansion of existing amenities, adding new amenities, and maximizing the park acreage that is available. Liz asked about the timeline. Sue responded that if we were to receive the grant, she estimated the work would be this year, likely July thru December. Matt asked about the budget, which Sue will share with the Board. Mary made a Motion to approve the proposed scope of work for the Met Rec grant proposal. Matt seconded the Motion and the Motion carried. The Board thanked Sue for her thorough presentation of the material.

Continued Business

Review of Covenant Amendment Draft

Sue provided a high-level view of how the Original Covenants will be converted to the Restated Covenants. All the covenants, resolutions and amendments have been integrated into the restated language. Some of the general changes were to modernize the terminology. An example of outdated terminology is a reference to the “Maintenance Fund” that is now “Assessments”.

David asked if a separate work session should be scheduled instead of reviewing all the content during a regular meeting. Mary appreciates the meeting presentations for purposes of providing an overview but likes the idea of a separate work session to drill down on the specifics. Matt agreed and stated the meeting presentations are a good public forum for members to participate but that a work session would be best for making final decisions. Sue suggested mid-May as a target to schedule a multi-hour work session. She will coordinate with everyone on their availability.

Article 6 – Animals and Article 7 – Assessments and Dues were the next articles up for an overview. The committee developed a list of permitted livestock animals that would be allowed with the Board of Directors approval. The property owner must provide details for their care, containment, and sanitation to obtain approval. Article 7 – Assessments and Dues defines “Regular” versus “Special Assessment”. Regular assessments are based on the Common Expense Budget and determined annually by the Board. A maximum annual increase for a Regular Assessments is capped at 10%. Clustered lots will be assessed at a rate of 1.5%. The committee noted it is interested in a more transparent process. Sue then provided an overview of the Administrative Articles categories; these are Articles 1, 2, 3, 8, 9, 10 and 11.

- Article 1 – Statement of Purpose is for the benefit of the owners and the preservation of property values. It identifies items such as the Declaration of Covenants are the enforceable rule of the Association and that CB South is a Common Interest Community.
- Article 2 – Definitions
- Article 3 – The Association, identifies the operation and management levels and the establishes the responsible governance.

CRESTED BUTTE SOUTH PROPERTY OWNERS ASSOCIATION

61 TEOCALLI ROAD, CRESTED BUTTE, CO 81224
PHONE (970) 349-1162, WEBSITE: www.cbsouth.net, FAX (970) 349-1163

- Article 8 – Insurance is a new article and includes all the insurances that are paid by the Association.
- Article 9 – Duration and Amendment of Covenants outlines the rules required to approve and amend the covenants.
- Article 10 – Enforcement
- Article 11 – Principles of Interpretation, updates language that everything conforms to the Colorado Common Interest Ownership Act (CCIOA) enacted in 1992.

Sue then presented the structure of a two-part ballot. Legal has confirmed that we may issue a two-part ballot. This would permit most of the restated covenant to be approved but allowing the more critical articles to be voted on separately, increasing the chances of the bulk items being passed. Mary asked Sue to develop multiple options for the ballot format to be certain we are presenting this in the clearest manner. The timeline was shared again, and it was noted that public outreach will start in June and run through July and August. Liz requested that legal review be complete prior to the Board's work session. Sue shared she has been working with legal all along. She has provided all phases of the draft as it is written and the review process with legal has been ongoing. The Board complimented Sue on her thoughtful presentation of the material and noted that having sample ballot(s) available for the work session would be helpful. The Board discussed the ballot format, how it should be presented, along with information being available in print in the office and online. Matt requested that the public comments from the hot topic meetings be shared.

Manager's Report

Mary asked for Dom to discuss the latest regarding the April 15, 2021 Design Review Committee. Dom noted that the meeting is under review to confirm proper protocols are being followed and it may be postponed. The specific review is for two projects that are multi-family and comments have been brought forth that these projects require a Board of Director review and approval prior to the Design Review Committee meeting. Dom noted that the April 7, 2021 Board of County Commissioners meeting reviewed the Tyzzer appeal for South Butte LLC. The appeal was denied. The next Skate park meeting is scheduled for April 29th. We are looking into the County regulations to see if the ice cream breakfast is possible to host in June due to Covid restrictions. Mailbox expansion is underway, and we are finalizing the new renter applications.

Matt asked for a status update on the Tyzzer appeal for the Buckel project and Dom stated it is with the County and under review. Matt asked what the next steps for the Board would be, if any. Dom noted that the County will Affirm, Deny or Affirm with Modifications. If modifications are required, they will provide the P.O.A. with the determined conditions.

Confirm Next Meeting Date: Wednesday, May 12, 2021, 6 pm

May Board Meeting Agenda Items: No items were identified.

Adjourn – 7:56 pm