

**PARK PLAZA CONDOMINIUM ASSOCIATION  
MINUTES  
ANNUAL MEETING  
January 21, 2020**

The annual meeting of the Park Plaza Condominium Association was held at The Beaver Creek Lodge, 26 Avondale Lane, Beaver Creek, Colorado on January 21, 2020 at 3:00 p.m.

**Board members in attendance:** Charles Kafadar, President, Les Baledge, Jeff Deem, Commercial Director, Julie Timparo, General Manager and Matt Szmyd, COO and Property Manager

**Owners in attendance:** John Westerberg, Ross Taylor, Jim & Cheryl Fairchild, Dave & Nancy Fairchild, Nancy Gillick, Stephanie Eubank, Charles & Jeri Hurst, Sheri Fallon, Amy McDowell, Diane & Michael Stefanik, Ursula Kafadar, Steve & Janet Torok, Jake Gres

Other: David Firmin, Esq., Altitude Community Law P.C., Andrea Cicero, Legal Assistant, Altitude Community Law P.C., Mike Jenkins, McMahan and Associates, L.L.C., Chris Jurgens, Victor Mark Donaldson Architects

**Call to Order:** 3:01 p.m.

**Introductory Remarks:** Mr. Kafadar introduced Mr. Deem, Mr. Baledge, Mr. Szmyd, Ms. Timparo, Mr. Firmin, Mr. Jenkins and Mr. Jurgens.

**Determination of Quorum:** Mr. Szmyd confirmed that of the 72 proxies needed for quorum, 90 proxies were recorded in addition to the owners present and on the phone, for a total of 108 units represented.

**Consideration of Minutes of the Previous Meeting:** Mr. Kafadar made a motion to waive reading of the minutes from the January 22, 2019 annual meeting and Mr. Baledge seconded. **Motion passed unanimously.**

**Legal Update:** Mr. Kafadar introduced Mr. Firmin and praised Mr. Firmin and Altitude Community Law's work. Mr. Firmin confirmed there are no current legal issues and the Association is running as it should.

**Election of Board Seat:** Mr. Baledge's position was up for election and he was running unopposed. Mr. Szmyd confirmed enough proxies received and **Mr. Baledge was re-elected.**

**Audit Report:** Mr. Jenkins discussed the provided 2019 audit report and confirmed the amount of work that goes into preparing it. For 2019, the Association received a "clean report" which is the highest rating the Association can receive. Mr. Jenkins confirmed the balance sheet outlines the growth of assets due to an increase in Association cash and investments. Advance rent deposits increased liabilities. The statement of revenues reflects excess revenues vs. expenses. The Association's cash limits exceeded FDIC limits, but is not a cause for concern. Mr. Jenkins confirmed while the Association anticipated "breaking even," it ended at a surplus due to good management of expenses.

Owner inquired if increase in dues is caused by any hardships in payment and suggested changing assessments to quarterly with an online payment option. Mr. Szmyd confirmed owners pay their assessments, including late fees. Mr. Szmyd also confirmed he has looked into an online payment option however, a cost effective and secure measure for same has not yet been found. Mr. Szmyd advised owners, as an option, could electronically remit a payment to their bank with the bank cutting a check to the Association for assessment payments. Owner suggested advertising this bank option on the Association's website and Mr. Kafadar agreed it could be beneficial.

Owner inquired about marketing and the money spent on same. Mr. Szmyd confirmed it has been money well spent as rentals are trending up. Ms. Timparo confirmed the website is helping increase rentals and Mr. Szmyd advised the Association is currently up \$150,000 gross ahead of last year for rentals. Another Owner inquired about rental activity going through the Association vs. a 3<sup>rd</sup> party. Ms. Timparo confirmed most rentals go through the Association, approximately 75%. Mr. Szmyd also confirmed 3<sup>rd</sup> parties take a portion of proceeds, so the focus is on having bookings go through the Association's website.

Mr. Szmyd informed the Association as \$775,000 budgeted for reserves, but due to the surplus, there is over \$800,000 in reserves. Owner inquired as to the different reserves. Mr. Baledge confirmed there are supposed to be two reserves: residential and general. For years the Association was not doing it this way. Once Mr. Kafadar came on the board, and with the advice of Mr. Firmin and McMahan and Associates, began to allocate the reserves clearly. It has taken two years to complete the allocation.

Mr. Szmyd advised new website domain name was purchased to improve the Association's listing on Google searches, [www.parkplazabeavercreek.com](http://www.parkplazabeavercreek.com). The goal is to increase online exposure.

Owner expressed dissatisfaction with the cost increase for breakfast and the lack of variety. Mr. Szmyd confirmed costs in general have risen and menu changes will also alter costs. Food offerings are limited as the Association is not equipped with a commercial kitchen, nor is there adequate staff to accommodate. Discussion on looking into potential catering as an option, but that will also drive up breakfast costs.

Another owner inquired about a fireplace upgrade for the lobby. Mr. Szmyd confirmed upgrade will be done.

#### **2020 Budget:**

Mr. Szmyd inquired if there were any questions regarding the 2020 budget and made a motion to approve the same if no questions. As there were no questions, Mr. Kafadar made the motion to approve the 2020 budget. It was seconded and approved by the other owners. **Motion passed unanimously.**

**Management Report:**

Mr. Kafadar discussed the new spa/pool/fitness area renovation project. A nice aspect of this project is it does not have to be done right away, as other past renovations have.

Mr. Szmyd thanked everyone for the opportunity to manage and discussed operations and projects that will be completed. Better breakfast options, renovating the fitness/pool/spa areas, adding an additional hot tub, windows, paint and carpet replacement are all upcoming projects. While not all projects can be done at once, the remodeling work should occur before the carpet replacement. Upgrading the fitness and hot tub areas will increase value and buyer interest in the property.

Mr. Szmyd introduced Mr. Jurgens to discuss the presentation for the potential fitness/pool/spa area renovations. Mr. Jurgens outlined the two different remodel options, one of which includes the installation of a new hot tub on the outdoor patio. It was discovered the outdoor patio is not actually Association property. Mr. Szmyd introduced Mr. Deem to discuss this issue. Mr. Deem confirmed while he has no issue with the remodel and potential, he is working with the commercial owners to verify there are no issues. Mr. Deem also discussed his plan to re-locate the stairwell to connect to the lobby, at no cost to the Park Plaza. Mr. Deem was thanked for his continued efforts.

Mr. Kafadar requested Mr. Baledge to discuss the financials. Mr. Baledge gave thanks to all the owners for being willing to get things done. Mr. Baledge confirmed the Association could delay the improvement projects by 3 years as opposed to completing them sooner by obtaining a loan and/or applying a special assessment. The board prefers to fund future projects without any special assessments and annual dues increases not to exceed 5% annually. Owners need to chime in and let us know if they want the improvement projects to occur sooner by taking out a loan, which would be able to be paid back through regular assessments."

Discussion on the windows. The windows are estimated to last another 5 years, but this is a renovation project that keeps getting pushed back. The wood on the windows has been refinished, but there is only so much that can be done for aesthetics.

Owner inquired about renovating the front entrance for ADA compliance. Mr. Szmyd confirmed it is in the long-term plan for when the entire front lobby is upgraded.

Mr. Szmyd discussed recent sales. There have been 4 sales over the last year due to Ms. Timparo's efforts. Weeks have been selling at asking price.

Owner questioned if a resolution would be needed to approve the fitness/pool/spa renovations. Mr. Firmin confirmed that while the work will be approved by the Board, because the proposal requires a conveyance of Common Elements, an amendment to

the Condominium Map will be required which must be approved by the Owners. Mr. Kafadar requested a motion to approve Altitude Community Law to investigate and prepare the map amendment. Discussion regarding cost of professional design and legal fees. Mr. Kafadar proposed the expenditure not to exceed \$15,000 to present one remodel option to the owners for vote. The motion to approve expenditures was made, seconded and approved by the owners in attendance. **Motion passed unanimously.**

**Open Discussion:**

The Board will crunch the numbers and give the owners a better idea of what will be the better financial option of dues increase vs. a special assessment vs. a loan.

Discussion regarding the cancellation process and suggestions on having an automated system to check on availability. Mr. Szmyd and Ms. Timparo confirmed a non-automated system is best and to email Ms. Timparo to check on availability as she may be able to respond more quickly.

**Adjourned:**

Mr. Kafadar made a motion to adjourn and Mr. Szmyd seconded. **Meeting adjourned at 5:12p.m.**

Submitted by:  
Andrea Cicero  
Legal Assistant  
Altitude Community Law P.C.