

Ponderosa Condominiums Association, Inc.

Annual Meeting

June 22, 2024 – 10:00 a.m. MDT

Zoom Meeting

Call to Order

President Beverly Ross called the meeting to order at 10:02 A.M.

Roll Call/Establish Quorum

Members Present via Zoom:

Boatright Trusts (Todd Boatright)	1B
James Peay	1C
Scott & Michele Siemer	1E
Andrew Holmgren	2A
Dan Key	2B
Isaac (Ike) Hiles	2C
Stefan and Jen Ammon	2D
O’Kell Family Trust (Beverly Ross)	2E
17 Treasury Road Crested Butte LLC (Stephanie Selz)	3A
Paul Rhee & Monica Miller	3E

Members Present by Proxy:

Ann Hanson proxy for: Little Hoss LLC (Rob Hanson)	1F
Beverly Ross proxy for: Waldemar R Tasch Jr	3B
Brogdon Trusts (Diane Brogdon)	3C

Management Company Present:

William (Billy) Laird
Annalise Smith

A quorum was established with 13 of 18 (72.22%) of the members in good standing present in person or by proxy.

Proof of Notice

Notice of Annual Meeting was emailed June 7, 2024.

(Annual Meeting Information packets were emailed to owners on June 19. Owners were requested to review the materials prior to the meeting and make a note of any questions they may have.)

Ponderosa Condominiums Association, Inc.

Annual Meeting

June 22, 2024

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Reading and Approval of Past Minutes

Ann Hanson made the following:

- Motion:** To waive the reading of the minutes of the June 24, 2023 annual meeting and accept them as submitted
- Second:** Todd Boatright
- Vote:** Unanimous approval

Officers/Board Report

The Board Report was included in the Annual Meeting Packet. There were no questions or comments about the report. "**Ponderosa Rules & Regulations**" and "**Rules and Regulations for Improvements, Remodels, and Renovations of Condominium Units**" are included in the packet.

Manager's Report

There were no questions regarding the Manager's report.

Financial Report

Deviations from the budget were discussed with the biggest variance for the fiscal year being to the insurance expense.

Election of Directors

The term of Dan Key expires this year. Dan Key was elected to serve another 3-year term.

Unfinished Business

Members and management discussed the garage doors. There have been some minor repairs made to a few garage doors over the last year. Some of the gears and mechanics seem to get stripped due to the ice and freezing.

The Building 2 man door in the garage is sticking and needs to be adjusted. Management will check the doors.

The Board will discuss the hot tub at their meeting. Jerry Smith with Mountain Home Management has made sure all the jets are in working order and has tried to keep track of all the neck pillows that tend to get removed.

New Business

Consideration of the 2024 budget as required by Colorado Law

Colorado Law requires that unit owners be given the opportunity to veto the annual budget approved by the Board of Directors. There was no motion to veto the 2024 budget.

Ponderosa Condominiums Association, Inc.

Annual Meeting

June 22, 2024

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Excess Membership Income Resolution

Ann Hanson made the following:

Motion: To adopt the resolution that any excess membership income over membership expenses as defined in IRS Reg 1.277-1 shall be applied against the subsequent tax year operating expenses and/or reserve fund as provided by IRS Revenue Ruling 70-604.

Second: Dan Key

Vote: Unanimous approval

Establish Next Meeting Date

The next annual meeting will be on Saturday, June 21, 2025, at 10 AM MDT.

Todd Boatright made the following:

Motion: To adjourn the meeting.

Second: Michele Siemer

Vote: Unanimous

There being no further business, the meeting was adjourned at 10:21 AM.



**Annual Meeting Information
June 22, 2024**

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NOTICE OF ANNUAL MEETING

Ponderosa Condominiums Association
Mt. Crested Butte, CO

In accordance with Article III of the Ponderosa Condominiums Association's By-Laws, notice is hereby given that the Annual Meeting will be held on **Saturday, June 22, 2024, at 10:00 a.m. Mountain Daylight Time via Zoom.**

The Board of Directors will meet after the Annual Meeting.

In the event that a bona-fide Ponderosa homeowner in good standing* is unable to attend the Annual Meeting, he or she may participate if a proxy is received by 5:00 p.m. Mountain Daylight Time on Friday, June 21, 2024.

Dated this 7th day of June 2024.

Annalise Smith
Mountain Home Management CB, LLC, Managing Agent
Ponderosa Condominiums Association, Inc.

* All members shall be considered in good standing except those members delinquent in payment of any assessment made by the Corporation.



Agenda
Annual Homeowners Meeting
June 22, 2024, 10:00 a.m. MDT
Zoom Meeting

- 1. Call to Order**
- 2. Proof of Notice**
 Notice of Ponderosa Annual Meeting emailed June 7, 2024
- 3. Roll Call/Establish Quorum**
- 4. Reading and Approval of Minutes**
 Annual Homeowners Meeting, June 24, 2023
- 5. Reports**
 - a. Board Report
 - b. Manager's Report
 - c. Financial Report
- 6. Election of Directors***
 (The term of Dan Key expires this year.)
- 7. Unfinished Business**
 - a. Garage Door Repairs
 - b. Exterior Staining
 - c. Hot Tub Deck Boards & Capstone
- 8. New Business**
 - a. Consideration of 2024 budget as required by Colorado law**
 - b. Excess Membership Income Resolution
 - c. Establish 2025 Annual Meeting Date
- 9. Adjournment**

***Ponderosa Bylaws, Article IV, Section 4. Qualifications.** The Directors shall be members in good standing of the Corporation as provided in these Bylaws, not be a co-owner with another Director, not be in litigation with the Association, and attest to having no felony convictions. A Director who is 60 days or more delinquent in payment of assessments is not in good standing and shall be removed. A Director who misses three (3) consecutive Board meetings shall be considered to have resigned his/her position.

****Colorado Common Interest Ownership Act Revised Statute Effective July 1, 2018**

Paragraph 38-33.3-303 (4) (a) (II) (A):
 “Unless the declaration requires otherwise, the budget proposed by the executive board does not require approval from the unit owners and it will be deemed approved by the unit owners in the absence of a veto at the noticed meeting by a majority of all unit owners . . .”

**Board of Directors List
June 22, 2024**

	Term Expires:
President: Beverly Ross Prairie Village, KS Unit 2E Email: bevross@att.net	2025
Vice-President: Jim Peay Denver, CO Unit 1C Email: jrpeay@comcast.net	2025
Secretary/Treasurer: Ike Hiles Denver, CO Unit 2C Email: irover2@icloud.com	2026
Director: Todd Boatright Blanchard, OK Unit 1B Email: toddboatright@pldi.net	2026
Director: Dan Key Parker, CO Unit 2B Email: danielkey2222@gmail.com	2024

Ponderosa Condominiums Association, Inc.**Annual Meeting**

June 24, 2023 – 10:00 a.m. MDT

Zoom Meeting

Call to Order

President Beverly Ross called the meeting to order at 10:00 a.m.

Roll Call/Establish Quorum**Members Present via Zoom:**

Sylvain and Pam Hayoun	1A
Frances Boatright Trust (Bart and Todd Boatright)	1B
James Peay	1C
Alex Holmgren	2A
Dan Key	2B
Isaac (Ike) Hiles	2C
Stefan and Jen Ammon	2D
Richard T O’Kell Trust (Beverly Ross)	2E
Kay Hutchings	3A
Paul Rhee	3E

Members Present by Proxy:

Ann Hanson proxy for:

Little Hoss LLC (Robert F Hanson)

Beverly Ross proxy for:

Leuszler Joint Revocable Trust 1E

Waldemar R Tasch Jr 3B

Diane Brogdon 3C

Bart Boatright proxy for:

James Colorado Properties (David & Jeanne James) 2F

Management Company Present:

William (Billy) Laird

Annalise Smith

Juliana Spinella

A quorum was established with 14 of 17 (82%) of the members in good standing present in person or by proxy.

Proof of Notice

Notice of Annual Meeting was emailed June 6, 2023.

Ponderosa Condominiums Association, Inc.
Annual Meeting
June 24, 2023
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Reading and Approval of Past Minutes

Kay Hutchings made the following:

- Motion:** To waive the reading of the minutes of the June 24, 2022, annual meeting and accept them as submitted
- Second:** Dan Key
- Vote:** Unanimous approval

Officers Report

The President's Report was included in the Annual Meeting Packet. Members discussed the most recent property tax valuations. Owners may file their appeals with Gunnison County. Owners were reminded that Spectrum is shipping new cable TV set-top boxes in batches and requiring the old equipment be returned. Management will come up with a plan to gather and return the old equipment to Spectrum.

Manager's Report

There were no questions regarding the management report.

Financial Report

Deviations from the budget were discussed. Several operating expenses are over budget, with the most significant overages being snow plowing and roof snow removal. The Association received a bid for sealing the natural wood from Altitude Painting that was \$5,865 over what was budgeted. The Board will discuss the project at its meeting.

Election of Directors

The terms of Bart Boatright and Kay Hutchings expire this year.

Beverly asked for volunteers for the Board. Ike Hiles, owner of unit 2C, volunteered. Todd Boatright, owner of 1B also volunteered to serve on the Board.

Unfinished Business

The members and management discussed some unfinished projects around the complex. Billy explained there are still some deck boards around the hot tub that need to be replaced, but he will need to get a bid for the work. Beverly mentioned there are some deck boards under the back entry hall of Building 3. Kay inquired about the hot tub control panel. Billy explained there have been no failures since the last control board was replaced.

Stefen Ammon said his garage door should be repaired soon or the operator may be damaged. Billy explained he got estimates for garage door repairs and replacements and will discuss with the Board. For now, Management will handle garage door issues as they arise.

New Business**Consideration of the 2023 budget as required by Colorado Law**

Colorado Law requires that unit owners be given the opportunity to veto the annual budget approved by the Board of Directors. There was no motion to veto the 2023 budget.

Ponderosa Condominiums Association, Inc.
Annual Meeting
June 24, 2023
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Excess Membership Income Resolution

Jim Peay made the following:

- Motion:** To adopt the resolution that any excess membership income over membership expenses as defined in IRS Reg 1.277-1 shall be applied against the subsequent tax year operating expenses and/or reserve fund as provided by IRS Revenue Ruling 70-604.
- Second:** Dan Key
- Vote:** Unanimous approval

Short-Term Rental Fee Discussion

The members discussed whether the Association should collect a fee from owners of short-term rental units. The rationale is that short-term rentals cause increased costs for hot tub supplies, labor, and maintenance, common area cleaning, parking issues, etc. The fees collected would be deposited in the operating account to offset these expenses. Beverly noted that 12 of the 18 units short-term rent. Some owners expressed their support for the fee and others were opposed. Suggestions for the amount of fees were discussed. The Board will study these expenses for the upcoming fiscal year's budget and consider whether increased maintenance costs are correlated with increased occupancy due to short-term rentals.

The members and management discussed egress concerns around the buildings. Billy agreed to focus on keeping all windows clear, especially lower windows, but so long as people can get out of their window, his opinion is that there is proper egress. The Board will discuss this issue further.

Establish Next Meeting Date

Beverly Ross made the following:

- Motion:** To hold the next Annual Meeting on Saturday, June 22, 2024.
- Second:** Jim Peay
- Vote:** Unanimous approval

Bart Boatright commended management on their work throughout the big winter in keeping snow clear and parking lot issues to a minimum.

There being no further business, the meeting was adjourned at 10:40 AM

Ponderosa Condominiums Association
Board of Directors Meeting
June 24, 2023
Zoom

Call to Order

Beverly Ross called the meeting to order at 11:05 a.m.

Roll Call

Board members present on Zoom:

Beverly Ross
Dan Key
Todd Boatright
Jim Peay
Ike Hiles

Management Present:

William (Billy) Laird
Annalise Smith
Juliana Spinella

Owner Present:

Bart Boatright

A quorum was established with 5 of 5 Board members present.

Proof of Notice

Official notice was provided via email on June 6, 2023.

New Business

Jim Peay made the following:

Motion: To waive the reading of the June 25, November 18, and December 20, 2022 meeting minutes and approve as presented.

Second: Dan Key

Vote: Unanimous approval

Dan Key made the following:

Motion: To elect Beverly Ross as President, Jim Peay as Vice President, and Ike as Secretary/Treasurer.

Second: Jim Peay

Vote: Unanimous approval

Unfinished Business:

The Board and management discussed the hot tub. The updated estimate to replace the hot tub from Diamond Blue is \$15,394. The Board agreed the hot tub is getting old but there are still no major issues with it, aside from the cracking which is holding up with epoxy. The cracking could be caused by the concrete pad shifting and settling. Billy will need to get an estimate for concrete work that may need to be done to install a new hot tub, but explained the height would be more for aesthetic appeal as a new hot tub would have the same footprint as the current one

but may be taller. The reserve study includes some additional costs for the hot tub replacement but totals \$21,218.00. Jim asked about a timeline for the replacement. Annalise Smith will contact Diamond Blue to confirm the lead time.

Beverly Ross mentioned there are some stucco and caulking repairs needed on Buildings 1 and 2 as a result of plowing the drainage ramp. Billy explained he took a look at it and doesn't think the cost to repair that and some minor rockwork would exceed \$800. Billy will get an estimate.

The Board and Management discussed the dumpster location and the different rates between Waste Management and Golden Eagle. Golden Eagle was almost double the rate per pickup.

New business

Beverly Ross explained the Association's collection policy must be updated to be consistent with Colorado law. The Association can only charge 8% instead of 18% interest per year.

Jim Peay made the following:

Motion: To change the Association's collection policy to get in line with Colorado law.

Second: Dan Key

Vote: Unanimous approval

Egress

Beverly asked for suggestions regarding egress requirements. Billy's opinion is that the only egress concern is on Building 3. Ike asked if all windows meet code for egress and Billy explained they do not meet current code, but were "grandfathered." Beverly's concern is snow piling up and would like to know exact requirements per the building department and the short-term rental department. Billy agreed to gather the information.

Short Term Rental Fee

The Board discussed options for imposing a short-term rental fee. They discussed which expenses might vary with short-term rentals. A fixed fee for all short-term rental units vs. a fee based on the number of licensed beds ("pillow fee") was discussed. Beverly mentioned an annual fee of \$50 per pillow fee might be appropriate. Jim agreed that renters are a cause for increased operating costs, and this would be a good option to avoid raising dues. The Board will also consider long-term rentals if an owner decides to long-term rent in the future. Jim and Beverly volunteered to do an analysis to determine which expenses are affected by short-term rentals.

There being no further business, the meeting was adjourned at 12:08 PM.

Ponderosa Condominiums Association
Board of Directors Meeting
December 13, 2023 1:00 PM MST
Zoom Meeting

Call to Order

Beverly Ross called the meeting to order at 1:02 p.m.

Roll Call

Board members present by Zoom:

Beverly Ross
Ike Hiles
Dan Key
Jim Peay
Todd Boatright (joined at approx. 1:30 p.m.)

Management present by Zoom:

William (Billy) Laird
Annalise Smith
Juliana Spinella

A quorum was established with 5 of 5 Board members present.

Proof of Notice

Official notice was provided via email on November 28, 2023.

New Business

The Board and Management reviewed the proposed Ordinary Income budget, which included a new short-term rental fee. Annalise said some of the other associations managed by Mountain Home Management (MHM) impose short-term rental fees per unit rather than per pillow. It was agreed that short-term rentals do create additional expenses and that the proposed fee of \$70 per pillow is reasonable.

(Todd Boatright joined the meeting.)

The Board reviewed the proposed Ordinary Expense budget. It was noted that snow shoveling is not a separate line item since it is included in the monthly management fee. Snow plowing is done by Pinnacle and the roof snow removal is done by Mountain Home Management are billed separately.

There was discussion regarding snow plowing and emergency egress around the buildings. The new owner of Unit 3A, Stephanie Selz, is in the process of obtaining a short-term rental license. During the inspection by Mt. CB's STR Officer, Stephanie was informed that there must be a path at least 3 feet wide clear of snow outside the bedroom windows. MHM will inform the plow company of this requirement.

Billy said that Pinnacle had asked him if the Board would consider paying a fixed fee of \$7,500 per year to include all snow plowing. The Board discussed this briefly and decided to table the topic for reconsideration at a later date.

Ponderosa Condominiums Association
Board of Directors Meeting
December 13, 2023 1:00 PM MST
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Jim Peay made the following:

Motion: To approved the Ordinary Expense budget as proposed.

Second: Dan Key

Vote: Unanimous approval

Jim Peay made the following:

Motion: To levy a fee of \$70 per pillow per year for units with a Mt. CB Short-Term Rental license beginning on January 1, 2024.

Second: Ike Hiles

Vote: Unanimous approval

Jim Peay made the following:

Motion: To approve the Ordinary Income & Expense Budget as proposed.

Second: Dan Key

Vote: Unanimous approval

The Board discussed upcoming capital projects. Annalise will get an updated estimate from Jay Prentis for the staining of the exterior natural wood.

Jim Peay made the following:

Motion: To have the exterior natural wood stained in 2024 according to the capital plan.

Second: Dan Key

Vote: Unanimous approval

The Board discussed smart locks being installed on entry doors that are not compatible with Ponderosa's master key system. MHM has a list of locks that can be keyed to Ponderosa's master system and will assist owners wishing to use locks that can be opened with a keypad or touchscreen. MHM was directed to insure that all **ENTRY LOCKS ARE COMPATIBLE WITH PONDEROSA'S MASTER KEY SYSTEM.**

Todd said he noticed the hallways take a lot of abuse and need some maintenance. MHM will see that repairs to walls and touch up painting is done during the off-season.

The Board discussed the condition of the hot tub. There is another updated quote from Diamond Blue for \$15,724 that includes removal of the old hot tub and installation of a new one. The Board asked management to check all the jets and hot tub pillows and get pricing for anything needing replacement.

Jim Peay made the following:

Motion: To adjourn the meeting

Second: Beverly Ross

Vote: Unanimous approval

There being no further business, the meeting was adjourned at 2:13 p.m.

Ponderosa Condominiums Association
Board of Directors Meeting
April 12, 2024, 10:00 AM MDT
Zoom Meeting

Call to Order

Beverly Ross called the meeting to order at 10:03.

Roll Call

Board members present by Zoom:

Beverly Ross
Ike Hiles
Dan Key
Jim Peay
Todd Boatright

Management present by Zoom:

Annalise Smith

A quorum was established with 5 of 5 Board members present.

Proof of Notice

Official notice was provided via email on April 9, 2024.

Unfinished Business

The Board met to discuss unanticipated large increase in the Association's policies with Farmers Insurance for the term beginning April 1, 2024, and the proposed changes to the Association's insurance policy. The Board unanimously agreed to increase the building's insurable value to the appraised amount of \$11,475,000, increase the deductible to \$25,000, and increase the water and sewer coverage to \$250,000.

Jena Hawkins, Commercial Team Representative with Mamich Agency (formerly Kinser Insurance Agency) of Steamboat Springs, CO, is still working on the general liability umbrella quotes for \$5,000,000 and \$10,000,00, which the Board will consider once they are received.

The Board agreed that following the updates and notification to owners about the changes in insurance, the Association will need to collect current certificates of insurance from each owner, as well as inform the members of the changes in insurance requirements regarding grills on decks.

New Business

Annalise informed the Board that an owner is doing a remodel without the required approval of the Manager. Annalise has requested the owners submit the proper documentation for remodels and get the common areas cleaned up of construction debris.

There being no further business, the meeting was adjourned at 10:21 AM.



Officers/Board Report

June 22, 2024

Beverly Ross, President

Welcome new owners! Two units have sold since our annual meeting last June. Stephanie Selz is the new owner of 3A (October 2023). Michele and Scott Siemer are now the owners of 1E (May 2024).

I think our new owners as well as our "old" ones can benefit from a review of our Rules and other things to know about owning a unit at Ponderosa.

Please see "Rules and Regulations" which follow this report. As noted in the preamble, their purpose is to provide an appealing and enjoyable environment, to protect the property's appearance, and to assure that each resident enjoys full benefit of occupancy, while at the same time respecting the rights and privileges of others.

Of particular importance is #14, regarding unit entry locks, which must be compatible with our master key system. This is not only a convenience for our manager; it is essential that all units be accessible with the master key in an emergency. We have a "Knox Box" for the fire department to access the key. If they need to enter your unit and your lock cannot be opened with the master key, they may have no choice but to break your door down! We understand how convenient the keypad locks are and want to make it easy for you to comply if you wish to install one. Annalise can provide you with a list of conventional, electronic and smart locks that are compatible with our system.

Ponderosa requires that renovations be reviewed and approved before work can

begin. Please see "Rules & Regulations for Remodels" included in this packet and also available on the Ponderosa website (ponderosacondos.org), under the "Documents" tab.

The Ponderosa website contains a wealth of information, including financial reports, minutes of meetings, condominium documents, and so on. I encourage you to take a look!

I have been involved in other condominium associations, and I can assure you that Ponderosa has an exceptionally congenial group of owners! Our Board endeavors to manage the Association efficiently and effectively, although sometimes it can be challenging, especially recently with the sudden rise in the cost of just about everything. We always welcome your comments and suggestions, and give them every consideration. Please do not hesitate to contact any member of the Board with your ideas, concerns, or compliments!

Dan Key, Board Member

I continue to serve on our HOA board because I truly enjoy the people and the mountains. The value of our place together has increased, but so have annual costs of administration and maintenance, notably insurance this year. We are also challenged to accommodate the various ways owners desire to use their units. Your input is helpful. We appreciate everyone's cooperation, patience, and consideration for others as we strive to serve you.



Rules and Regulations
Adopted December 17, 1999
Amended May 16, 2022

The purpose of the Rules and Regulations for the Ponderosa Condominiums Association is to provide an appealing and enjoyable environment, to protect the property's appearance, and to assure that each resident (owner, guest, tenant or short term renter) enjoys full benefit of occupancy, while at the same time respecting the rights and privileges of others.

1. The hot tub and saunas are open from 9:00 AM to 9:00 PM daily.
2. Quiet hours are from 10:00 PM to 8:00 AM. Excessive noise that is disturbing to others is prohibited. Such noise includes, but is not limited to, pets, music, outdoor conversation, indoor conversation, television sound, automobile horns and engine noises.
3. Parking is permitted in designated areas only. No more than two vehicles shall be kept, maintained or allowed on the property of Ponderosa Condominiums for each condominium unit. No motor homes, buses, or trailers are to be parked at any location on the property. No vehicle shall remain parked upon the property unless it is in good working condition and used for actual transportation. Exterior parking is only for temporary parking of vehicles being used on a continuous basis and not for long-term parking or storage. The Board of Directors has directed Management to remove vehicles at owner's expense, which are in violation of these rules.
4. **Pet Policy**
 - a. **Guests, tenants, and renters are NOT permitted to occupy a unit with a pet.**
 - b. Owners may reside in a unit with **one** domesticated pet (limited to a cat or a dog).
 - c. Owners may, at their discretion, allow immediate family members to occupy a unit with a pet without the owner being present. "Immediate family" is limited to spouse, parents, adult children (age 21 or older) and adult grandchildren (age 21 or older).
 - d. Owner must notify association manager of the name, relationship, and mobile phone number of family members who have permission to occupy a unit with a pet.
 - e. The pet must be housebroken, well-behaved, up to date on rabies vaccine, and be flea- and tick-free.
 - f. A pet may not be left unattended in common areas or on a deck at any time.
 - g. A pet must be on a leash and kept under control at all times while outside the unit.
 - h. Pet waste must be picked up immediately and properly disposed of.
 - i. Owner is responsible for any damage to common areas caused by pets.

5. Charcoal burners and other open-flame cooking devices are not permitted on decks, with the exception of LP-gas cooking devices having an LP-gas container not greater than 1-pound capacity. A common gas grill is available at the patio on a first come first served basis during the summer season.
6. General and limited common elements will be used so as to respect the rights and privileges of other occupants. Personal property may not be stored in general common areas; this includes the parking lots, entrances, hallways, stairwells and landings, and the perimeter of the buildings. No motor home, skis, bicycles, motorcycles, snowmobiles, etc., shall be stored or maintained by any unit owner upon the exterior property of Ponderosa Condominiums. Management has been directed to remove such property in these areas within 48 hours after giving resident written notice.
7. Balconies must remain clear of all items except deck or patio furnishings.
8. Bicycles, skateboards, roller blades, etc. are not permitted on the drainage ramp between Buildings 1 and 2.
9. Conducting a business in a condominium unit is prohibited if that business requires clients to visit the premises, use the parking facilities, or in any way infringes on the quiet enjoyment of the property by other residents.
10. No owner may install any permanent plumbing, wiring or air conditioning equipment, except with the prior written approval of the Board of Directors.
11. Unreasonable ongoing noxious smells that penetrate the common areas or another unit are prohibited.
12. Owners who rent long term are responsible for informing their tenants of these Rules and Regulations. Failure of tenants to comply may result in the Association requiring the owner to evict the offending tenants.
13. No commercial signs, advertisements, or notices shall be exhibited or fixed on any part of the outside or inside of the buildings.
14. **All unit entry doors at Ponderosa Condominiums are required to be on the master key system.**

Every resident shall comply with and abide by all Rules and Regulations set forth above and as amended from time to time. The above Rules and Regulations shall in no way amend or alter the Articles of Incorporation, Condominium Declaration or Bylaws of the Association, but shall only be supplemental thereto.

VIOLATIONS

Violations by a Short Term Renter

Owners of rental units shall provide Association Manager with the name of owner's rental manager. This information must be kept current.

Manager shall immediately notify a short-term renter of a violation of Rules and Regulations.

If violation is not immediately remedied, Manager shall notify rental manager in writing. Rental manager has 24 hours after receipt of notice to cure violation. If violation is not cured a fifty-dollar (\$50.00) per day

charge shall be assessed against Owner and added to Owner's Association account.

All Other Violations

Manager shall notify owner in writing of violation of Rules and Regulations.

Owner has three (3) days after receipt of notice to cure violation and if such violation is not cured, a fifty (\$50.00) per day charge shall be assessed against Owner and added to Owner's Association account.

FAILURE TO PAY ASSESSED CHARGES SHALL RESULT IN THE ASSOCIATION PLACING A LIEN ON THE UNIT.



**Rules & Regulations
for
Improvements, Remodels, and Renovations of Condominium Units**

Association Manager: William Laird, Mountain Home Management CB
523 Riverland Drive, Unit 2E
Email: info@mountainhm.com
Office: 970-349-8966

Unit: _____ **Owner:** _____

Complete this form and email or deliver it to Association Manager.

Initial items below or indicate "N/A" if item does not apply to your project.

_____ 1. Description of the work to be performed (attach blueprints or design drawings, if applicable).

Overview: _____

Electrical: _____

Plumbing: _____

_____ 2. The Association Manager will review proposed modifications within condominium units. The Association Manager may require inspection and approval of a structural engineer for removal or modification of interior walls. An appropriate consultant may be required for plumbing and electrical modifications. If the Manager has any concerns, project plans may be submitted to the Board of Directors for further review.

_____ 3. Contractor information:
General Contractor name: _____
Business name: _____
Business physical address: _____
Email: _____
Phone number: _____

**Rules & Regulation
For Improvements, Remodels and Renovations
Page 2**

Contractor name: _____
Business name: _____
Business physical address: _____
Email: _____
Phone number: _____

Contractor name: _____
Business name: _____
Business physical address: _____
Email: _____
Phone number: _____

- _____ 4. Improvements requiring a permit must meet code requirements of the Town of Mount Crested Butte, the Mount Crested Butte Fire Department, State, and Federal entities. A copy of the permit must be provided to the Association Manager.
- _____ 5. No work shall commence until written approval from Association Manager has been obtained.
- _____ 6. Contractors and subcontractors must submit proof of liability and workmen's compensation insurance.
- _____ 7. Demolition and construction debris cannot be disposed of in the Association's dumpster nor can it be stored in common areas, including parking lots. Contractor is responsible for removing debris on a daily basis or obtaining approval from Association Manager for any waste container use and location.
- _____ 8. Common areas, such as hallways, must be kept clean and free of debris and dust or you will be billed at the rate of \$45.00 per hour for cleaning done by the Association Manager.
- _____ 9. **Unit entry locks must be keyed to the Association's master.** Contact HVM Security Services, 970-349-7400 for information about compatible locks and to have any new locks re-keyed.
- _____ 10. The Town of Mount Crested Butte permits noise related to construction during the following hours:

Monday – Friday	7 am to 7 pm
Saturday	7 am to 6 pm
Sunday	10 am to 5 pm
- _____ 11. No modifications are allowed to the common areas or exterior of the buildings.

**Rules & Regulation
For Improvements, Remodels and Renovations
Page 3**

- _____ 12. No more than two vehicles per unit are permitted on the premises. Temporary parking permits for contractors must be obtained from the Association Manager.

- _____ 13. Contractors and their employees are not to bring dogs to the premises.

From Condominium Declaration for Ponderosa Condominiums:

19. OWNERS' MAINTENANCE RESPONSIBILITY OF UNIT.

- 19.1. The owner of a condominium unit shall keep and maintain the interior of his unit, including, but without limitation, the interior walls, ceilings, floors, windows, lass and all permanent fixtures and appurtenances thereto in a good and proper state of repair and in a clean, sanitary and attractive condition.
- 19.2. The owner shall not be deemed to own any utilities running through his unit which serve one or more other units except as tenants in common with the other owners. No utilities shall be altered, changed, relocated or disturbed without the prior written consent of the Association.
- 19.3. Such right to repair, alter and remodel shall carry the obligation to replace any finished materials removed with similar or other types or kinds of finishing materials.
- 19.4. All fixtures and equipment installed within the unit commencing at a point where the utility lines, pipes, wires, conduits or systems (which for brevity are referred to as "utilities") enter the unit shall be maintained and kept in repair by the owner thereof.
- 19.5. An owner shall do no act nor any work that will impair the structural soundness of integrity of the building or impair any easement or utility.

Project Start Date: _____ Estimated Completion Date: _____

I understand and agree to comply with the **Rules & Regulations for Improvements, Remodels, and Renovations** and the provisions of **Paragraph 19 of Ponderosa Condominiums Declarations** as stated above.

Signature of Owner on Deed: _____

Date: _____

Welcome to the Ponderosa Condominium Association's Annual Homeowners Meeting.

The following maintenance items have been completed since July of 2023:

- Backflow preventers were inspected
- All alarm devices were tested
- Fire extinguishers were inspected
- Garage door repairs completed on 2D and 1F garage doors
- Replacement of broken glass in unit 1D due to roof snow slide
- Weekly mowing, weed eating. We re-seeded the grass in upper lot due to the scraping of the ground caused by snowplow machines
- Spectrum replaced cable boxes in multiple units this month. We do not know if more replacements for the remainder of the units are to come since the association received new equipment in 2023.

Carpet Cleaning

Kelly Wilson of Unicorn Carpet Cleaning has retired. Kelly has done the carpet cleaning at the complex every year since 2009. We received three estimates from Quick Draw Cleaning (\$927), Johnson's Chem-Dry (\$915), Castles Cleaning (\$407). Mountain Home Management has done business with both Quick Draw and Johnson's Chem-Dry but not Castles Cleaning.

Capital Projects

The board of directors approved the sealing of the exterior natural wood on December 20, 2022. The amount budgeted for this project was \$13,585.00 but the bid we received from Altitude Painting on June 7, 2023 totaled \$19,250.00. After adjusting the scope of work for Altitude Painting, the new bid received on May 27, 2024 totals \$16,130 which is \$2,230 over budget.

Upcoming Maintenance Items

- Touch up painting throughout the interior of the buildings
- Touch up painting throughout the exterior of the buildings
- Mountain Home Management will obtain a quote for the stucco repairs that need to be addressed throughout the complex
- Capstone repairs
- Brian Ash will be spraying for noxious weeds late June or early July

Maintenance Considerations

- Some hot tub deck boards are cupping, and the hatch is sagging from settlement. This should be addressed during the hot tub replacement project

Financial Report

Fiscal Year-End Recap – December 31, 2023

Operating Income & Expenses

The operating section of the budget report reflected a \$4,619 loss while a profit of \$1,319 was budgeted.

Capital Reserve Income & Expenses

The capital section of the Budget Report was below budget, as one unbudgeted project was completed, and the sealing of the exterior wood was not completed in 2023. The unbudgeted capital project as required by the Mt. Crested Butte Water & Sanitation Department was the cost for replacement of three water meters that were no longer recording readings.

Total Net Income for the fiscal year ending December 31, 2023 was \$7,162.

Balance Sheet

At fiscal year end, the association had \$17,835 in the Operating Fund (Checking Account) and \$61,433 in the Capital Reserve Fund (Money Market Savings Account).

The December 31, 2023 fiscal year end audit completed by McNurlin, Hitchcock, & Associates will be posted on ponderosacondos.org for your review in the coming week.

Balance Sheet – May 31, 2024

As of May 31, 2024 the Association had \$17,284 in the Operating Fund and \$65,256 in the Capital Reserve Fund.

Accounts Receivable was -\$505, as one owner was prepaid in assessments. Accounts Payable was \$5,145.

Operating Expenses

Operating Expenses as of May 31, 2024 were \$950 under budget. Various line items were over budget.

- **Alarm System Monitoring & Maintenance:** over budget by \$133 due to an annual inspection for two units that occurred in May since they were not done in October of 2023.
- **Contract Service - Window and Door Glass Replacement:** An unbudgeted expense of \$416.32 was incurred due to a broken window from a roof slide.
- **Insurance:** \$979 over budget due to statewide increases in premiums of up to 35%.
- **Cable TV & Internet:** over budget by \$49.
- **Utilities:** Electricity is over budget \$383 and Water and Sanitation is over budget by \$208.

Capital Expenses

The capital project approved for completion in 2024 is the sealing of the natural wood throughout the complex. The adjusted bid received from Altitude Painting totals \$16,130. This exceeds the budgeted amount by \$2,230.

Ponderosa Condominiums Association, Inc.

Balance Sheet

As of December 31, 2023

Accrual Basis

	<u>Dec 31, 23</u>
ASSETS	
Current Assets	
Checking/Savings	
Basic Business Checking Bank of the West	26,834.56
Money Market Select Business Savings Bank of the West	52,432.60
Total Checking/Savings	<u>79,267.16</u>
Accounts Receivable	
1050 · Accounts Receivable-Owners	865.00
Total Accounts Receivable	<u>865.00</u>
Other Current Assets	
1110 · Prepaid Expense	672.00
1499 · Undeposited Funds	1,480.00
Total Other Current Assets	<u>2,152.00</u>
Total Current Assets	<u>82,284.16</u>
Fixed Assets	
1215 · Equipment	1,601.59
1250 · Accumulated Depreciation	-1,601.59
Total Fixed Assets	<u>0.00</u>
TOTAL ASSETS	<u><u>82,284.16</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2005 · Accounts Payable	9,413.79
Total Accounts Payable	<u>9,413.79</u>
Total Current Liabilities	<u>9,413.79</u>
Total Liabilities	<u>9,413.79</u>
Equity	
Fund Balance	65,708.11
Net Income	7,162.26
Total Equity	<u>72,870.37</u>
TOTAL LIABILITIES & EQUITY	<u><u>82,284.16</u></u>

Ponderosa Condominiums Association, Inc.
Budget Report

Accrual Basis

	Jan - Dec 23	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
Regular Operating Assessments	124,200.00	124,200.00	0.00
Late Fees	26.89	0.00	26.89
Miscellaneous Income	340.39	450.00	-109.61
Total Income	<u>124,567.28</u>	<u>124,650.00</u>	<u>-82.72</u>
Gross Profit	124,567.28	124,650.00	-82.72
Expense			
Appraisals	900.00	800.00	100.00
Audit & Tax Preparation	4,380.00	4,350.00	30.00
Contract Services			
Alarm System Monitoring & Maintenance	1,244.84	950.00	294.84
Backflow Preventer Testing	600.00	636.00	-36.00
Carpet Cleaning	510.00	500.00	10.00
Electrical Equipment Maintenance	0.00	350.00	-350.00
Fire Extinguisher Inspections	283.87	485.00	-201.13
Garage Door Repairs	181.04		
Hot Tub Repairs	0.00	1,060.00	-1,060.00
Irrigation System Shut Down	325.00	290.00	35.00
Other Contract Services	0.00	185.00	-185.00
Snow Plowing	10,193.30	7,500.00	2,693.30
Total Contract Services	<u>13,338.05</u>	<u>11,956.00</u>	<u>1,382.05</u>
Insurance	21,320.28	19,600.00	1,720.28
Legal Fees	63.00	50.00	13.00
Maintenance Supplies			
Hot Tub Supplies	1,417.02	570.00	847.02
Landscaping Supplies	0.00	750.00	-750.00
Other Supplies	519.80	300.00	219.80
Total Maintenance Supplies	<u>1,936.82</u>	<u>1,620.00</u>	<u>316.82</u>
Management Fees			
Management Fee - Contract	38,400.00	38,400.00	0.00
Other Labor - Hourly	63.75	360.00	-296.25
MHM Markup	27.70	200.00	-172.30
Roof Snow Removal	3,602.50	2,200.00	1,402.50
Snow Plowing	150.00	300.00	-150.00
Total Management Fees	<u>42,243.95</u>	<u>41,460.00</u>	<u>783.95</u>
Miscellaneous Expenses	78.00	75.00	3.00
Board/HOA Meeting Expense	0.00	20.00	-20.00
Utilities			
Cable TV & Internet	11,789.87	11,570.00	219.87
Electricity	3,891.91	4,000.00	-108.09
Telephone (Alarm System)	577.31	580.00	-2.69
Trash Removal	3,721.59	2,250.00	1,471.59
Water & Sanitation	24,945.84	25,000.00	-54.16
Total Utilities	<u>44,926.52</u>	<u>43,400.00</u>	<u>1,526.52</u>
Total Expense	<u>129,186.62</u>	<u>123,331.00</u>	<u>5,855.62</u>
Net Ordinary Income	-4,619.34	1,319.00	-5,938.34
Other Income/Expense			
Other Income			
Capital Reserve Assessments	17,640.00	8,640.00	9,000.00
Capital Special Assessments	0.00	9,000.00	-9,000.00
Capital Reserve Interest Income	177.60	10.00	167.60
Total Other Income	<u>17,817.60</u>	<u>17,650.00</u>	<u>167.60</u>
Other Expense			
Capital Expenses			
2023 Water Meter Replacement	6,036.00		
Stain Exterior Natural Wood	0.00	13,385.00	-13,385.00
Total Capital Expenses	<u>6,036.00</u>	<u>13,385.00</u>	<u>-7,349.00</u>
Total Other Expense	<u>6,036.00</u>	<u>13,385.00</u>	<u>-7,349.00</u>
Net Other Income	11,781.60	4,265.00	7,516.60
Net Income	<u>7,162.26</u>	<u>5,584.00</u>	<u>1,578.26</u>

Ponderosa Condominiums Association, Inc.

Profit & Loss Budget Overview

January through December 2024

Accrual Basis

	Jan - Dec 24
Ordinary Income/Expense	
Income	
Regular Operating Assessments	124,200.00
Short-Term Rental Fees	6,370.00
Miscellaneous Income	450.00
Total Income	131,020.00
Gross Profit	131,020.00
Expense	
Audit & Tax Preparation	4,600.00
Contract Services	
Alarm System Monitoring & Maintenance	1,250.00
Backflow Preventer Testing	600.00
Carpet Cleaning	525.00
Electrical Equipment Maintenance	250.00
Fire Extinguisher Inspections	350.00
Garage Door Repairs	360.00
Hot Tub Repairs	750.00
Irrigation System Shut Down	325.00
Other Contract Services	200.00
Snow Plowing	7,500.00
Total Contract Services	12,110.00
Insurance	22,850.00
Legal Fees	53.00
Maintenance Supplies	
Hot Tub Supplies	1,500.00
Landscaping Supplies	400.00
Other Supplies	275.00
Total Maintenance Supplies	2,175.00
Management Fees	
Management Fee - Contract	38,400.00
Other Labor - Hourly	64.00
MHM Markup	50.00
Roof Snow Removal	3,025.00
Snow Plowing	300.00
Total Management Fees	41,839.00
Miscellaneous Expenses	75.00
Utilities	
Cable TV & Internet	12,380.00
Electricity	3,921.00
Telephone (Alarm System)	594.00
Trash Removal	4,300.00
Water & Sanitation	26,443.00
Total Utilities	47,638.00
Total Expense	131,340.00
Net Ordinary Income	-320.00
Other Income/Expense	
Other Income	
Capital Reserve Assessments	8,640.00
Capital Special Assessments	9,000.00
Capital Reserve Interest Income	400.00
Total Other Income	18,040.00
Other Expense	
Capital Expenses	
Stain Exterior Natural Wood	13,900.00
Total Capital Expenses	13,900.00
Total Other Expense	13,900.00
Net Other Income	4,140.00
Net Income	3,820.00

Ponderosa Condominiums Association Reserve Study

2024-2033

	Project Title	Last Year	Life	Life	Last	Estimate	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
		Completed	(Years)	Left	Cost	2023										
1	Bear-Resistant Dumpster	2007	15	-2	1,832	2,689	2,770									
2	Paint Interior Hallways/ Doors/Trim	2008	15	-1	3,690	5,284	5,443									
3	Carpet Hallways	2008	15	-1	6,164	8,667	8,927									
4	Seal Exterior Natural Wood	2020	3	-1	11,421	13,495	13,900			15,189			16,597			18,136
5	Patio Furniture	2004	20	0	732	1,187	1,223									
6	Hot Tub	2004	20	0	Incl in 29	20,000	20,600									
7	Seal Coat/Crack Seal/Stripe Parking Lot	2022	3	1	9,264	9,619		10,205			11,151			12,185		
8	Alarm System	2001	25	2	3,400	5,877			6,422							
9	Crawl Space Vapor Barrier	2016	10	2	1,320	1,685			1,841							
10	Paint Exterior Stucco & Painted Wood Trim	2002	25	3	16,650	28,475			32,049							
11	Overhead Doors-Bldg 2	2000	30	6	4,600	8,209							10,096			
12	Front Entry Doors (3)	2001	30	7	Incl in 27	6,000								7,601		
13	Deck Railings	2001	30	7	Incl in 27	Unknown								Unknown		
14	Patio - Level Pavers	2011	20	7	2,993	4,080								5,168		
15	Water Heaters-Sauna Showers (2)	2016	15	7	2,079	2,654								3,362		
16	Backflow Preventers	2016	15	7	4,588	5,857								7,419		
17	Seal Chimney Chases Wood	2016	15	7	5,000	6,383								8,086		
18	Overhead Doors-Bldg 1	2002	30	8	4,600	7,867									10,265	
19	Stonework Repairs	2022	10	8	1,365	1,365										
20	Rear Entry Doors (4)	2003	30	9	2,064	6,000										8,063
21	Garage Roof Snow Brakes	2008	30	14	7,000	9,843										
22	Rebuild Bldg 3 Front Stairs	2019	20	15	3,771	4,530										
23	Repave Parking Lots/Walks	2019	20	15	75,985	91,271										
24	Garage Man Doors (2)	2019	20	15	1,479	2,000										
25	Unit Entry Doors	1978	>30		Unknown	18,000										
26	Electrical Equipment (per bldg)	1978	>30		Unknown	8,500										
27	Decks/Roof Extension	2001	>30		251,085	434,000										
28	Concrete Floor Bldg 1	2003	>30		18,905	31,663										
29	Hot Tub Renovation, Shed, Stairs	2004	>30		111,164	180,295										
30	Roofs	2006	>30		107,340	162,767										
31	Bldg 3 Porch Supports & Retaining Wall	2007	>30		26,078	38,509										
32	Windows & Patio Doors	2008	>30		154,894	217,793										
33	Attic Insulation	2009	>30		2,565	3,540										
34	Crawl Space & Exterior Drainage Repairs	2009	>30		76,598	109,262										
35	Retaining Walls - North	2011	>30		44,393	60,510										
36	Main Water Shutoff	2011	>30		750	989										
37	Metal Trim - Chimney Chases	2014	>30		1,200	1,549										
38	Retaining Walls - Front Parking Lot	2018	>30		66,250	80,900										
39	Cultured Stone Veneer Bldg 3 Foundation	2022	>30		3,000	3,000				3,377						
	Annual Totals:				1,034,219	1,604,314	52,862	10,205	8,263	50,614	11,151	-	26,693	43,821	10,265	26,200

Ponderosa Condominiums Association, Inc.

Balance Sheet

As of May 31, 2024

Accrual Basis

	<u>May 31, 24</u>
ASSETS	
Current Assets	
Checking/Savings	
Basic Business Checking Bank of the West	17,284.08
Money Market Select Business Savings Bank of the West	65,256.23
Total Checking/Savings	<u>82,540.31</u>
Accounts Receivable	
1050 · Accounts Receivable-Owners	-505.00
Total Accounts Receivable	<u>-505.00</u>
Other Current Assets	
1110 · Prepaid Expense	392.00
1499 · Undeposited Funds	1,230.00
Total Other Current Assets	<u>1,622.00</u>
Total Current Assets	<u>83,657.31</u>
Fixed Assets	
1215 · Equipment	1,601.59
1250 · Accumulated Depreciation	-1,601.59
Total Fixed Assets	<u>0.00</u>
TOTAL ASSETS	<u>83,657.31</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2005 · Accounts Payable	5,145.35
Total Accounts Payable	<u>5,145.35</u>
Total Current Liabilities	<u>5,145.35</u>
Total Liabilities	<u>5,145.35</u>
Equity	
Fund Balance	72,870.37
Net Income	5,641.59
Total Equity	<u>78,511.96</u>
TOTAL LIABILITIES & EQUITY	<u>83,657.31</u>

Ponderosa Condominiums Association, Inc.
Budget Report

Accrual Basis

	Jan - May 24	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
Annual Short-Term Rental Fee	6,370.00	6,370.00	0.00
Regular Operating Assessments	51,750.00	51,750.00	0.00
Total Income	58,120.00	58,120.00	0.00
Gross Profit	58,120.00	58,120.00	0.00
Expense			
Audit & Tax Preparation	400.00	400.00	0.00
Contract Services			
Alarm System Monitoring & Maintena...	413.47	280.00	133.47
Garage Door Repairs	253.03	360.00	-106.97
Snow Plowing	4,653.55	6,500.00	-1,846.45
Window & Door Glass Replacement	416.32		
Total Contract Services	5,736.37	7,140.00	-1,403.63
Insurance	10,500.27	9,520.85	979.42
Legal Fees	0.00	53.00	-53.00
Maintenance Supplies			
Hot Tub Supplies	560.21	625.00	-64.79
Other Supplies	119.84	275.00	-155.16
Total Maintenance Supplies	680.05	900.00	-219.95
Management Fees			
Management Fee - Contract	16,000.00	16,000.00	0.00
Other Labor - Hourly	0.00	64.00	-64.00
MHM Markup	0.00	50.00	-50.00
Roof Snow Removal	2,543.75	3,025.00	-481.25
Snow Plowing	0.00	300.00	-300.00
Total Management Fees	18,543.75	19,439.00	-895.25
Miscellaneous Expenses	84.00	75.00	9.00
Utilities			
Cable TV & Internet	5,206.95	5,158.35	48.60
Electricity	1,933.01	1,550.00	383.01
Telephone (Alarm System)	252.49	247.50	4.99
Trash Removal	1,739.45	1,750.00	-10.55
Water & Sanitation	11,225.70	11,017.90	207.80
Total Utilities	20,357.60	19,723.75	633.85
Total Expense	56,302.04	57,251.60	-949.56
Net Ordinary Income	1,817.96	868.40	949.56
Other Income/Expense			
Other Income			
Capital Reserve Assessments	3,600.00	3,600.00	0.00
Capital Reserve Interest Income	223.63	166.65	56.98
Total Other Income	3,823.63	3,766.65	56.98
Net Other Income	3,823.63	3,766.65	56.98
Net Income	5,641.59	4,635.05	1,006.54

RESOLUTION OF PONDEROSA CONDOMINIUMS ASSOCIATION

June 22, 2024

RE: EXCESS MEMBERSHIP INCOME APPLIED TO THE FOLLOWING YEARS' OPERATING EXPENSES AND/OR RESERVE FUND

WHEREAS, Ponderosa Condominiums Association is a Colorado condominium association duly organized and existing under the laws of the State of Colorado; and

WHEREAS, the members desire that the Association shall act in full accordance with the rulings and regulations of the Internal Revenue Service;

NOW, THEREFORE, the members hereby adopt the following resolution by and on behalf of Ponderosa Condominiums Association:

RESOLVED, that any excess of membership income over membership expenses as defined in IRS Reg. 1.277-1 for the year ended December 31, 2024 shall be applied against the subsequent tax year operating expenses and/or reserve fund as provided by IRS Revenue Ruling 70-604.

This resolution is adopted and made a part of the minutes of the meeting of Ponderosa Condominiums Association.

BY: _____
President

ATTESTED: _____
Secretary

Explanation of Resolution

Revenue Ruling 70-604 is a tax ruling only. The purpose of this ruling is to allow a homeowners association to avoid taxation on any excess member income (as defined in the Internal Revenue Code) that may inadvertently arise in a given tax year. The ruling states that the members of the Association meet to make the election. The ruling applies to any excess member income. The ruling allows two options only; (1) refund the excess member income to the members or (2) apply the excess to the following year's assessments.

The Board of Directors has determined that it is impractical to attempt to refund the excess member income because of the administrative issues involved and the fact that the excess member income may be needed as working capital to pay for continuing Association operating expenses. Therefore the Board of Directors requests that you approve an election under Revenue Ruling 70-604 to apply any excess member income to the following year's assessments. This does not mean that the assessments for next year will be reduced. Since expenses typically rise year-to-year, it is probable that any excess member income will be absorbed by an increase in expenditures.

Failure to approve this election may mean that the Association will be subject to additional federal income taxes, which will cause a rise in assessments for all members.

Board of Directors Meeting
June 22, 2024 • Following Annual Meeting

AGENDA

1. Roll Call
2. Proof of Notice
Official notice was provided by email on June 7, 2024
3. Reading and Approval of Minutes
 - a. Board Meeting June 24, 2023
 - b. Board Meeting December 13, 2023
 - c. Board Meeting April 12, 2024
4. Election of Officers
5. Unfinished Business
 - a. Hot Tub
 - b. Stucco Patching & Caulking between Buildings
6. New Business
 - a. Update Policy for Collection of Unpaid Assessments
 - b. Dumpster
 - c. Cadwell request to waive chimney sweep charge
7. Adjournment