

WELLINGTON III OFFICE BUILDING ASSOCIATION

Annual Meeting Minutes

January 07, 2015

1120 Wellington, 2nd Floor, Grand Junction, CO 81501

Board Members Present

Dr. Carl Feghali
Sharol Hernandez
Dr. William Scott

Bray Property Management

Jami McLennan

Called to Order:

Meeting was called to order at 5:34 p.m.

Introductions:

Jami McLennan introduced herself as Manager to the members present.

Approval of the October 25, 2012 Minutes:

Resolution: To approve the October 14, 2013 Annual Meeting Minutes as presented.

Motion: Dr. Noffsinger

Second: Dr. Feghali

The motion carried unanimously.

New Business

Management introduced Mike Kruger with Kruger roofing to explain one of the bids the association had received. The current roof has multiple leaks in the drain areas. Kruger Roofing explained the materials that they would be using and that they would add "crickets" for drainage. There will be a manufactures labor and parts warranty for 20 years. It was discussed that the work could be started on a weekend to bring in the materials and that they could start before Air conditioners got turned on to help eliminate the odor that would come into the building. The project will take 3 to 4 weeks to complete, as long as the weather held dry conditions.

Resolution: To approve a new roof.

Motion: Dr. Noffsinger

Second: Dr. Williams

Management introduced Alan Watkins with Grand Mesa CPAs, LLC. Alan attended the meeting to explain that Commercial HOA's and how they are different than Residential HOA's.

Management moved on to discuss the association taxes. The accountants subcontracted with Bray Property Management to prepare the association's income tax returns have

been electing to use the 1120H return forms over the previous years. Bray has subsequently been informed that this election should not be used for commercial community property associations.

Dr. Noffsinger made a motion that the association elects to use the Section 70-604 exemption for the 2014 tax year if required. This exemption allows the association to carryover excess income if any from 2014 to apply towards expenses in 2015. All members were in agreement to elect the Section 70-604 exemption for the 2014 tax year.

Financial Update:

Management presented information concerning the financial status of the association. As of December 31, 2013 in the cash account there was \$73,573.00 and in the reserve account there was \$145,762.00 As of November 30, 2014, there was \$57,919.00 in the cash account and in the reserve account, \$212,409.00.

2014-2015 Budget:

Management had passed out two budgets for the members to vote on. One budget showed the same amount being allocated into the reserve account while the second budget presented showed a lower amount being allocated into the reserve account. The second budget was presented because of the information the CPA had brought to the associations attention. The members decided to allocate a little less into reserves than presented. Management will provide the members with a new budget showing \$10,000.00 allocated into the Reserve account. The members agreed to vote by email to accept the proposed budget reflecting that amount.

Resolution: To approve the 2014-2015 budget once management emailed the revisions to the members.

Motion: Dr. Feghali
Second: Dr. Noffsinger

The motion carried unanimously.

Election:

Nominations from the floor:

The Board Member running for re-election was Dr. Feghali. There were no other nominations from the floor. It was presented that Dr. Feghali be accepted for another term.

Resolution: To nominate Dr. Feghali for another three-year term.

Motion: Dr. Noffsinger
Second: Dr. Madrid

The motion carried unanimously.

Close of Election:

Management asked if there was any additional information to come before the membership at the election. There was no further business to come before the membership on the election; therefore, the election portion of the meeting was closed.

Miscellaneous Business:

A. Organizational Meeting

All Board Members will retain the same positions. Sharol Hernandez will remain President; Dr. William Scott as Vice-President; and Dr. Carl Feghali the Secretary/Treasurer.

Questions from the floor:

Donna with Sage Brush Properties informed the members that they were looking into upgrading the conduct line into the building for fiber optics. This would be a benefit to the whole building and members would be able to join or connect for a fee once this is installed into the building. It was discussed that technology is upgrading and it would be a benefit to the whole association. It was decided that the association would contribute \$10,000.00 to bring in the conduct line, but if individual unit owners wanted to switch carriers that fee would be the unit owners to bear. The members agreed unanimously.

Once again there were some complaints in regards to the job the janitorial service is providing. Management stated that they would look into the problems.

It was brought to the attention of Management that the elevator has been and is working well with no complaints.

It was requested that the windows be cleaned at Wellington. Management will get a company out to take care of the windows.

Members requested trying to meet in six months opposed to every twelve months.

Next Meeting

Management announced that the next annual meeting will be held in January of 2015.

Adjournment:

There being no further business to come before the membership, the meeting was adjourned at 6:50 pm.



SIGNATURE

11/15/16

DATE