

**SKI AND RACQUET CLUB CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
APRIL 22, 2006
Breckenridge, Colorado**

Board Members Present Were:

Earl Haworth	Larry Augustyn
Dave Finkelman	Shannon Saramaa
Tony Karahalios	

Homeowner Present Were:

David Langford (“Brent”), Unit B-G1
Tom O’Lear, Unit 204-A
Allison Roach, Unit 204-B

Representing Basic Property Management were Dan Ulmer, Ann Evison and Ryan Cain. Margot Mayer was recording secretary.

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I. CALL TO ORDER

The meeting was called to order by Earl Haworth at 10:35 a.m.

II. APPROVE PREVIOUS MEETING MINUTES

Ann Evison’s name was spelled incorrectly. Tony Karahalios made a motion to approve the minutes from the meeting held on January 14, 2006 as amended. Shannon Saramaa seconded and the motion carried unanimously.

III. HOMEOWNER CONCERNS

Earl Haworth said ice build up on the balcony caused water to leak into his unit, soaking the carpet in the hallway and two bedrooms. He had the carpet cleaned but there is still a noticeable odor. Tony Karahalios made a motion to have Earl Haworth and the Board obtain estimates for replacing the carpet and to thoroughly research the origin of the odor. Shannon Saramaa seconded and the motion carried with one abstention.

Tom O’Lear said the contractor did not install concrete blocks on the two stairs up to the deck. He added that the paneling in Units 204-A and B was taken down but never replaced. Dan Ulmer will check with Turner Morris.

Tom O’Lear said he set up an additional electric heater in the crawlspace in order to prevent frozen pipes throughout the winter. He presented his electric bill and asked the Board for partial reimbursement of his electric costs.

Tom O’Lear mentioned that he sent an e-mail to the website but never received a response. He felt Property Management should communicate better with homeowners.

There was discussion about cracked pavers. Dan Ulmer did not think the pavers were covered under the warranty.

IV. FINANCIAL REPORTS

A. Balance Sheet as of March 31, 2006.

As of March 31, 2006 the available loan balance was \$38,784.83. Accounts Receivable was ahead of budget by \$6,531.66 due to advance payment by some owners. The balance on the loan was \$738,590.91.

B. Operating Profit & Loss

Ryan Cain reviewed the Profit and Loss operating statement.

1. Legal Fees - \$2,956 over budget.
2. Office Expenses - slightly over budget due to computer related expenses for Ann Evison.
3. Telephone - over budget because Ann Evison's cellular phone was not taken into consideration.
4. Utilities and Gas/Electric - over budget mainly because the contract ran out and the Association was not able to buy natural gas in bulk. Dan Ulmer explained there was a projected 14% increase in natural gas costs.
5. Repair and Maintenance - over budget due to frozen pipes and gutters, installing heat tapes, and extra carpeting.
6. A new contract has been signed for Elevator and Repair Maintenance.

Earl Haworth reported that the Excellence In Design contractor has been released from the contract and approximately \$25,000 was not paid for work not completed. The Association has directly paid the bills owed to Snowbridge and Bighorn.

C. Delinquencies

The Board discussed delinquent accounts. Dan Ulmer represented a homeowner who was not able to appear at the meeting. The homeowner is ninety days late for a total of \$1,188.99. Most of it is fines, legal fees and interest. Dan received a check for \$2,800 for dues in advance and the homeowner requested the \$500 fine be waived. He would be willing to pay for interest and legal fees.

Tony Karahalios made a motion to waive the \$500 penalty. If the homeowner falls behind with his dues again, however, he will be liable for the waived amount plus any new penalties. Larry Augustyn seconded and the motion carried with one abstention. The Board asked Dan to get this homeowner on automatic bank withdrawal.

Larry Augustyn made a motion to remove the finance charge from the delinquent homeowner (number four on the list). Tony Karahalios seconded and the motion carried.

Brent Langferd is a new homeowner and was told by his realtor that he could keep two dogs in his unit. One dog has cancer and is dying and he asked the Board for a temporary arrangement to keep the second dog until it dies. It was noted that Brent Langferd has physical difficulties walking his dogs to the dog area and was not picking up after them.

Dave Finkelman made a motion to temporarily allow the second dog to remain in the unit until it dies. Tony Karahalios amended the motion to include that Brent Langferd must clean up after his dogs. Larry Augustyn seconded. The motion was amended again to include that the penalty would be waived if Brent Langferd would serve "Community Service" by picking up dog waste around the complex whenever necessary until the June meeting. The motion carried unanimously.

Tom O'Lear asked that the dog owner in Unit 203 be fined for not picking up after his pet. A notice of violation will be sent to the owner with 48 hours to comply before being fined. Dan Ulmer will also warn the dog owner from Unit 202B.

V. OLD BUSINESS

A. Keys

New keys will be distributed to all homeowners.

B. Fireplace Inspection

The Board will review the Declarations and Bylaws to determine if gas fireplace inspections are mandatory. Homeowners should have carbon monoxide detectors in their bedrooms.

C. Steps in Front of Clubhouse

Dan Ulmer suggested leaving the steps as they are right now. He recommended focusing on preventing pipes from freezing and the sewer problems. The Board decided to postpone the replacement of the steps in the front of the Clubhouse.

D. Back Wall Heaters

Some of the heaters are very old and should be replaced with newer, more energy efficient ones. Dan Ulmer will take an inventory of all heaters. Shannon Saramaa made a motion to authorize Property Management to get two estimates to upgrade the heaters with all necessary insulation. Dan Finkelman seconded and the motion carried unanimously.

E. Leak in Building C/Exterior Wall on West Side of Unit 101

Water is coming through the siding of this unit. A contractor needs to be hired to determine if it is a caulking or siding issue.

F. Capital Projects List and Discussion

The Board reviewed remaining items and ranked them.

1. Rank 1 = must be done
 - Ceiling repair in pool room
 - Re-side all three buildings and caulk
 - Improve railings on stairs
 - Heat tape replacement
 - Pool deck painting
 - Stripe parking lot
 - Gutters with heat tapes are needed in three areas
 - Door frames on south side are rotted
 - Upgrade electric service and/or heat tape in downspouts
2. Rank 2 = could wait a year
 - Drainage on balconies
 - Sprinkler system (will get a bid)
 - Painting Clubhouse
3. Rank 3 = not a priority
 - Leveling sewer line
 - Meeting room carpet
 - Bathroom freshen-up
 - Meeting room furniture/flooring
 - Used exercise equipment

Dan Ulmer suggested getting a bid to possibly enclose the gutters with sheet metal in order to retain the heat.

He will get a bid to add at least three more circuits per building. Larry Augustyn, Norm Stein and Earl Haworth will act as a committee assisting Dan to review bids.

Ann Evison said the snow was dropping off the Clubhouse roof onto the support beams. She was concerned it might cause the beams to rot. Dan will ask Turner Morris to evaluate how this can be corrected.

The Clubhouse roof is leaking and will be repaired under warranty as soon weather permits. Dan will get a bid to replace the Clubhouse ceiling.

Dan asked the Board to consider switching to a new pool system that would greatly reduce chemical costs. Conversion to this salt system costs about \$800, gives the same cleansing and would require only about \$22 worth of chemicals per year. He will test the new system at Dillon Valley East.

There was discussion about painting the pool room floor a beige color and possibly adding some kind of grit to make it less slippery. The floor could be power washed instead of being mopped.

Drainage pans should be kept clear and open at all times and should be part of regularly maintenance.

The "Do Not Enter" sign is very faded and will be replaced by two new signs on each side of the driveway.

G. Developing Unbuilt Area

Dave Finkelman updated the Board regarding developing the unbuilt areas within the property owned by the Association. Due to mitigation factors the matter has to go back to the city attorney. The additional piece of property was not included in the original filing and therefore is not within the town limits.

It might be possible to file a petition to have the property annexed, but this would also affect a neighboring association. The additional piece of property is 1/3 of an acre and the density allowed is 72 units on the seven total acres of the property. There are procedures to move density allocation from the county to the city. Other alternatives would be to transfer the unused density to the existing property, to develop the property to generate revenue, or to sell the property to as a single-family residential site. The proceeds from the sale could be used to pay off the loan.

The Board decided to contact developers to see if they are interested in building on the property. Known challenges should be outlined to contractors, and contractors will be invited to make a presentation at the Annual Homeowner Meeting.

Dan Ulmer recommended having the property appraised so owners will have an idea of its value. The owners have previously voted down selling the vacant property. Dave Finkelman will draft a solicitation.

VI. NEW BUSINESS

A. 2007 Proposed Operating Budget

Dan Ulmer reviewed the proposed 2007 Budget:

1. Insurance – 5% increase
2. Cable TV - 5% increase. Earl Haworth explained the Board was unable to sign a five year Cable TV contract, as this would require an 80% vote of the membership.
3. Mortgage Interest - estimated at \$8,000.
4. Management Fees - 7% increase. Dan explained the increase was due to handling the loan and being on site during construction times this past

year. The increase also includes a raise for Ann Evison. The contract is up for renewal in June. He added that Ann will be relieved of some of her other responsibilities. The Board asked for a copy of the management contract and agreed to keep the 7% increase in the proposed budget.

5. Snow Removal – 5% increase.
6. Trash Removal - 5% increase due to higher fuel costs.
7. Electricity - 15% increase
8. Sewer and Water – 5% increase.

A detailed summary of how the loan money was spent will be provided for the Annual Meeting. No dues increase is budgeted for 2007.

Currently the Association is operating at a deficit of approximately \$7,000. The Replacement Fund balance was \$24,591.33. The Board agreed they should focus on increasing the Reserve Fund.

Tony Karahalios made a motion to approve the proposed 2007 Operating Budget as presented. Shannon Saramaa seconded and the motion carried. The Budget will be ratified at the Annual Meeting.

Notice for the Annual Meeting will be sent during the first week of May.

B. Satellite Dish

The renter of Unit G-4 would like to install a satellite dish. There was lengthy discussion about where it could be installed and how it could be accessed later on by the homeowner. The Board requested that the homeowner/renter provide a written proposal.

C. Insurance

Earl Haworth and Norm Stein requested a meeting with the insurance agent to review the existing policy coverage.

D. Tension Cracks

Dan Ulmer will have the tension cracks in some units evaluated.

VII. ADJOURNMENT

A motion was made to adjourn the meeting, which was seconded and carried unanimously. The meeting was adjourned at 2:00 p.m.

Approved By: _____

Board Member Approval

Date: _____