

**SKI AND RACQUET CLUB, LTD.
BOARD OF DIRECTORS MEETING
June 5, 2009
Breckenridge, Colorado**

I. CALL TO ORDER

The meeting was called to order at 7:07 p.m.

Board Members Present Were:

Tony Karahalios, President, CP6	Norm Stein, Vice President/Treasurer, A101
Jan Bowman, Secretary, B103	Tom O'Lear, Director, A204
Margie Wood, Director, BG2	Earl Haworth, Director, BP3

Owners Present Were:

Debbie and Bruce Linster, A205	John McCallister, AG3
Mark and Cathy Bohdan, AP5	Victoria Gischel, B102

Representing Basic Property Management were Dan Ulmer, Candy Ramage and Gary Nicholds. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVE PREVIOUS MEETING MINUTES

The Board reviewed the April 10, 2009 Board Meeting minutes. The Board requested that on page 7, last paragraph "so the required percentage was raised to 66%" be replaced with "Current state law requires a 67% majority".

Earl Haworth made a motion to approve the April 10, 2009 Board Meeting minutes as amended. Norm Stein seconded and the motion carried.

The Board reviewed the May 5, 2009 minutes. Margie Wood requested that on page 7, first paragraph, the attribution of the comment be changed to Jan Bowman.

Earl Haworth made a motion to approve the May 5, 2009 Board Meetings minutes as amended. Margie Wood seconded and the motion carried.

III. FINANCIAL REPORT

A. Balance Sheet as of April 30, 2009

1. Total Checking/Savings - \$38,249.
2. Total A/R - (\$7,909).
3. Total Current Assets - \$35,730.
4. Total Fixed Assets - \$844,363.
5. Total Other Assets - \$9,278.
6. Total Current Liabilities - \$4,423.
7. Total Long Term Liabilities - \$631,749.
8. Total Liabilities and Equity - \$889,371.

B. Operating P&L through April 30, 2009

1. Total Income - \$2,028 over budget.
2. Total Administration - \$7,523 under budget.
3. Total Condominium Management Expense - \$1,063 over budget.
4. Total Utilities - \$1,657 under budget.
5. Total Repair and Maintenance - \$2,506 under budget.
6. Total Other Expense - \$545 over budget.
7. Net Income - \$12,105 over budget.

Margie Wood asked about the Security expense. She thought there was supposed to have been a \$2,800 refund. Candy Ramage said she had not received any documentation related to it yet.

Capital Expenses to date totaled \$16,626, mainly for balcony repairs.

Norm Stein asked if any response had been received from Allair Timbers. Candy Ramage said she received a check for \$242 of the \$1,100 requested. She was instructed by Earl Haworth and Tony Karahalios not to cash the check yet as that action might be understood to constitute acceptance of that amount.

C. Reserve P&L through April 30, 2009

1. Total Income - \$26 over budget.
2. Total Expenses - \$8,890 over budget.
3. Net Income - \$8,865 under budget.

D. Aging Report

Candy Ramage was asked to provide details about any owners who are delinquent for the Annual Meeting.

Jan Bowman made a motion to approve the Financial Report. Earl Haworth seconded and the motion carried.

IV. OLD BUSINESS

A. Annual Meeting Planning

Dan Ulmer confirmed that he had copies of all proxies received to date. Dan will take care of the sign in process and distribute proxies as appropriate as owners check in tomorrow.

Tony Karahalios said he had created an agenda outline with timeframes for each discussion item. He anticipated many questions on the budget. He reviewed his timetable.

John McCallister brought to the attention of the Board that there is a standard agenda for the Annual Meeting outlined in the Bylaws, Article 3, Section 3.9. It

specifies that the new Board is supposed to be elected before the Old and New Business sections of the meeting. The agenda that was sent to the owners does not conform to the Bylaws. Tony Karahalios said if this was an issue, he would cancel the meeting since the notice was sent with an incorrect agenda. Earl Haworth thought the Bylaws could be amended by the Board but Bruce Linster pointed out that Section 7.3 indicated they can only be amended by the majority of the owners present at a meeting.

Tony Karahalios called a ten minute recess at 8:00 p.m. and reconvened the meeting at 8:13 p.m.

Earl Haworth made a motion to postpone further discussion on this issue and to have Tony Karahalios try to get a legal opinion from the Association's attorney prior to the start of the Annual Meeting. Jan Bowman seconded and the motion carried unanimously.

B. Legal Opinions from Association's Attorney

Tony Karahalios said he had obtained a written legal opinion about the Resolutions and about sending out a vote requiring an action. When a vote by the entire membership is required, only those votes in favor that are returned can be counted as votes in favor. A 2/3 majority of the membership would need to vote in favor of the Resolutions in order to pass them. Voting on the Resolutions was not included in the agenda that was sent to the owners but this issue could be introduced under New Business. The Resolutions were mentioned in the minutes of the 2003 Annual Meeting but the vote to adopt them was not legal and they were never recorded. The Resolutions were to amend the Declarations Section 5.5. Per the Declarations, the Declarations can only be amended with the approval of 75% (54 units) of the membership. Per the minutes, there was only 60% representation of the membership at the meeting, so the vote was not legal. As a result, Section 5.5 of the Declarations still stands as originally written. This means that an 80% vote of approval is required for any expenditure in excess of \$5,000 for improvements to the common areas. Effective January 1, 2006, CCIOA was amended by Senate Bills 100/89 to prohibit requiring approval by more than 67% of the membership to amend the Declarations. It is also no longer necessary to get the approval or consent of mortgagees to amend the Declarations.

Bruce Linster said per Senate Bills 100/89 there cannot be any requirement in excess of a 2/3 majority vote to amend Association documents. Dan Ulmer explained that the law change was done to make it easier to change the Declarations. The law does not change the requirements contained within the Declarations; it only addresses the ability to change the Declarations themselves.

Victoria Gischel thanked the Board for their due diligence in researching whether or not past votes were legal and if mail in voting was legal. She asked that the requirements be followed for future votes.

John McCallister commented that he brought up the agenda issue not to take control of the meeting, but rather to make sure that everything is done legally and properly.

V. NEW BUSINESS

A. Owner Information Update

Margie Wood requested permission to collect owner contact information at the meeting. Jan Bowman pointed out that email was not public information but mailing addresses were public. The form requests permission to share the email. Tony Karahalios said owners should be given the opportunity to unsubscribe to the email list. Victoria Gischel said she could help set up a system to send an email blast to inform owners when there has been an update to the Association website, without publishing the emails.

VI. ADJOURNMENT

Norm Stein made a motion to adjourn at 8:45 p.m. Jan Bowman seconded and the motion carried.

Approved By: _____ Date: _____
Board Member Signature