

MINUTES
SNOWDANCE MANOR CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING – SEPTEMBER 16, 2005

Board of Manager's meeting was called to order by Mark Chase-Jacobsen, President at 5:00 P.M., Young Realty's office, 23024 U. S. Highway, Keystone, Colorado.

Persons present at the meeting:

Mark Chase-Jacobsen, President
Stan Axelrod, Vice-President
Marie Cramer, Secretary/Treasurer
Russell G. Young, Managing Agent

A quorum was present with all three board members in attendance.

The purpose of this meeting was to review the agenda material for the annual membership meeting to be held the next day.

The Board fully discussed many issues with regard to the Goat Bar/Restaurant at the entrance to the Snowdance P.U.D. There was unanimous agreement that the general exterior of the bar/restaurant building was very poorly maintained, i.e. siding repair, siding painting, general cleanliness around the entire building especially the trash dumpster location, patron noise, parking control, security, etc. The Board agreed to address these issues during the next Snowdance P.U.D. meeting in 2006 and to convey the P.U.D. owners displeasure with these issues to the liquor license board that meets in April each year.

The Board moved to the review of the agenda of the next day's annual homeowner's meeting.

The next item of discussion was a review of a previous disclosure to the Board by Paul Geffers (ICS) regarding the deck balconies slight settling. During the exterior siding project, Mr. Geffers discovered that the deck support trusses had settled down enough to make the alignment of the deck fascia siding somewhat difficult during the installation on some decks. Mr. Geffers suggestion had been to position 4" x 4" support posts from the ground all the way up the forth level decks. The Board fully discussed this issue and decided the deck supports were not needed.

The next item of discussion was the Board's concern over the contractor's lack of progress on the exterior siding project. Mr. Young stated that his concern was not so much the painting, but instead, the balcony decks. Mr. Young said that the final deck seal process and carpet installation was temperature sensitive, thus the fall temperatures could be critical.

The next item of discussion was the review of the balcony deck carpet/color selection for installation by the contractor. The Board selected a 4-year fade carpet with a brown tone.

The next item of discussion was the replacement of the exterior lighting fixtures after the painting was completed. The Board concluded that they would review available lighting fixtures and provide Mr. Young with their choice in the near future.

The next item of discussion was the previous recommendation from the Association's attorney after the slip-and-fall lawsuit settlement earlier in 2005. Mr. Young stated that the attorney suggested that the hot tub be brought up to current code in the event that another accident occurred. Mr. Young explained that he had obtained a bid from a Denver pool/hot tub

contractor to bring the hot tub up to current code. The bid proposal was \$3,892 for this work. The Board decided to delay any hot tub improvements until the slow season and when repair of the pool could be done at the same time.

The next item of discussion was past owner inquiries about converting the wood fireplace to natural gas. The Board agreed that the conversion to natural gas was not practical at this time. Mr. Young reminded the Board that sometime in the future, the wood fireplace boxes would have to be replaced due to lack of parts and inability of corrective repairs. Mr. Young stated that the fireplace box replacement cost was the Association's responsibility and had recently been added to the 20-year reserve fund analysis.

The next item of discussion was Mr. Young's reminder that a small section of lobby carpet seam was unraveling. Ms. Cramer indicated that she would contact Sandy Powell, the interior design coordinator, to inquire about a warranty repair.

The next item of discussion was the availability high-speed internet service. The Board decided to continue the review process of the various options that come available in the future.

Mr. Chase-Jacobsen continued with the review of Saturday's annual meeting agenda. The first item of annual meeting agenda would be the introduction of all attending persons. Mr. Young indicated that he was expecting seven units to be represented by owners in person, which included the three Board members. Mr. Young also indicated that there would be a quorum for the meeting by means of proxies.

The next item of the meeting agenda packet would be the presentation of the previous September 11, 2004 annual homeowners' meeting minutes on Pages 1 through 11 of the agenda packet. Mr. Chase-Jacobsen indicated that he would present the meeting minutes for the owners' review and approval.

The next item of discussion was the Manager's Report on Page 12 of the agenda packet. Mr. Young reviewed his report with the Board in detail and would review it at the homeowners' meeting.

The next item of discussion was the Insurance Report on Page 13 of the agenda packet. Mr. Young reviewed the Insurance Report with the Board members. After discussion, Mr. Chase-Jacobsen asked Mr. Young to review the insurance report at tomorrow's meeting.

The next item of discussion was the review of the 2004-2005 Year-End Statement of Operations on Pages 14 through 17 of the agenda packet. Mr. Young reviewed these financial reports with the Board. Mr. Chase-Jacobsen asked Ms. Cramer (Association Treasurer) to review these financial reports at the homeowners' tomorrow.

The next item of discussion was the review of the 2005-2006 Approved Operating Budget on Pages 18 through 25 of the agenda packet. Mr. Young reviewed these financial reports with the Board. Mr. Chase-Jacobsen asked Ms. Cramer to review these financial reports at the homeowners' meeting tomorrow. Mr. Young noted to the Board that, as previously requested by the Board, the Member Assessments under REVENUE was now illustrated under two Assessment line items – Regular and Reserve Assessments.

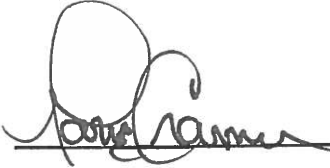
The next item of discussion was the review of the 2005-2006 Year-To-Date Statement Operations on Pages 26 through 29. Mr. Young reviewed these financial reports with the Board. Mr. Young further noted that the \$108,000 contract installment amount due Paul Geffers for the exterior construction project was reflected on the Balance Sheet (Page 29) under Liabilities. Ms. Cramer asked about the Escrowed Dues noted on the Balance Sheet. Mr. Young explained that the Escrowed Dues are listed as a liability and was a working capital that is required to be held by the Association on behalf of each owner. Mr. Young further explained that the Working Capital is based on an amount equal to two-months of dues. When a sale occurs, the Buyer is charged that amount and the Seller is credited his/her escrowed dues from their respective original purchase. Mr. Axelrod asked if the Association could charge a transfer fee for each Snowdance Manor sale. Mr. Young commented that Gateway had a 1% transfer fee and the River Run Village had a 2% transfer fee - both based on the total sales price. Mr. Young stated that the Association's legal documents would have to be amended. After a brief discussion, the Board decided not to pursue this issue. Mr. Chase-Jacobsen asked Ms. Cramer to review these financial reports at the annual meeting tomorrow.

The next item of discussion was the Replacement Reserve Fund & Future Schedule on Page 30 through 36. The Board reviewed the Reserve Fund in detail. Mr. Axelrod was asked to review the Reserve Fund at the homeowner's meeting.

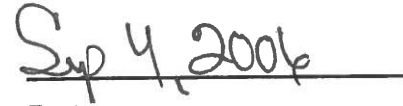
Mr. Axelrod suggested that the Board look into reducing the building insurance cost by means of increasing the insurance deductible. The Board asked Mr. Young to look into the premium savings associated with a higher deductible.

Mr. Young stated that Ms. Cramer (Unit 402) and Mr. George Buckland (Unit 307) would be on the ballot for election to a three-year term.

After a final review of next day's meeting agenda packet, Mr. Chase-Jacobsen adjourned the meeting at 8:00 P.M.



Marie Cramer, Secretary



Date