

MINUTES
SNOWDANCE MANOR CONDOMINIUM ASSOCIATION
BOARD OF MANAGERS MEETING – SEPTEMBER 2, 2006

Board of Manager's meeting was called to order by Mark Chase-Jacobsen, President at 7:00 A.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 at 9:00 A.M. this morning.

The pool facility closure cost savings was discussed in detail. The pool closure and related costs savings will be reviewed with the attending members during the annual meeting. The Board will hold a member vote during the meeting to determine if the pool facility should remained closed during the spring and fall off season periods.

Mr. Axelrod asked about the Fire Protection Monitoring budget expense. Mr. Young reviewed the service provided by Superior Alarm. Mr. Young explained that the service was not an all-inclusive program. Monitoring

cost was a set amount per quarter and the annual certification and repair/maintenance of the smoke and heat detectors is based on actual repair service required.

Mr. Young noted that the Exterior Improvement line item under the Liability section of the Balance Sheets on Pages 12 and 25 respectively should reflect \$67,995.43 instead of \$78,810.43. The Board decided that the principal balance should be paid off rather than paying off the balance over the 24 year installment agreement after the job was completely finished.

The next item of discussion was the Manager's Report on Page 10 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 11 of the agenda packet. Mr. Young reviewed the Insurance Report with the Board members. Mr. Axelrod suggested that the Board look into the insurable replacement value of the building. At present, the insured replacement amount was \$4,987.677, unchanged from last year. Mr. Axelrod suggested that the building may be over-insured and a reduction in the insured value could reduce the premiums. Mr. Young stated that he would follow-up on construction costs both with the insurance company and local contractors. 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 2005-2006 Year-End Statement of Operations on Pages 9 through 12 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.

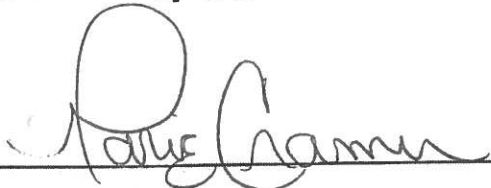
The next item of discussion was the review of the 2006-2007 Approved Operating Budget on Pages 13 through 20 of the agenda packet. The Comparison of Keystone Area Association Annual Operating/Reserve Costs represented on Page 21 of the agenda packet was discussed in detail. Mr. Young reviewed the remaining financial reports with the Board. Mr. Chase-Jacobsen asked Ms. Cramer to review these financial reports at the homeowners' meeting tomorrow.

The next item of discussion was the review of the 2006-2007 Year-To-Date Statement Operations on Pages 22 through 25. Mr. Young reviewed these financial reports with the Board. After a thorough discussion, Mr. Chase-Jacobsen asked Ms. Cramer to review these financial reports at the annual meeting tomorrow.

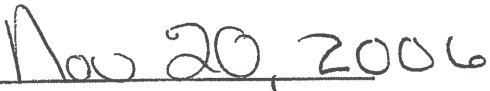
The next item of discussion was the Reserve Fund reports and analysis on Pages 26 through 32. After a thorough discussion of the Reserve Fund and analysis, the Board decided to eliminate the annual 5% increase in reserve fund contribution effective the next fiscal year budget. The Board discussed the possibility of raising additional reserve funds through the implementation of a sale transfer fee. The Board discussed this issue in detail and agreed to present this issue to the members during tomorrow's annual meeting. Mr. Axelrod was asked to review the Reserve Fund at the homeowner's meeting.

Mr. Young stated that Ms. Axelrod (Unit 403) 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 8:48 A.M.



Marie Cramer, Secretary



Date