

**MINUTES**  
**SNOWDANCE MANOR CONDOMINIUM ASSOCIATION**  
**ANNUAL MEMBERSHIP MEETING – SEPTEMBER 26, 2009**

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Meeting was called to order by Mr. George Buckland, Vice-President at 9:06 A.M., Snowdance Manor Condominium building main lobby area, 23034 U. S. Highway 6, Keystone, Colorado 80435

**Persons present:**

Steve Baker representing Unit 409.

George and Julie Buckland representing Unit 307.

Paul Tosetti representing Unit 207.

Mark Cannon representing Unit 306.

Catherine Reedy representing Unit 302.

Gordon Banks representing Unit 401 and 405.

Harry Johnson representing Units 309 and 407.

Tom Moser representing Unit 408.

Russell G. Young, Association Managing Agent representing Units 101, 102, 103, 104, 201, 202, 204, 205, 206, 208, 209, 301, 303, 308, 403, and 404 by proxy.

A quorum was present with 83.35% represented – ownership in person (33.89%) and ownership by proxy (49.46%).

The first item on the agenda was the introduction of all attending owners.

The next item on the agenda was the presentation of the previous annual membership meeting minutes for September 27, 2008. Mr. Buckland referred the members to Pages 1 through 10 of the agenda packet. Mr. Buckland asked the members for any comments,

discussions or corrections with regard to the minutes. With no other comments, discussions or corrections from the owners, a motion to accept the minutes as written was offered. The motion was seconded. The owners unanimously approved the meeting minutes as written.

The next item on the agenda was the Manager's Report offered by Russ Young. Mr. Young referred the owners to Page 11 of the agenda packet. Mr. Young reviewed his report as follows:

1. All owners are current with their association dues.

2. There are three units on the market for sale at this time:

Unit 405	2BR+Loft/3BTH	\$369,000
Unit 403	2BR+Loft/3BTH	\$425,000
Unit 406	2BR+Loft/3BTH	\$425,000

3. Units sold/closed in 2009 to date:

Unit 401	2BR+Loft/3BTH	\$382,500	9-11-09
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4. The pool facility is presently closed until November 24, 2009. There are various projects being performed during this closing, i.e. cedar/redwood wall siding sealing, pool deck cleaning/sealing and pool equipment upgrade to comply with Section 1404 of the Virginia Graeme Baker Pool & Spa Safety Act.

5. The exterior of the main building entrance siding/wood and metal hand railings, the northwest entrance staircase, the 2<sup>nd</sup> and 3<sup>rd</sup> north exterior staircases/metal hand railings, the covered garage storage enclosure, and all building exterior doors have been restained/painted.

6. Many of the unit water heaters were replaced approximately 11 years ago. The normal life expectancy of a standard water heater in this area is approximately 10 years. There have been several unit water heaters that have failed over the last couple of years with some causing damage to other units below. It is suggested that all owners who have not replaced their water heaters over the recent past have their respective water heaters replaced this year. All unit owners should have their entire unit checked annually for plumbing issues, i.e. leaking faucets, water angle stop valves, toilet flapper valves, drain traps, garage disposal, refrigerator ice maker line, etc.

7. Several roof leaks had occurred during the prior winter at certain top floor unit fireplace stack locations and the ski locker flat top roof. These roof leaks are in the process of being repaired and will be completed in the near future. All unit interior related damaged drywall will also be repaired.

With no further discussion, Mr. Young concluded his manager's report.

The next item on the agenda was the Insurance Report offered by Mr. Young. Mr. Young referred the owners to Page 12 of the agenda packet. Mr. Young stated that The Insurance Company of the Rockies in Frisco, Colorado was the Association's independent insurance agent and the current insurance underwriter was The Travelers. Mr. Young stated that the insurable replacement value had increased from \$5,200,000 to \$5,408,000 or a 4% increase from the previous policy period. Mr. Young explained that effective May 17, 2009, the annual policy premium for property loss had been increased by 6.90% and the umbrella liability coverage premium remained unchanged. Mr. Young reminded the attending homeowners to review their respective unit insurance policy as to any limits for damage coverage. For example, if a unit had a leak, i.e. ice maker line, water heater, etc. which resulted in damages to the unit below, your unit's insurance coverage should cover all damages, not just the damage to your own unit. In the past, Colorado Casualty has not provided complete coverage to property outside the insured unit. The Travelers Insurance Company does provide such coverage. With no further discussion or comments, Mr. Young concluded his insurance report.

The next item on the agenda was the review of the 2008-2009 Year-End statement of operations offered by Mr. Young. Mr. Young referred the owners to Pages 13 through 16 of the agenda packet. Mr. Young reported that the Year-End Loss was \$5,201.99. Mr. Young explained that the Electricity and Refuse accounts were the cause of the 2008/2009 operating loss. When the 2008/2009 Operating budget was approved in June 2008 just at the beginning of the national energy increases, the approved operating budget had not taken into consideration the future unanticipated Xcel energy rate increases 2008 and 2009. Keeping the common hallway/lobby/storage heat turned off last winter and closing the pool facility post 2009 Easter saved approximately \$2,500 to \$3,000 in energy costs, which helped to minimized the over budget amount. Mr. Young further explained that the Refuse Removal account was over budget by \$1,149.48 due to an increased trash pick-up schedule during the winter months and the addition of recycling totes. With no further comments or discussion of the June 30, 2009 Year-End statement of operations, Mr. Young concluded his report.

The next item on the agenda was the review of the 2009/2010 approved operating budget provided by Mr. Young. Mr. Young referred the owners to Pages 17 through 24 of the agenda packet. Mr. Young reminded the owners that the 2008/2009 approved budget had been sent in June 2009 to all owners with the quarterly newsletter. Mr. Young stated that Page 17 reflected the actual/budget comparisons from 1998/99 fiscal year to the present budget. Mr. Young commented that the member operating assessment dues had increased by an average of 4.12% per year over the 11-year history. After a detailed review and no further comments or discussion, Mr. Young concluded his report.

The next item on the agenda was the review of the August 31, 2009 Year-To Date operations report. Mr. Young referred the owners to Pages 25 through 28 of the agenda packet. After a brief review of the August 31, 2009 statement of operations, Mr. Young concluded his report.

The next item on the agenda was the review of the Reserve Fund. Mr. Young referred the owners to Pages 25 through 28 of the agenda packet. Mr. Young reviewed the Statement of Reserve Fund for 2008/2009 Year-End fiscal year on Page 29 along with the Statement of Reserve Fund for 2009/2010 Year-To-Date on Page 30. Mr. Young also referred the members to Pages 31 through 35 of the agenda packet and reviewed the long-term Reserve Fund Expenditure and Assessment and Analysis. Mr. Young explained that the Reserve Fund Expenditure & Assessment Analysis reflected various capital assets along with life expectancies, estimated replacement costs and current ages. Mr. Young stated that the 20-Year Reserve Fund Analysis was a planning tool for the Board of Managers for future capital replacement capital projects and related costs and was updated annually. Mr. Young explained that a reserve fund balance between 70% to 100% of ideal funding was considered financial stable; a reserve fund balance from 30% to 70% of ideal funding was considered moderate reserve strength; and, a reserve fund balance under 30% was considered weak reserve strength. Mr. Young referred the owners to Page 32 and explained that the reserve fund balance would be approximately 77% funded by the year 2012. As the Reserve Fund balance approaches the ideal funding level, the Board of

Managers would review the annual Reserve Fund contribution and realign the annual contributions to insure that the fund level does not exceed the required funds. Mr. Young reminded the homeowners that a healthy reserve fund was a very positive factor for the future sale of a unit. After a thorough discussion of the reserve fund future schedule, Mr. Young concluded his report.

The next item on the agenda was Open Discussion.

Mr. Buckland reviewed the status of the various building roof leaks. He indicated that the leaks located at several fireplace roof chase stacks are being repaired over the next week or two. Mr. Moser, owner of Unit 408, indicated that his unit did show signs of a slight roof leak. Mr. Young responded that his unit would be included in the fireplace stack/roof repairs. Mr. Banks, owner of Unit 401, asked that a small drywall spot from an old roof leak be repaired in his guest bedroom. Mr. Young responded that his unit repair was on the drywall repair list. The ski locker roof leaks are being reviewed by the Board with the final solution being implemented next summer. Mr. Buckland explained that the ski locker flat top roof was a problematic design, thus, the Board is looking at changing the flat top design to a pitched shingled roof. A new design would eliminate future problems that are inherit with a flat top roof at this altitude.

Ms. Reedy asked why the ski locker area lights were always on. Mr. Young responded that the lights remain on due to fire/building code requirements just as is the case with the hallway lighting. Mr. Young went on to say that the entire building now only uses florescent light bulbs. An owner inquired about installing a motion sensor in the ski locker. Mr. Young responded that he had been looking into motion sensors for the laundry room and certain storage areas and would report back to the Board on his findings. Mr. Buckland stated that the Board had been looking into upgrading the garage and building common hallway lighting fixtures to more efficient types.

An extensive discussion revolved around the Goat Bar/Restaurant and the associated problems. All agreed that the Goat was a problem, but the Board indicated that little could

be done to solve the various problems, i.e. noise, patron disruptions, etc. Most of the attending owners were looking forward to a possible building change of use.

Ms. Reedy inquired about the slipperiness on the third level north wooden ramp to the parking deck. Mr. Young responded that it can become slippery, but vary rarely. But, generally, it has not been a problem in the past. Other attending owners didn't feel it was a problem.

Mr. Banks asked Mr. Young about the balcony carpet, i.e. it seems to be rippling in certain areas. Mr. Young responded that he would look at his unit. Mr. Young did acknowledge that carpeted exterior balconies do have a tendency to detach from the sub-floor due to the extreme weather/temperature changes and firewood storage.

An owner inquired about the lock boxes mounted on the wooden storage room siding in the garage area. Mr. Young answered that some owners install their personal lock boxes in that location both for guest arrivals and for emergency key access. Owners are permitted to mount their lock boxes in that location, since permanent lock boxes are not permitted in the building interior.

Mr. Young referred the attending owners to the Board of Managers' and owners' lists on Pages 36 through 43 of the agenda packet. If any corrections were required, the respective homeowner should contact Mr. Young. With no further Open Discussion topics, Mr. Buckland concluded this agenda topic.

Mr. Young reminded the attending owners that the Keystone shuttle bus service effective December 1, 2009 would be available to anybody. There are no more restricted use requirements for Keystone Resort guests only. So, the adjacent The Inn shuttle bus stop will now be available to Snowdance Manor guests.

Mr. Baker asked Mr. Young about the Mountain House Village redevelopment. Mr. Young stated that Vail Resorts has been working on the redevelopment plans for many

years. But, due to a variety of reasons, the starting date had been delayed. Mr. Young further stated that its redevelopment would probably not begin until the economy settles back into a growth direction. When the redevelopment finally begins, the full project will take up to ten years.

With no further open discussion items, Mr. Buckland concluded the open discussion.

The next item on the agenda was the Board of Managers election. Mr. Young explained that Mr. Buckland's position was up for re-election. Mr. Buckland indicated that he would run for a 3-year term. With no further nominations offered from the floor, the nominations were closed. Mr. Buckland was unanimously re-elected for a three-year term.

With no further discussion, Mr. Buckland made a motion to adjourn the meeting. All attending owners agreed. The meeting was adjourned at 10:18 A.M. The attendance roll is attached to these minutes and incorporated hereto.

George Buckland  
George Buckland, Vice-President

: Oct 20, 2009  
Date

September 26, 2009 - 9:00 A.M.  
 SNOWDANCE MANOR CONDOMINIUM ASSOCIATION, INC.  
 ANNUAL MEMBERSHIP MEETING - ATTENDANCE

UNIT	LEGAL OWNER(S)	GENERAL PROXY DESIGNEE	SPECIAL PROXY DESIGNEE	% OWNERSHIP	ATTEND	PROXY	TOTALS
101	Michael L. O'Shea Molly K. Vap O'Shea	Michael L. O'Shea	Russell G. Young	3.04		3.04	3.04
102	Michael S. Woodward Kelly B. Woodward Scott D. Woodward	Michael S. Woodward	Russell G. Young	3.06		3.06	3.06
103	Sullivan S. Gallo Antoinette Gallo	Russell G. Young		2.91		2.91	2.91
104	Mitchell J. Anderson Eugene J. Smaciarz Beth Ann Larson Gary Blix Jerome James Furey Brenda Lee Becker Scott Joseph Furey Joanne Marie Furey Douglas Scott Walker Constance Wichmann Walter Abbott Wilson	Ivy Blix	Russell G. Young	2.98		2.98	2.98
201	Lawrence Dillon Sondra Dillon	Sondra Dillon	Russell G. Young	3.06		3.06	3.06
202	Gilbert R. Vander Ham Donna J. Vander Ham	Russell G. Young		3.08		3.08	3.08
203	Richard E. Hoover, Co-Trustee Elaine L. Hoover, Co-Trustee	Richard E. Hoover		2.90			
204	Andrew N. Peterson Lori L. Peterson	Russell G. Young		2.95		2.95	2.95
205	Harry B. Durham III Lynda L. Durham	Russell G. Young		2.97		2.97	2.97
206	Michael J. Devine Jeanne T. Devine Mary Clare Toomey	Michael J. Devine	Russell G. Young	2.95		2.95	2.95
207	Paul E. Tosetti Holly K. Tosetti			2.94	2.94		2.94
208	Craig A. Knutzen Patricia A. Knutzen	Craig Knutzen	Russell G. Young	2.96		2.96	2.96
209	Robert W. Spencer Jaclynn Z. Spencer	Robert Spencer		2.95		2.95	2.95
301	Susan R. Davis		Russell G. Young	3.06		3.06	3.06



