

MINUTES
SNOWDANCE MANOR CONDOMINIUM ASSOCIATION
ANNUAL MEMBERSHIP MEETING – SEPTEMBER 24, 2011

Meeting was called to order by Ms. Marie Cramer, President at 9:04 A.M., Snowdance Manor Condominium building main lobby area, 23034 U. S. Highway 6, Keystone, Colorado 80435.

Persons present:

Marie Cramer representing Unit 402.

George Buckland representing Unit 307.

Paul Tosetti representing Unit 207.

Carlin Freeman representing Unit 202.

Robert Spencer representing Unit 209.

Catherine Reedy representing Unit 302.

Mark Cannon representing Unit 306.

Gary Morgan representing Unit 403.

Ruth Chapin representing Unit 408.

Russell G. Young, Association Managing Agent representing Units 101, 102, 103, 104, 201, 204, 205, 206, 208, 209, 301, 303, 304, 308, 309, 401, 404, 405, 406, 407, and 409 by proxy.

A quorum was present with 94.14% represented – ownership in person (29.55%) and ownership by proxy (64.59%).

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 homeowners' meeting minutes for September 25, 2010. Ms. Cramer referred the members to Pages 1

through 12 of the agenda packet. Ms. Cramer 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.

Manager's Report:

Mr. Young referred the owners to Page 13 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 206	2BR/2BTH	\$275,000
Unit 303	2BR/2BTH	\$260,000
Unit 405	2BR+Loft/3BTH	\$299,000
3. Units sold/closed in 2011

Unit 403	2BR+Loft/2.5BTH	\$330,000	3-18-11
Unit 202	2BR/2BTH	\$285,000	9-1-11
4. The pool facility is presently closed until November 23, 2011. During the 2010 fall closure, the hot tub and pool were re-plastered/tiled. Total Cost: \$10,650.00.
5. During the fall of 2010, the common men's and women's bathrooms and the laundry room were updated with new tile floors, vanity sinks and repainting. Total Cost: \$13,410.53.
6. Effective January 1, 2012 or April 1, 2012, the Snake River Water District will increase their water usage rates. Water usage is billed in arrears. The following reflects the present rate versus the revised rate – quarterly billing:

Present Rate – Quarterly Billing

\$63.00 per EQR
0 – 15,000 gallons tier one – no charge
Over 15,000 gallons \$3.00 per 1000 gallons

Revised Rate – Quarterly Billing

\$68.00 per EQR
0 – 7,500 tier one – no charge
7,500 – 15,000 tier two - \$6.00 per 1000 gallons
Over 15,000 gallons - \$12.00 per 1000 gallons

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

Insurance Report

Mr. Young referred the owners to Page 14 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 reminded the owners that the insurance policy is reviewed annually by the independent insurance agent in order to seek the most competitive underwriter's bid. Mr. Young further stated that the insurable replacement value had increased from \$5,624,320 to \$5,680,563 or a 1% increase from the previous policy period. Mr. Young explained that effective May 17, 2011, the annual policy premium for property loss had been increased by 2.78% and the umbrella liability coverage premium had remained unchanged. Mr. Tosetti 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 owner's unit insurance policy should cover all damages, not just the damage to your own unit. With no further discussion or comments, Mr. Young concluded his insurance report.

2010-11 Year-End Financial Review

Mr. Tosetti, the Association Treasurer, referred the owners to Pages 15 through 18 of the agenda packet. Mr. Tosetti reported that the Year-End Gain for July 1, 2010 through June 30, 2011 was \$1,958.74. Mr. Tosetti noted that the refuse account was better than budget due to the fact that only Snowdance Manor and Snowdance now use the dumpsters between Snowdance Building A and B. The Snowdance Plaza commercial building now uses the Restaurant Building dumpster. Also, at the end of April 2011, the re-cycling service was discontinued, thus, saving additional costs. The Refuse account should continue to run better than budget through the remainder of the current fiscal year. Mr. Tosetti asked Mr. Young to explain the assessment dues late fee guidelines. Mr. Young responded that the quarterly statements are mailed to all owners approximately 10 days prior to the respective quarterly cycle. The owners have until the end of the first month of the quarterly cycle to pay their respective dues. For example, the October-December 2011 dues statements were mailed on September 20, 2011. If the owner's dues payment is not received by October 31, 2011, there would be a \$50.00 late fees assessed, which would

appear on the subsequent quarterly billing statement. Mr. Tosetti referred the members to Page 18 of the agenda packet. He reviewed the existing Money Market, US Bank Certificate of Deposit and the Alpine Bank Certificate of Deposit. These funds are returning a very minimal rate of return. With the attending owners' unanimous approval, the Board will proceed with improving the reserve fund's rate of return through placing some of the funds into short-term, high quality AAA rated bonds.

2011-12 Approved Operating Budget Review

Mr. Tosetti referred the owners to Pages 19 through 26 of the agenda packet. Mr. Tosetti stated that Page 19 reflected the actual/budget comparisons from 2000/01 fiscal year to the present 2011/12 budget. Mr. Tosetti commented that the member operating assessment dues had increased by an average of less than 1% per year over the last 12-year history. Mr. Tosetti also stated that the owner's assessments have decreased by a per unit average of 3.61% from last fiscal year (2010-11) to the current fiscal year (2011-12) largely due to a reduction in the reserve fund contributions. The owners were reminded that the Snowdance Manor Building is relatively small with 31 units, but has to solely support a pool facility and elevator service. After a detailed review and no further comments or discussion, Mr. Tosetti concluded his report.

2011-12 Year-To-Date Financial Review

Mr. Tosetti referred the owners to Pages 27 through 30 of the agenda packet. After a brief review of the August 31, 2011 year-to-date statement of operations, Mr. Tosetti concluded his review.

Reserve Fund Review

Mr. Tosetti referred the owners to Pages 31 through 37 of the agenda packet. Mr. Tosetti reviewed the Statement of Reserve Fund for 2010/2011 Year-End on Page 31 along with the Statement of Reserve Fund for 2011/2012 Year-To-Date on Page 32. Mr. Tosetti 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. Tosetti 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 a reserve fund balance from 70% to 100% of ideal funding was considered financial strong; 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. Tosetti referred the owners to Page 34, Line K and explained that the reserve fund balance would be approximately 71% funded by the year 2013. As the Reserve Fund balance approaches this 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 scheduled funds. Mr. Young reminded the homeowners that a healthy reserve fund was a very positive factor for the Association financial health and for future unit sales. After a thorough discussion of the reserve fund future schedule, Mr. Tosetti concluded this report.

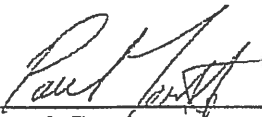
Open Discussion

1. Ms. Cramer noted that the Board was in the process of reviewing and amending the Rules and Regulations, i.e. pet policy clarification, fines and penalties schedules for non-compliance, BBQ policy, etc. The revised Rules and Regulations should be completed in the near future.
2. Ms. Cramer noted that the Snowdance trash dumpster between Building A and B is now shared only by Snowdance Manor and Snowdance. The Snowdance Plaza building now uses the Restaurant Building dumpster. The trash service costs should show trash cost reductions for the Snowdance Manor building in the future. The new trash service cost allocation is now 47% for Snowdance Manor and 53% for Snowdance.
3. Ms. Cramer noted that the 2002 Snowdance P.U.D. maintenance agreement was terminated by Snowdance effective June 15, 2011. This agreement has been used to allocate maintenance costs between Snowdance Manor, Snowdance, Snowdance Plaza and the Restaurant Building for asphalt R&M, snow removal, and Snake River bridge R&M. There is a scheduled P.U.D. meeting today at 1 P.M. after the Snowdance Manor meeting to begin the process toward a new P.U.D. maintenance agreement.

4. Mr. Young stated that he, as the proxy holder of Craig Knutzen (owner of #208), was asked to request the Board to consider holding the annual meeting over the Labor's Day weekend. Mr. Buckland stated that the Association had held one annual meeting over the Labor's Day weekend in years past and the owners were not in support of holding the meeting during a holiday weekend due to holiday traveling and rental occupancy conflict. The Board indicated that they would consider Mr. Knutzen's request when scheduling the next annual meeting. Ms. Cramer mentioned that the annual meeting could be set up on a video conference.
5. Mr. Young was asked by Mr. McNitt (owner of #303) to present Mr. McNitt's support for gas fireplaces in the building. Ms. Cramer stated that the Board had reviewed over the years the possibility of bringing natural gas to the building for gas fireplaces. The upfront costs to bring natural gas to the building from Highway 6 and then to each unit was very expensive. The attending owners briefly discussed the topic with no action.
6. Mr. Young asked the attending owners to review their respective owner's mailing addresses and phone numbers on Pages 39 through 45 and report any corrections. With no further open discussion items, Mr. Cramer concluded the open discussion.

The next item on the agenda was the Board of Managers election. Mr. Young explained that Ms. Cramer's position was up for re-election. Ms. Cramer indicated that she would be willing to run for another 3-year term. With no further nominations offered from the floor, the nominations were closed. Ms. Cramer 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 10:30 A.M. The attendance roll is attached to these minutes and incorporated hereto.



Paul Tosetti, Secretary

11/09/2011

Date

September 24, 2011 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	Gary Freeman Carlin Freeman	Carlin Freeman		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			2.97		2.97	2.97
206	Michael J. Devine Jeanne T. Devine Mary Clare Toomey	Michael J. Devine	Russell G. Young Russell G. Young	2.95		2.95	2.95
207	Paul E. Tosetti Holly K. Tosetti	Paul 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

302	Catherine G. Reedy						3.08	3.08	3.08	3.08
303	Theodore R. McNitt Joyce G. Baillard		Russell G. Young				2.90	2.90	2.90	2.90
304	Jonathan P. L. Gear Robin L. Gear		Jonathan P. L. Gear		Russell G. Young		2.97	2.97	2.97	2.97
305	Scott C. Geiger Michael B. Harlan Thomas Weinreich		Scott C. Geiger				2.96			
306	Mark A. Cannon						2.94	2.94		2.94
307	George H. Buckland Julie D. Buckland		George H. Buckland				2.95	2.95		2.95
308	William Boland						2.97		2.97	2.97
309	Harry L. Johnson						2.96		2.96	2.96
401	Gordon M. A. Banks Cynthia L. Banks		Gordon M. A. Banks		Russell G. Young		3.84	3.84	3.84	3.84
402	Howard T. Cramer Marie Anne Cramer		Marie Cramer				4.00	4.00		4.00
403	Gary D. Morgan Joan K. Morgan		Gary D. Morgan				3.76	3.76		3.76
404	Gene H. Novak Mathew E. Hanson		Russell G. Young				3.86		3.86	3.86
405	Gordon MA Banks Cynthia L. Banks		Gordon MA Banks		Russell G. Young		3.86		3.86	3.86
406	John L. Seymour						3.82		3.82	3.82
407	Harry L. Johnson						3.83		3.83	3.83
408	Thomas M. Moser Lisa A. Slezak-Moser		Mark Chapin		Ruth Chapin		3.85	3.85		3.85
	Ruth and Mark Chapin									
409	Stephen R. Baker Linda D. Baker		Russell G. Young				3.64		3.64	3.64
	TOTALS:						100.00	29.55	64.59	94.14