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MINUTES

**SNOWDANCE MANOR CONDOMINIUM ASSOCIATION
ANNUAL MEMBERSHIP MEETING – SEPTEMBER 21, 2013**

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 in person and representing Unit 101, 102, 201, 303, 304, 305, and 309.

Paul Tosetti representing Unit 207.

Gary and Carlin Freeman representing Unit 202.

Catherine Reedy representing Unit 302.

Mark Cannon representing Unit 306.

Gordon Banks representing Unit 401.

Gary Morgan representing Unit 403.

Ryan Bendixen representing Unit 407.

Ruth Chapin representing Unit 408.

Russell G. Young, Association Managing Agent representing Units 103, 204, 205, 206, 209, 308, and 404 by proxy.

A quorum was present with 76.96% represented – ownership in person (34.36%) and ownership by proxy (42.60%).

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 22, 2012. Ms. Cramer referred the members to Pages 1 through 24 of the agenda packet. Ms. Cramer asked the members for any comments, discussions or corrections with regard to the minutes. With no comments, discussions or

32 corrections from the owners, a motion to accept the minutes as written was offered. The
33 motion was seconded. The owners unanimously approved the meeting minutes as written.

34

35 Manager's Report:

36 Mr. Young referred the owners to Page 25 of the agenda packet. Mr. Young reviewed his
37 report as follows:

38 1. All owners are current with their association dues.

39

40 2. There are two SDM units on the market for sale at this time:

41

42 Unit 309 2BR/2BTH \$265,000

43 Unit 409 2BR+Loft/3BTH \$395,000

44

45 3. Units sold/closed in 2013:

46

47 Unit 405 2BR+Loft/3BTH \$332,500 5-3-13

48

49 4. The pool facility is presently closed from September 9, 2013 until November 21, 2013 to
50 conserve energy and reduce maintenance costs.

51

52 5. In mid-fall 2012, a section of the covered parking concrete floor was replaced due to
53 deterioration. Total Cost: \$12,780.00.

54

55 5. In mid-January 2013, the covered garage sprinkler system water supply line and equipment
56 valves froze and had to be repaired. Total Cost: \$3,385.21.

57

58 6. In mid-January 2013, the covered garage sprinkler system main water supply curb stop
59 valve failed and had to be excavated and replaced in the driveway just east outside the
60 covered parking garage entrance. Total Cost: \$15,656.25, which included excavation, valve
61 replacement, backfill, and parking lot ice removal. The asphalt patch repair/patch was
62 completed in May 2013.

63

64 7. In March/April 2013, a common sewer line leak was discovered and repaired in the
65 basement space adjacent to the pool area and the common men's bathroom due to building
66 settling. Total Cost: \$4,585.00.

67

68 8. There was a leak in a common drain line servicing the 205-405 unit stacks as a result of
69 building settling, which caused water damage to the pool drywall ceiling. The drain line
70 leak source was investigated and repaired along with the various units and pool ceiling
71 drywall repairs/painting. Total Cost: \$3,592.00.

72

73 An owner asked Mr. Young if this last year was representative for the future of the
74 building or just a spike in repairs issues. Mr. Young responded that the building was 30
75 years old and the building was at a time that certain repair and maintenance issues tend to
76 rise in frequently. As a matter of fact, the building's main water supply valve just outside

77 the building's main entrance is going to be proactively replaced this month, weather
78 permitting. This valve replacement was being performed due to the fact that four other
79 same-aged valves have failed over the past year and required replacement. Mr. Young
80 stated that he treated this last year as an active spike period due to the building's age, but
81 the near future building issues should reduce in frequency. Mr. Tosetti further stated the
82 building's fire control panel was also 30 years ago and had been experiencing some
83 problems and was in need of replacement prior to the upcoming ski season. The cost will
84 be approximately \$3,300. It is very important that the fire monitoring equipment work
85 properly in order to provide the building with dependable fire protection monitoring.

86

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

88

89

90 Insurance Report

91

92 Ms. Cramer referred the owners to Page 26 of the agenda packet. Ms. Cramer stated that
93 the Association's independent insurance agent had submitted the building's insurance
94 package to Colorado Casualty, Seneca, State Auto, Allied and Central and none would
95 quote on Snowdance Manor due to the fact that the building had wood-burning fireplaces.
96 Two other insurance companies that did provide proposals, i.e. Continental Divide and
97 Middle Oak, quoted \$20,000 and \$16,000 respectively. Our existing insurance company,
98 The Travelers, quoted \$9,999, so the Board decided to continue coverage with The
99 Travelers. The building's replacement cost was reviewed annually to insure adequate
100 coverage. Also, The Umbrella Liability coverage had been changed to Chubb due to a
101 reduced premium (\$931) and enhanced Directors Errors and Omissions coverage.

102

103 An owner asked whether the Association had flood insurance. Ms. Cramer responded no.
104 Mr. Young commented that the Snowdance Manor building was not within the Snake
105 River Base II flood zone. Ms. Cramer stated that they would look into the costs of flood
106 insurance and report back to the owners.

107

108 With no further discussion or comments, Ms. Cramer concluded the insurance report.

109

110 **2012-13 Year-End Financial Review**

111 Mr. Tosetti, the Association Treasurer, referred the owners to Pages 27 through 30 of the
112 agenda packet. Mr. Tosetti reviewed the 2012-13 Year-End Income and Expense
113 Comparative Statement in detail. Mr. Tosetti noted that the Operations Expense was
114 better than budget by \$4,187. So in order to minimize any potential income tax
115 consequences, the Board transferred \$4,000 of operating surplus to the Reserve Fund at the
116 June 30, 2013 fiscal year-end. Mr. Tosetti stated that in order to comply with IRS rules,
117 the \$4,000 transfer must be voted on and approved by the homeowners during the current
118 annual homeowners meeting. Mr. Tosetti offered a motion to approve the \$4,000 operating
119 surplus transfer to the Reserve Fund. The motion was seconded. The motion was
120 unanimously approved by the homeowners. Mr. Tosetti further noted that the Association
121 had an operating loss from many years ago in the approximate amount of \$100,000, thus,
122 the Association has a carry forward operating loss that will, in effect, eliminate any tax
123 liability for many years to come.

124

125 Mr. Tosetti referred the homeowners to the June 30, 2013 Balance Sheet on Page 30 of the
126 agenda packet. Mr. Tosetti stated that the Association had total assets of \$404,077 in cash
127 and investments. The Escrowed Dues listed under Liabilities as Reserve Liabilities in the
128 amount of \$28,535 represent all homeowners' unit working capital as required the
129 Condominium Declarations. Mr. Tosetti also commented that the Association was in a
130 strong cash position with no long term liabilities. Mr. Banks stated that he felt that the
131 financial health of the Association was due to Mr. Young's management expertise and
132 attention to the Association affairs over the past 28 years along with the Board of
133 Managers' leadership.

134

135 **2013-14 Approved Operating Budget Review**

136 Mr. Tosetti referred the owners to Pages 31 through 38 of the agenda packet. Mr. Tosetti
137 began with Page 31 of the agenda packet, i.e. Actual/Budget comparisons (2001-2014). Mr.
138 Tosetti directed the homeowners' attention to Revenue, i.e. Reserve Assessment and noted
139 that the reserve fund assessment had been significantly reduced beginning in 2011/12
140 through 2013/14 budgets. It was the Board's hope that the reserve assessment would

141 continue to stay at a reduced level for several years. Ms. Cramer commented on the new
142 Unit 401 Additional Assessment listed under Assessment-Member on Page 31. The
143 additional annual assessment was for the extension of Unit 401's front door to include a
144 small common area space just outside the front door. This front door modification had
145 been approved by the Board. The owner of Unit 401 paid for all the costs for the door
146 space enlargement and would continue to pay the ongoing quarterly additional assessment.
147 After a detailed review and no further comments or discussion, Mr. Tosetti concluded his
148 report.

149

150 2013-14 Year-To-Date Financial Review

151 Mr. Tosetti referred the owners to Pages 39 through 44 of the agenda packet. Mr. Tosetti
152 provide a brief review of the August 31, 2013 Year-to-Date Income and Expense
153 Comparative Statement. For the first two months of this fiscal year, the Association was
154 \$2,331 better than budget, which was historically typical for early in the fiscal year. After a
155 brief review and no comments or discussion, Mr. Tosetti concluded his report.

156

157 Reserve Fund Review

158 Mr. Tosetti referred the owners to Pages 43 through 48 of the agenda packet. Mr. Tosetti
159 reviewed the Statement of Reserve Fund for 2012/2013 Year-End on Page 43 along with the
160 Statement of Reserve Fund for 2013/2014 Year-To-Date on Page 44. Mr. Tosetti also
161 referred the members to Pages 45 through 48 of the agenda packet and reviewed the long-
162 term Reserve Fund Expenditure and Assessment and Analysis. Mr. Tosetti explained that
163 the Reserve Fund Expenditure & Assessment Analysis reflected various capital assets along
164 with life expectancies, estimated replacement costs and current ages. Mr. Young stated
165 that a reserve fund balance from 70% to 100% of ideal funding was considered financially
166 strong; a reserve fund balance from 30% to 70% of ideal funding was considered moderate
167 reserve strength; and, a reserve fund balance under 30% was considered weak reserve
168 strength. Mr. Tosetti referred the owners to Page 46, Line K and explained that the
169 reserve fund balance would be approximately 64% funded for the year 2013 and remain in
170 the mid-60% level over the next five years. The Board of Managers reviews the annual
171 Reserve Fund contribution and realigns the annual contributions to insure that the fund

172 level does not exceed the required scheduled funds. Mr. Tosetti reminded the homeowners
173 that a healthy reserve fund was a very positive factor for the Association financial health
174 and for future unit sales. Mr. Young commented that Snowdance Manor Association
175 Reserve Fund was the third strongest per unit amount in Keystone. After a thorough
176 discussion of the reserve fund schedule, Mr. Tosetti concluded this report.

177

178 Open Discussion

179 1. Trash Recycling. Ms. Cramer brought up an owner's interest in re-establishing the
180 recycling program with Snowdance Condominiums. Ms. Cramer stated that she had
181 discussed a recycling program with Snowdance Condominiums, but was met with resistant
182 from Snowdance due to the abuse of the recycling totes, i.e. regular trash being deposited in
183 the recycling totes. Also, the per-tote cost of regular pick-ups would be expensive.
184 Housekeeping services historically do not take the time to separate trash from recyclable
185 items. Ms. Cramer commented that there are recycle totes across the bridge that provided
186 a source for recyclables, if the respective guest or owner wishes to use them. Mrs. Davis
187 asked Mr. Young what percentage of Snowdance Manor units were rental. Mr. Young
188 responded that there were 13 units (42%) on a short-term rental program, 14 units (45%)
189 were owner-use only, 3 units (10%) were long-term rented and 1 unit (3%) was owner
190 occupied. Mr. Bendixon reminded the members that free recycling service was available at
191 the county dump just outside Keystone as well as in Silverthorne, Summit Cove and Frisco.
192 Mr. Bendixon also suggested that owners can refer to the High Country Conservation
193 Center in Frisco, Colorado which is on Facebook. It was suggested that information
194 material be sent to all owners reminding them of the various options for free recycling. Ms.
195 Cramer agreed and said that a letter outlining the various recycling locations would
196 accompany the meeting minutes when sent to the owners.

197

198 2. Water. Ms. Cramer commented that she was contacted by an owner that the tap
199 water tasted different. Mr. Young responded that he had contacted the Snake River Water
200 District and asked them if the water treatment processes had been changed in the recent
201 past. The Water District supervisor said the water treatment had not changed from the
202 past. The attending owners said they had not noticed any changes in the tap water taste.

203 Ms. Cramer did mention that if units set for extended periods without water usage, the
204 water taste may be affected.

205

206 3. BBQs. Ms. Catherine Reedy asked about BBQs safety. Ms. Cramer stated that
207 only propane and electric grills are permitted. It appears that only owner-use units have
208 BBQs on the balconies. The owners who rent short-term had chosen not to provide BBQs
209 for the rental guests due to the mess and safety.

210

211 4. Unit Privacy. Mr. Banks commented that some owners had just walked into his
212 unit without permission during his unit's recent renovation. Mr. Banks felt that his sort of
213 entry into his unit without permission violated his privacy and showed a lack of respect.
214 All attending owners agreed with Mr. Bank's concerns.

215

216 5. Snowdance P.U.D. Mr. Tosetti suggested that the members be updated on the
217 status of the Snowdance P.U.D. Mr. Young stated that initial Snowdance Plan Unit
218 Development was established and approved by Summit County in 1982. The four P.U.D.
219 participates were Snowdance Condominiums, Snowdance Manor Condominiums,
220 Snowdance Restaurant Building and Snowdance Plaza Building. From 1983 to 2002, the
221 P.U.D. maintenance cost allocations for snow removal, asphalt repairs, trash removal,
222 Snake River Bridge, etc. were split 1/3 between the commercial properties, Snowdance and
223 Snowdance Manor. In 2002, the four P.U.D. members established in writing the
224 Snowdance P.U.D. Maintenance and Capital Improvement Agreement which was
225 promulgated due to the pending asphalt overlay on the bottom third of the P.U.D. This
226 agreement spelled out all cost allocations for specific services and repairs between the
227 P.U.D. members. On June 15, 2011, the Snowdance Condominiums unilaterally withdrew
228 from the Agreement. From that date, the commercial properties, i.e. Snowdance
229 Restaurant Building and Snowdance Plaza Building began to maintain the snow removal
230 and asphalt repairs only on their respective properties and Snowdance and Snowdance
231 Manor shared the snow removal, asphalt repairs and trash removal only on their
232 respective properties. The trash dumpsters on the Snowdance property have been shared
233 between Snowdance and Snowdance Manor from June 15, 2011 based on a cost percentage

234 of 53% (Snowdance) and 47% (Snowdance Manor). Snowdance proposed to establish a
235 written agreement only between them and Snowdance Manor for their respective shared
236 properties, but Snowdance Manor had chosen not to establish a precedent of partitioning
237 the four P.U.D. properties, but instead, to attempt to re-establish an all-inclusive P.U.D.
238 maintenance agreement. Both Snowdance Manor and Snowdance Plaza desire to re-
239 establish a Snowdance P.U.D. maintenance agreement between all four P.U.D. members
240 and to begin again to work collectively and efficiently as a team for the betterment of the
241 entire P.U.D. Unfortunately, Snowdance had been reluctant to cooperate on moving
242 forward on such an agreement. Mr. Young explained that the Snowdance P.U.D. parking
243 plan was last amended and approved by Summit County in 1986. This plan designated 141
244 parking spaces in the P.U.D. – 90 for the residential units (1.25 spaces per unit) and the
245 balance (51) for the commercial uses. All Snowdance P.U.D. parking spaces are open
246 parking, including the upper deck and the covered garage parking. From the beginning,
247 the Snowdance Manor covered garage spaces have been restricted to Snowdance Manor
248 guests and owners use only. Snowdance Manor has always paid for all the repair and
249 maintenance of the covered garage parking area due to it being its exclusive parking.

250

251 Ms. Cramer commented that Snowdance, beginning last year, had deviated from the open
252 parking concept. The Snowdance Board decided to restrict the parking in front of
253 Building A to Snowdance and Snowdance Manor only. They had posted signage in front of
254 Building A that prohibited Goat patrons from parking there and stated that any Goat
255 patron cars would be towed away. Snowdance had only provided a 4-day notice of this
256 unilateral action. A couple of Goat patron cars were towed. The Goat management
257 subsequently posted notices to warn their customers of possible towing. There were serious
258 questions as to whether Snowdance had the authority to take such action, but the policy
259 was not challenged by the Goat. Ms. Cramer further commented that Snowdance's
260 unilateral mentality may lead to further P.U.D. parking actions that may not be in the best
261 interest of the Snowdance P.U.D. Mr. Young stated that the Snowdance's on-site property
262 manager commented to Mr. Young at the time of the Building A's parking restrictions
263 were put into effect that Snowdance did not have plans to further restrict the parking
264 spaces adjacent to the Snowdance Manor building "AT THIS TIME". Ms. Cramer

265 reminded the owners that Snowdance's property lot line runs adjacent and parallel to the
266 Snowdance Manor building on the west side. Thus, if Snowdance decided that it could
267 partition the open common parking, the Snowdance Manor guests and owners may be
268 restricted to the covered garage parking and the south lot behind the Snowdance Manor
269 building. Mr. Young and Ms. Cramer both stated that they had contacted the Summit
270 County Planning Department and they were told that the Snowdance P.U.D. could not be
271 partitioned by any one P.U.D. member based on the four P.U.D. property footprints.

272

273 Ms. Cramer also commented that there had been some discussion about the Snake River
274 Bridge easement and related ownership. The Board will continue to pursue this issue.

275

276 Mr. Freeman commented that the Federally Protected Wetlands just southeast of
277 Snowdance Manor had a limited water level for much of the summer. Ms. Cramer
278 responded that the beavers had diverted water flow from the wetlands for many years.
279 Mr. Young responded that the beaver obstacles are usually cleared out each year, but for
280 some reason, it appeared that action has not been accomplished. The Department of
281 Natural Resources had visited the wetlands this year. Ms. Cramer stated that they would
282 look into this matter.

283

284 With no additional Open Discussion topics, Ms. Cramer concluded the discussion.

285

286 Board of Managers Election.

287

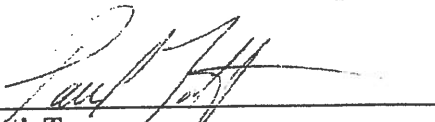
288 The last item on the agenda was the Board of Managers election. Mr. Young explained
289 that Mr. Tosetti's position was up for re-election. Mr. Young indicated that Mr. Tosetti
290 would be willing to run for another 3-year term. With no further nominations offered
291 from the floor, the nominations were closed. Mr. Tosetti was unanimously re-elected for a
292 three-year term.

293

294

295 With no further discussion, Ms. Cramer made a motion to adjourn the meeting. All
296 attending owners agreed. The meeting was adjourned at 10:35 A.M. The attendance roll is
297 attached to these minutes and incorporated hereto.

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299
300
301



Paul Tosetti, Treasurer

Date 10/9/2013

September 21, 2013 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	Marie Cramer	3.04		3.04	3.04
102	Michael S. Woodward Kelly B. Woodward Scott D. Woodward	Michael S. Woodward	Marie Cramer	3.06		3.06	3.06
103	Sullivan S. Gallo Antoinette Gallo	Antoinette Gallo	Russ 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		2.98			
201	Lawrence Dillon Sondra Dillon	Sondra Dillon	Marie Cramer	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	Andrew N. Peterson	Russ Young	2.95		2.95	2.95
205	Harry B. Durham III						
206	Michael J. Devine Jeanne T. Devine Mary Clare Toomey	Michael J. Devine	Russ Young Russ Young	2.97 2.95		2.97 2.95	2.97 2.95
207	Paul E. Tosetti Holly K. Tosetti	Paul Tosetti		2.94	2.94		2.94
208	Neil and Sonja Christiansen Mary Ann Cope	Neil Christiansen		2.96			
209	Robert W. Spencer Jaclynn Z. Spencer	Robert Spencer	Russ Young	2.95		3.04	3.04
301	Susan R. Davis			3.06	3.06		3.06

302	Catherine G. Reedy					3.08	3.08			3.08
303	Joan A. Reedy	Joan A. Reedy	Marie Cramer			2.90			2.90	2.90
304	Catherine G. Reedy									
	Jonathan P. L. Gear	Jonathan P. L. Gear	Marie Cramer			2.97			2.97	2.97
	Robin L. Gear									
305	Scott C. Geiger	Scott C. Geiger	Marie Cramer			2.96			2.96	2.96
	Michael B. Harlan									
	Thomas Weinreich									
306	Mark A. Cannon					2.94	2.94			2.94
307	George H. Buckland	George H. Buckland				2.95				
	Julie D. Buckland									
308	William Boland		Russ Young			2.97			2.97	2.97
309	Harry L. Johnson Trust		Marie Cramer			2.96			2.96	2.96
	Connie Lou Murphy, Trustee									
	Gerhard C. Scott, Trustee									
401	Gordon M. A. Banks	Gordon M. A. Banks				3.84	3.84			3.84
	Cynthia L. Banks									
402	Howard T. Cramer	Marie Cramer				4.00	4.00			4.00
	Marie Anne Cramer									
403	Gary D. Morgan	Gary Morgan				3.76	3.76			3.76
	Joan K. Morgan									
404	Gene H. Novak	Russ Young				3.86			3.86	3.86
	Mathew E. Hanson									
405	Brian Heinke	Brian Heinke				3.86				
	Andrea Heinke									
406	John L. Seymour					3.82				
407	Ryan Bendixen	Ryan Bendixen				3.83	3.83			3.83
	Kristine Bendixen									
408	Thomas M. Moser	Mark Chapin				3.85	3.83			3.83
	Lisa A. Slezak-Moser									
	Ruth and Mark Chapin									
409	Stephen R. Baker	Steve Baker				3.64				
	Linda D. Baker									
	TOTALS:					100.00	34.36	42.60	76.96	