

1 **MINUTES**

2 **SNOWDANCE MANOR CONDOMINIUM ASSOCIATION**

3 **ANNUAL HOMEOWNERS MEETING – SEPTEMBER 13, 2014**

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6 Meeting was called to order by Ms. Marie Cramer, SDM Condominium Association
7 President, at 9:05 A.M., Snowdance Manor Condominium building main lobby area, 23034
8 U. S. Highway 6, Keystone, Colorado 80435.

9 **Persons present:**

10 Marie Cramer, President, representing Unit 402 in person and representing Units
11 101, 102 and 404 by proxy;

12 Paul Tosetti, Treasurer, representing Unit 207;

13 MaryAnn Cope, representing Unit 208;

14 Catherine Reedy, representing Unit 302 and representing Unit 303 by proxy;

15 Mark Cannon, representing Unit 306;

16 Gordon Banks, representing Unit 401;

17 Ryan Bendixen, representing Unit 407 and representing Unit 405 by proxy;

18 Tom Moser, representing Unit 408;

19 Sharon Marshall, representing Unit 307 by proxy;

20 Ed and Susan Davis, representing Unit 301;

21 Russell G. Young, Association Managing Agent, representing Units 103, 104, 201,
22 204, 205, 206, 209, 304, 305, 308, 309, 403, 406 and 409 by proxy; and

23 Mark Conley, on-site maintenance person.
24

25 A quorum was present with 94.04% represented – ownership in person (30.50%) and
26 ownership by proxy (63.54%).
27

28 The first item on the agenda was the introduction of all attending owners.
29

30 The next item on the agenda was the presentation of the previous annual homeowners
31 meeting minutes for September 21, 2013. Ms. Cramer referred the members to Pages 1

32 through 12 of the agenda packet. Ms. Cramer asked the members for any comments,
33 discussions or corrections with regard to the minutes. With no comments, discussions or
34 corrections from the attending owners, a motion to accept the minutes as written was
35 offered. The motion was seconded. The owners unanimously approved the meeting
36 minutes as written.

37

38 Manager's Report (Page 13)

39

40 Mr. Young referred the owners to Page 13 of the agenda packet.

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

42

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

44

45	Unit 103	2BR/2BTH	932 s.f.	\$299,000
46	Unit 409	2BR+Loft/2.75BTH	1167 s.f.	\$365,000

47

48 3. Units sold/closed/under-contract in 2014:

49

50	Unit 309	2BR/2BTH	948 s.f.	\$245,000	1-9-14
51	Unit 404	2BR+Loft/3BTH	1236 s.f.	\$365,000	(U/C)

52

53 4. The pool facility will be closed from September 15, 2014 until November 21, 2014, to
54 conserve energy and reduce operating/maintenance costs.

55

56 5. There was a leak in a Unit 405 water line on Christmas Day, 2013, due to a pinhole leak.
57 This caused damage to Unit 205, Unit 305 and the pool area ceiling. All repairs were
58 completed at a total cost of \$5,508.24.

59

60 6. The 101-401 common kitchen drain become clogged under Unit 101 on March 13, 2014, and
61 caused flooding in Unit 101. Total repair costs amounted to \$4,309.22.

62

63 7. The lower P.U.D. south asphalt parking area has recently been crack-sealed and seal-coated
64 at a shared cost of \$2,481.60. The center 1/3 of the P.U.D. asphalt parking area between
65 Snowdance Manor and Snowdance is scheduled for an overlay with 2.5" of new asphalt
66 when scheduling is determined. The contract shared price will be \$12,684.36.

67

68 8. Roof repairs have been completed on the main building roof. Total repair costs amounted
69 to \$1,120.

70

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

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77 **Insurance Report**

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79 Ms. Cramer referred the owners to Page 14 of the agenda packet. Ms. Cramer stated that
80 the Association building insurance premium had increased by 1.17% from the prior fiscal
81 year. The building replacement insurance coverage had increased from \$6,328,418 to
82 \$6,144,096 for a total increase of 3%. Ms. Cramer also commented that an owner had
83 asked during last year's annual homeowners meeting if the Association had flood
84 insurance. Ms. Cramer had answered no, but said the Board would look into flood
85 insurance. Flood insurance coverage was looked into through the Association's
86 independent insurance agent and it was determined that flood insurance was not necessary
87 due to the fact that the building is not in the Snake River Base II flood zone and the related
88 premium costs were high. With no further discussion or comments, Ms. Cramer concluded
89 the insurance report.

90

91 **2013-14 Year-End Financial Review**

92 Mr. Tosetti, SDM Condominium Association Treasurer, referred the owners to Pages 15
93 through 18 of the agenda packet. Mr. Tosetti reviewed the 2013-14 Year-End Income and
94 Expense Comparative Statement on Page 15 in detail. Mr. Tosetti noted that the Year-End
95 Operations Expenses ended better than budget by \$2,886 and the Year-End Gain (Profit)
96 had ended better than budget by \$2,902 and noted that the controlled budget versus
97 expenditures was in good control due to Mr. Young's efforts. Mr. Tosetti then referred the
98 homeowners to Page 18 of the agenda packet, which is the June 30, 2014, Year-End
99 Balance Sheet. Mr. Tosetti stated that the Year-End Total Assets were \$439,546.76, which
100 included invested reserve funds with accrued interest and operating cash balance. The
101 Escrowed Dues under Reserve Liabilities represented the total of each homeowner's
102 working capital in the amount of two months of assessment dues at the time of their
103 purchase. When an owner does sell their respective unit, the owner would receive the
104 working capital back at closing. With no further discussion or comments, Mr. Tosetti
105 concluded his report.

106

107

108

109 **2014-15 Approved Operating Budget Review**

110 Mr. Tosetti referred the homeowners to Pages 19 through 28 of the agenda packet.

111 On Page 19, Mr. Tosetti stated that the Actual/Budget Comparisons represented the
112 historical comparison for all revenue and expenses from 2002 to 2015. Beginning in 2011,
113 the Assessments-Member and the Reserve Assessment had shown an annual reduction.
114 Currently, the owner's assessment dues have decreased by 4.94% from the last fiscal year
115 (2013-14) to the current fiscal year (2014-15). Assessments are based upon the exact square
116 footage of each unit. On Pages 20 through 27, Mr. Tosetti then reviewed the current fiscal
117 year (2014-15) approved budget, assessment roll and budget assumptions. Mr. Banks,
118 owner of Unit 401, asked the Board if it was necessary to have a separate line item for Unit
119 401 on the assessment roll, which related to the Unit 401 relocated unit door to include
120 some common area space. Ms. Cramer responded that in order to include the additional
121 assessment in Unit 401's total assessment, it may be required to amend the Condominium
122 Declarations, which would require the Owners representing an aggregate ownership of at
123 least 67% of the undivided interests in the Common Elements and 51% of the first
124 Mortgagees of Condominium Units to consent. Ms. Cramer stated that the Board would
125 look into a way to simplify Unit 401's additional assessment listing.

126

127 Mr. Tosetti then referred the homeowners to Page 28 (Comparison of Keystone Area (Base
128 II & III) Association Annual Operating/Reserve Costs). This report was prepared by Mr.
129 Young for the purpose of comparing Keystone Homeowners Associations operating and
130 reserve funding, including Snowdance Manor. Mr. Tosetti stated that Snowdance Manor
131 was below average for operating expense per square foot and maintained the second
132 strongest reserve fund in total dollars and per square foot of all the represented
133 associations. This fact was very impressive since Snowdance Manor is a small 31-unit
134 building that supports a pool facility, elevator and interior hallways. Mr. Tosetti further
135 commented that the strength of Snowdance Manor's strong reserve was a valuable
136 incentive/asset for prospective buyers. Properties with very low reserves face the
137 possibility of a special assessment if something major goes wrong. After a detailed review
138 and with no further comments or discussion, Mr. Tosetti concluded his report.

139

140 **2014-15 Year-To-Date Financial Review**

141 Mr. Tosetti referred the owners to Pages 29 through 32 of the agenda packet. Mr. Tosetti
142 provided a brief review of the August 31, 2014, Year-to-Date Income and Expense
143 Comparative Statement. For the first two months of this fiscal year, the Association's
144 Current Year Gain (Profit) was \$1,967 better than budget. This better-than-budget
145 amount was typical for the early part of the fiscal year. With no comments or discussion,
146 Mr. Tosetti concluded his report.

147

148 **Reserve Fund Review**

149 Mr. Tosetti referred the owners to Pages 33 through 38 of the agenda packet. Mr. Tosetti
150 reviewed the Statement of Reserve Fund for 2013/2014 Year-End on Page 33 along with the
151 Statement of Reserve Fund for 2014/2015 Year-To-Date on Page 33. The reserve fund
152 balance on August 31, 2014, was \$443,879.00. Mr. Tosetti also referred the members to
153 Pages 35 through 38 of the agenda packet and reviewed the long-term Reserve Fund
154 Expenditure and Assessment and Analysis. Mr. Tosetti explained that the Reserve Fund
155 Expenditure & Assessment Analysis reflected various capital assets along with life
156 expectancies, estimated replacement costs and current ages. Mr. Young stated that a
157 reserve fund balance from 70% to 100% of ideal funding was considered financially
158 strong; a reserve fund balance from 30% to 70% of ideal funding was considered moderate
159 reserve strength; and, a reserve fund balance under 30% was considered weak reserve
160 strength. Mr. Tosetti referred the owners to Page 36, Line K, and explained that the
161 reserve fund balance would be approximately 71% funded for the year 2014 and remain at
162 the 70% level over the next four years. Mr. Young explained that the reserve fund
163 percentage of ideal funding needed begins to drop in 2018 and continues to drop through
164 the remainder of the Analysis. This is due to the fact that the Reserve Fund Expenditure &
165 Assessment Analysis reflected an annual reserve fund contribution of \$44,000 for the
166 duration of the Analysis with no adjustment for inflation. The Board of Managers reviews
167 the annual Reserve Fund contribution and realigns the annual contributions to insure that
168 the fund level maintains an adequate balance. Due to the current strong position of the
169 reserve fund the Board of Managers is looking at maintaining or lowering dues unless
170 something major happens. Mr. Tosetti again reminded the homeowners that a healthy

171 reserve fund was a very positive factor for the Association's future financial health and for
172 future unit sales. Mr. Young commented that Snowdance Manor Association Reserve
173 Fund was the second strongest per unit amount in Keystone. After a thorough discussion
174 of the reserve fund schedule, Mr. Tosetti concluded this report.

175

176 On-Site Building Tour

177 The Board thought it would be informative for the homeowners to tour the building in
178 order to gain a better understanding of the total building layout. The tour began with the
179 addition of the ski locker room/main entry area that was completed in 2000. The tour
180 continued outside for a brief walk around the building's exterior. Ms. Cramer showed the
181 owners the inside the storage area under the ski locker room. This area could be used for
182 some bike storage. After the exterior tour, Ms. Cramer directed the owners back into the
183 building. The next area to tour was the lower floor, which included the electrical room, the
184 common closet just outside Unit 102, the mechanical/work room, the laundry room, the
185 men's and women's common bathrooms, the pool area, and the large unfinished, dirt floor
186 space located just west of and next to the pool area. All these areas have some possibilities
187 for additional owner storage. Ms. Cramer directed the owners back up to the main lobby
188 area. She commented that the 2nd and 3rd level also have common storage closets just
189 outside Units 202 and 302 respectively.

190

191 Open Discussion

192 1. Unit vs HOA Insurance Coverages.

193 Ms. Cramer directed the owners to Pages 39 through 42. Ms. Cramer stated that
194 the Board had requested the Association's independent insurance agent (Insurance of the
195 Rockies) to prepare an insurance clarification letter that would assist the owners in
196 understanding the distinction between the individual unit insurance coverages and the
197 Association master building insurance coverages. The Association master building policy
198 covers all the insurable common areas and all unit improvements and betterments, i.e.
199 carpets, cabinets, built-in appliances, window coverings, sinks, etc. Thus, in the event of a
200 major building loss/damage, each affected unit would be restored to its original condition
201 less unit personal property. One important clarification was that the Association master

202 building insurance does not cover individual unit loss of rents in the event that the unit was
203 damaged and becomes non-rentable. Ms. Cramer also reminded the owners that, in the
204 event of individual unit property loss, the Association master building insurance coverage
205 only covers restoring the unit to its original construction standard. In the event that an
206 owner has upgraded their respective unit beyond the original construction standard, the
207 owner should additionally insure the upgraded unit improvements through their respective
208 individual unit insurance policy. With no additional insurance discussion, Ms. Cramer
209 concluded the discussion.

210

211 2. Unit Door Peep Holes.

212 Ms. Cramer stated that the cost of a unit door peep hole was the responsibility of
213 each respective unit owner. For those owners who were interested in the installation of a
214 unit door peep hole, Mr. Young commented that he would arrange for the installation of
215 the peep holes to insure that they were installed according to the Association's guidelines,
216 which would be centered just below the unit door number. The peep holes were satin
217 nickel to match the unit door hardware. The cost of installing the peep hole would be
218 under \$100. At present, there are two owners that have indicated their desire to have the
219 peep holes installed as soon as possible. The Association will send out an inquiry to all
220 owners to see if there are additional owners interested in having a peephole installed. With
221 no further comments or discussion, Ms. Cramer concluded her report.

222

223 3. Owner Storage Space.

224 Mr. Tosetti stated that the Board had been reviewing available options for owner
225 storage areas. There are several possibilities for additional storage, as pointed out during
226 the building walk-through. One possibility is the dirt floor area next to the pool. This would
227 involve a major expenditure, including adding a raised floor and doorway access. However,
228 this area has plenty of room for each unit to have large, individual, secured storage.
229 Another possibility is common storage, perhaps in the mechanical/work room. There is not
230 enough space for individual, secured cages in this room. The other possibility is bicycle
231 storage in the area under the ski locker room. With a special, secured rack it could hold
232 approximately 10-15 bikes. One concern expressed about common storage is that people

233 often buy cheap bikes and then just abandon them, leaving junk in the storage areas with
234 no one knowing who it belongs to. This is one advantage of charging owners a nominal fee
235 for storage use, to be paid annually. In the case of the area near the pool, there would be no
236 charge since all owners would have a storage unit. The rental fees would be additional
237 revenue for the Association. Ms. Davis asked if the three Association storage closets
238 located adjacent to Unit 102, 202 and 302 would be available for owner storage. Mr.
239 Tosetti answered yes with a rental fee. The respective storage closets would have to be
240 administered fairly based on owner demand. Ms. Davis asked how much demand there
241 would be for owner storage. Mr. Young commented that he represented 14 owners by
242 proxy for this meeting and he asked each non-attending owner prior to this meeting if they
243 needed additional storage. All 14 owners, plus two other owners not represented by proxy,
244 said they didn't need additional owner space. Two owners contacted by Mr. Young stated
245 that they would not be in favor of expending Association funds to create new owner
246 storage. Several owners in attendance at the meeting, however, expressed great interest in
247 additional storage, both for bicycles and general storage. Mr. Bendixon (Unit 407) stated
248 both for himself and his proxy for the Heinke Family (Unit 405) that they had several kids
249 and would be very interested in securing storage space for the many bikes the families have
250 to bring up for each visit. Mr. Tosetti added that storage space would add value to units.
251 Mr. Young suggested that a written survey be sent to all owners in order to obtain a clear
252 understanding of each owner's storage needs. Mr. Tosetti agreed and said the Board
253 would pursue owner responses. It was decided that we could currently utilize the space
254 available and within the next year the Board would have a formal proposal of options and
255 costs.

256

257 4. Interior Common Lighting Upgrades.

258 Ms. Cramer stated that Colorado is the only state that was currently offering
259 rebates for upgrading commercial building lighting fixtures to LED. There was an
260 additional rebate bonus available if one upgraded to LED prior to December 1, 2014. Ms.
261 Cramer mentioned that most of the building's interior hallway lighting emergency backup
262 fixtures have failed, thus, it is an appropriate time to completely update of the existing
263 lighting fixtures to LED fixtures in order to take advantage of the current rebates and to

264 substantially reduce our energy consumption. The Board had considered upgrading the
265 existing T-12 fixtures to T-8, which would only require minor changes and cost and would
266 not require the replacement of the entire existing fixtures. T-8 fixtures would produce
267 approximately 25% in energy savings, whereas, the LED fixtures would product up to
268 approximately 70% in energy savings. Ms. Cramer stated that the Board had also been
269 looking at upgrading the garage lighting fixtures to LED, which could also have motion
270 sensors that would control some of the fixtures during automobile and pedestrian traffic in
271 order to conserve energy. Ms. Cramer directed the owners' attention to two LED lighting
272 fixtures located on the main lobby level close to Units 202 and 203. These were two LED
273 prototype fixtures that were installed recently that reflect two different light intensities.
274 One is a 45-watt/4000K and the other is a 36-watt/3500K. The original, current lighting
275 fixtures are T-12/32 watt/3000K (warm white). The new LED lighting fixtures would not
276 require any special changes in the ceiling fixture opening for installation. The cost to
277 replace all fifty interior hallway existing lighting fixtures would be \$21,173 less an Xcel
278 rebate of \$3,250 for a total net cost of \$17,923. The LED fixtures have a life expectancy
279 from 173,000 to 239,000 hours or 20 to 27 years without any light bulb replacements
280 necessary. The fixtures have a guarantee of 5 years on the product and a 1-year for labor.
281 The general consensus of the attending owners was that the 36-watt/3500K light fixture
282 (less bright) was just about right.

283

284 5. Pet Policy.

285 Ms. Cramer wanted to remind all owners that the Snowdance Manor pet policy is
286 only "legal owners" (owner of title) are permitted to have pets on the property. Of course,
287 Service Dogs are permitted if the person is handicapped and the service dog is a "certified
288 service dog" with the supporting papers.

289

290 6. Smoking Policy.

291 An owner asked what the policy was regarding Colorado's cannabis law or
292 marijuana smoking in the building, units and the unit balconies. Ms. Cramer responded
293 that the Snowdance Manor is a non-smoking building, which includes the unit balconies.
294 This policy was posted throughout the building. Mr. Young also stated that he had

295 previously notified all the management companies that have managed units in Snowdance
296 Manor about the smoking policy.

297

298 7. Snowdance P.U.D.

299 Ms. Cramer commented that there has an effort to reinstitute the Snowdance P.U.D.
300 Maintenance and Capital Improvement Agreement between Snowdance Condominiums,
301 Snowdance Manor Condominiums, Snowdance Plaza Building and the Snowdance
302 Restaurant Building, which was unilaterally terminated by Snowdance Condominiums on
303 June 15, 2011. The Board will keep the owners informed of any future progress in that
304 endeavor.

305

306 Board of Managers Election.

307 The last item on the agenda was the Board of Managers election. Mr. Young
308 explained that Ms. Cramer's position was up for re-election. Mr. Young indicated that Ms.
309 Cramer would be willing to run for another 3-year term. With no other nominations
310 offered from the floor, the nominations were closed. Ms. Cramer was unanimously re-
311 elected for a three-year term.

312

313 With no further discussion, Ms. Cramer made a motion to adjourn the meeting. All
314 attending owners agreed. The meeting was adjourned at 11:40 A.M. The attendance roll is
315 attached to these minutes and incorporated hereto.

316

317

318

319



Joan Reedy, Secretary

11/17/14

Date

September 13, 2014 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		Russ Young	2.98		2.98	2.98
201	Lawrence Dillon Sondra Dillon	Sondra Dillon	Russ Young	3.06		3.06	3.06
202	Gary Freeman Carlin Freeman	Carlin Freeman		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	Russ Young		2.95		2.95	2.95
205	Harry B. Durham III	Russ Young		2.97		2.97	2.97
206	Michael J. Devine Jeanne T. Devine Mary Clare Toomey	Michael J. Devine	Russ Young	2.95		2.97	2.97
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	MaryAnn Cope	2.96	2.96		2.96
209	Robert W. Spencer Jaclynn Z. Spencer	Robert Spencer	Russ Young	2.95		2.95	2.95
301	Susan R. Davis			3.06	3.06		3.06

302	Catherine G. Reedy						3.08		3.08			
303	Joan A. Reedy	Joan A. Reedy	Catherine Reedy				2.90	2.90				2.90
304	Catherine G. Reedy											
	Jonathan P. L. Gear	Jonathan P. L. Gear	Russ Young				2.97	2.97				2.97
	Robin L. Gear											
305	Scott C. Geiger	Scott C. Geiger	Russ Young				2.96	2.96				2.96
	Michael B. Harlan											
	Thomas Weinreich						2.94	2.94				2.94
306	Mark A. Cannon						2.95	2.95				2.95
307	George H. Buckland	George H. Buckland	Sheron Marshall									
	Julie D. Buckland											
308	William Boland						2.97	2.97				2.97
309	Kenneth Edward Nauman, Jr.						2.96	2.96				2.96
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	Russ Young				3.76	3.76				3.76
	Joan K. Morgan											
404	Gene H. Novak	Marie Cramer					3.86	3.86				3.86
	Mathew E. Hanson											
405	Brian Heinke	Brian Heinke	Ryan Bendixon				3.86	3.86				3.86
	Andrea Heinke											
406	John L. Seymour						3.82	3.82				3.82
407	Ryan Bendixen	Ryan Bendixen	Russ Young				3.83	3.83				3.83
	Kristine Bendixen											
408	Thomas M. Moser	Tom Moser					3.85	3.85				3.85
	Lisa A. Slezak-Moser											
	Ruth and Mark Chapin											
409	Stephen R. Baker	Steve Baker	Russ Young				3.64	3.64				3.64
	Linda D. Baker											
	TOTALS:						100.00	63.54	30.50			94.04