

1 **MINUTES**

2 **SNOWDANCE MANOR CONDOMINIUM ASSOCIATION**
3 **ANNUAL HOMEOWNERS MEETING – SEPTEMBER 18, 2016**

4
5
6 Meeting was called to order by Ms. Marie Cramer, Snowdance Manor
7 Condominium Association President, at 9:00 A.M. in the Snowdance Manor Condominium
8 building main lobby area, 23034 U. S. Highway 6, Keystone, Colorado 80435.

9 **Persons present:**

10 Marie Cramer, Association President, representing Unit 402 in person and
11 representing Units 101, 204, and 401 by proxy;
12 Paul Tosetti, Association Treasurer, representing Unit 207;
13 Joan Reedy, Association Secretary representing Unit 303 and representing Unit 302
14 by proxy;
15 Beth Larson, representing Unit 104;
16 Mary Ann Cope, representing Unit 208;
17 Susan and Ed Davis representing Unit 301;
18 Donald and Charlotte Steffens, representing 304;
19 Mark Cannon, representing Unit 306;
20 George and Julie Buckland, representing Unit 307;
21 Roland and Paula Johnson, representing Unit 404;
22 Ray and Debi Keel representing Unit 407
23 Russell G. Young, Association Managing Agent, representing Units 102, 201, 205,
24 206, 209, 304, 305, 308, 309, and 406 by proxy;

25 A quorum was present with 79.64% represented – ownership in person (32.23%) and
26 ownership by proxy (47.41%).

27
28 The first item on the agenda was the introduction of all attending owners.
29

30 Ms. Cramer suggested to all owners that they consider a convenient September
31 meeting date for next year's annual meeting so owners can plan ahead. Hopefully, this will
32 make it possible for more owners to attend.

33
34 The next item on the agenda was the presentation of the previous annual
35 homeowners meeting minutes for September 26, 2015. Ms. Cramer referred the members
36 to Pages 1 through 15 of the agenda packet. Ms. Cramer asked the members for any
37 comments, discussions or corrections with regard to the minutes. With no comments,
38 discussions or corrections from the attending owners, a motion to accept the minutes as
39 written was offered. The motion was seconded. The owners unanimously approved the
40 meeting minutes as written.

41
42 Manager's Report

43 Mr. Young referred the owners to Page 16 of the agenda packet.

- 44 1. All owners are current with their association dues.
45
46 2. There are no Snowdance Manor units on the market for sale at this time:
47
48 3. Units sold/closed in 2016:
49
50 Unit 304 2BR/2BTH \$310,000 7-26-16
51
52 4. The pool facility will be closed starting September 19, 2016 and will reopen
53 November 18, 2016 to conserve energy and reduce operating/maintenance
54 costs.
55
56 5. Due to a roof leak above Unit 404 master bedroom in February 2016, the unit
57 had to have interior repairs at cost of \$2,197.83. As a proactive measure to
58 protect against any further roof problems during the remainder of the
59 winter, all the ice and snow were removed from the east roof above Units
60 403, 404, 405 and 406.
61
62 6. The covered garage fire sprinkler system lines froze/broke on February 11,
63 2016. The sprinkler system was off 4+ days while repairs were completed.
64 Total Cost: \$4,505.48.
65
66 7. Effective September 1, 2016, Comcast/Xfinity began providing TV/Wi-Fi
67 service for the Snowdance Manor building.
68

69 8. All the aspen and pine/spruce trees were treated this summer. The aspen
71 trees were deep root treated for Aphid and the pine/spruce were trunk
72 treated for Scale.
73

74 Mr. Buckland asked Mr. Young if Comcast had become more competitive
75 than in past years. Mr. Young responded that Comcast had become noticeably
76 more competitive in the last year or two, which is the reason why the Board changed
77 the internet provider from Resort Internet to Comcast. The quality of internet
78 service has improved after the transition on September 1, 2016. At this time, both
79 the TV and internet services are provided by Comcast through a new 7-year
80 contract. An owner asked if the Comcast rate would remain the same through the
81 7-year contract term. Ms. Cramer responded that one should expect the contract
82 rate will be increased from between 3% to 4% annually. All the equipment
83 installed in each unit is fully the responsibility of Comcast, i.e. replacements or
84 repairs. Mr. Young also mentioned that the Comcast technicians who updated the
85 Snowdance Manor equipment in late August suggested that annually each owner be
86 certain that the cable connections next to the TVs be checked for tightness. When
87 equipment is moved or adjusted, sometimes the connections may loosen slightly and
88 cause a diminished signal.
89

90 Mr. Rolland asked Mr. Young how often the sauna wood was cleaned. Mr.
91 Young answered that the sauna wood is cleaned/sanded down on a periodic basis.
92 Per the reserve fund expenditure schedule, the sauna wood is scheduled for
93 replacement in 2017. The sauna redwood was replaced 18 years ago.
94

95 Mr. Buckland asked about the garage fire sprinkler system pipe break in
96 February 2016. Mr. Young explained that due to a subtle loss of glycol through the
97 pressure reducing valve over the prior year, the glycol protection slowly diluted.
98 Thus, with the low winter temperatures, a section of pipe just at the covered garage
99 entrance, froze and ruptured.

100 With no further discussion, Mr. Young concluded his Manager's report.
101

102 **Insurance Report**

104 Mr. Young referred the members to Pages 17 and 18 of the agenda packet. The
105 insurance replacement value had been increased from \$6,600,000 to \$6,940,000 with a
106 \$5,000 deductible effective May 10, 2016. The American Family Insurance is the current
107 insurance underwriter. The insurance agent is Ella Washington Agency, Inc. in Boulder,
108 Colorado. An owner noticed Asbestos coverage on Page 18 and asked Mr. Young if the
109 Snowdance Manor building had any asbestos. Mr. Young answered “no” since the
110 building was built in 1982/83.

111 With no further questions or discussions, Mr. Young concluded the Insurance
112 Report.

113

114 **2015-16 Year-End Financial Review**

115 Mr. Tosetti, Association Treasurer, referred the owners to Pages 19 through 22 of
116 the agenda packet. Mr. Tosetti reviewed the June 30, 2016 Year-End Income and Expense
117 Comparative Statement on Page 19. Mr. Tosetti noted that the Year-End Operations
118 Expenses ended better than budget by \$5,517 and the Year-End Gain (Profit) had ended
119 better than budget by \$5,456. Any account variances are summarized on Pages 20 and 21.
120 Mr. Tosetti explained that the residential trash, snow removal and asphalt
121 repairs/maintenance are shared between Snowdance Manor (47%) and Snowdance (53%)
122 for the residential lands, which excludes the commercial properties. Also, Mr. Tosetti
123 explained that the operating surplus at the end of the June 30, 2016 fiscal year in the
124 amount of \$5,456 produced no income taxes due to the fact that the Association had a large
125 carry-forward operating loss from 2001, thus, any operating profit over time bears no
126 income taxes.

127

128 Mr. Tosetti then referred the homeowners to Page 22 of the agenda packet, which is
129 the June 30, 2016 Year-End Balance Sheet. Mr. Tosetti stated that the Year-End Total
130 Assets were \$470,166.00, which included invested reserve funds with accrued interest and
131 operating cash balance. The Escrowed Dues in the amount of \$29,731.00 under Reserve
132 Liabilities represented the total of all homeowner’s working capital in the approximate
3 amount of two months of assessment dues at the time of their purchase. When an owner

134 does sell their respective unit, the owner would receive the respective working capital
135 balance back at closing.

136 With no further comments or discussions, Mr. Tosetti concluded his report.

137

138 2016-17 Approved Operating Budget Review

139 Mr. Tosetti referred the homeowners to Pages 23 through 32 of the agenda packet.
140 On Page 23, Mr. Tosetti stated that the Actual/Budget Comparisons on Page 23
141 represented the historical comparison for all revenue and expenses from 2004 through
142 2017. Mr. Tosetti stated that the Association has maintained good control on operating
143 expenses over the years. There was no owners' dues increase from last fiscal year. Also,
144 the Reserve Fund annual contribution has steadily decreased due to the financial health of
145 the reserve fund balance as well as the objective of not over-funding. Mr. Tosetti
146 commented that the current \$22,000 annual Reserve Fund contribution would probably
147 not fall lower in the future due to larger capital expenditures being required in the near
148 future and would probably begin to increase.

149

150 Mr. Tosetti referred the owners to Page 33 of the agenda packet. This report
151 prepared by Mr. Young is a Comparison of Keystone Area Association Annual
152 Operating/Reserve Costs. Mr. Tosetti pointed out that the Snowdance Manor
153 Condominium Association was below the average for Cost/Square Foot Operating Expense
154 and has the third strongest reserve fund balance of the Keystone 27 associations.

155

156 Mr. Tosetti also referred the homeowners to Page 34 of the agenda packet. This is a
157 Keystone Condominium Common Maintenance Labor Cost Comparisons report prepared
158 by Mr. Young. This report reflected the Association Labor Cost per Unit/Yr. The average
159 labor cost per Unit/Yr. for the 29 Keystone Associations was \$799, whereas Snowdance
160 Manor Condominium Association was \$517. For a small 31 unit Association with an
161 elevator, pool, hot tub, sauna, interior hallways and coverage garage, Snowdance Manor
162 has very low maintenance labor costs. This is due mainly to the on-site exclusive
163 maintenance person for ongoing maintenance needs.

164 With no further comments or discussions, Mr. Tosetti concluded his report.

165 2016-17 Year-To-Date Financial Review

166 Mr. Tosetti referred the owners to Pages 35 through 38 of the agenda packet. Mr.
167 Tosetti provided a brief review of the August 31, 2016 Year-to-Date Income and Expense
168 Comparative Statement. For the first two months of the current fiscal year, the
169 Association's Current Year Gain (Profit) was \$1,210 better than budget. This 'better than
170 budget' amount is typical for the early part of the fiscal year. Mr. Tosetti reminded the
171 owners that Mr. Young submits monthly financials reports to the Board for their review,
172 i.e. bank statements, check journals, statement of operations, balance sheets, and general
173 ledgers.

174 With no further comments or discussions, Mr. Tosetti concluded his report.

175

176 Reserve Fund Review

177 Mr. Tosetti referred the owners to Pages 39 through 44 of the agenda packet. Mr.
178 Tosetti reviewed the Statement of Reserve Fund for 2015/2016 Year-End on Page 39 along
179 with the Statement of Reserve Fund for 2016/2017 Year-To-Date on Page 40. The reserve
180 fund balance as of August 31, 2016, was \$456,762.89. Mr. Tosetti also referred the
181 members to Pages 41 through 44 of the agenda packet and reviewed the long-term Reserve
182 Fund Expenditure and Assessment Analysis. Mr. Tosetti explained that the Reserve Fund
183 Expenditure & Assessment Analysis prepared by Mr. Young reflected various capital
184 depreciable assets along with life expectancies, estimated replacement costs, current ages,
185 and estimated inflationary and interest earned factors. Mr. Tosetti stated that this 20-year
186 Analysis was based on the current annual \$22,000 reserve fund contributions. Mr. Tosetti
187 referred the owners to Line K, which reflected the percentage of ideal funding for the
188 coming years. The percentage of ideal funding drops substantially in the next few years
189 due to the current reduced reserve fund annual contribution and anticipated large
190 expenditures over the next few years. Thus, the reserve fund contribution would have to be
191 increased in the future in order for the required reserve funds to be available for future
192 anticipated capital expenditures and to maintain a healthy reserve fund level.

193 After a thorough discussion of the reserve funds and future schedule analysis, Mr.
194 Tosetti concluded this report.

195

196 **OPEN DISCUSSION**

198 1. **Bicycle Racks.**

199 Mr. Rolland also asked Ms. Cramer about the status of the bike racks. Ms. Cramer
200 answered that she had been researching the various bike racks early on, but ran short of
201 time due to national general election business demands. There are many options available
202 for different applications. Ms. Cramer suggested that a sub-committee of bike owners be
203 formed to further investigate the various options and needs. Ms. Davis asked Ms. Cramer
204 what areas were being considered for bike storage. Ms. Cramer answered that one location
205 for outside bicycle storage racks would be at the north end of the building between the
206 building and the parking structure. For indoor storage, the storage area below the ski
207 locker room would handle approximately 18 to 20 bicycles, which would have hanging bike
208 racks to maximize space. The established rental charge once established for the indoor
209 storage would be based on an annual term and would be billed on the respective
210 Association owner billing statements.

211
212 2. **Unit Living Room Windows/Door Replacements**

213 Ms. Cramer was asked by Mr. Johnson what the current status was with regard to
214 the unit living room window/door replacements. Ms. Cramer explained that the unit
215 windows/doors are the responsibility of each individual owner. She commented that last
216 year there was little homeowner interest for the unit windows/door replacements. Over the
217 last couple of years, only a couple of owners had shown interest in the living room
218 windows/doors replacements. To receive any bulk price break, a minimum of 6 owners
219 would have to proceed together. Ms. Cramer said she would update the window/door
220 replacement costs and inform the owners of the individual and bulk pricing in order to
221 obtain homeowner interest.

222
223 3. **Snowdance P.U.D. Parking**

224 A question arose regarding Snowdance P.U.D. parking permits. Mr. Young
225 explained that Mr. Young provides 2nd home units and long-term rental units a yellow
226 parking permit which includes the unit #, guest name and effective dates to each guest. The

227 short-term rental units are provided parking permits from their respective management
228 company. Snowdance Manor and Snowdance use different parking permits.

229 The Inn at Keystone emergency access easement and security control gate on the
230 south end of The Inn and Snowdance Manor building has occasionally not been secured
231 due lack of supervision by the Inn and to periodic damage to the security control gate. Mr.
232 Young commented that he had been in touch with the Inn management and they stated
233 that they would make more of an effort to insure the security control gate is secure and in
234 good repair. It was also noted by attending owners that some Inn guests have been seen
235 parking on the south lot and walking to and from The Inn for special events such as
236 weddings. This service road access is for emergency access only to the Inn and not for use
237 by Inn guests for additional Inn parking. It was also noted that the "day skiers" park on
238 the Snowdance parking areas and walk to the Mountain House Village. Mr. Young
239 reminded the owners that if they see any unauthorized persons/automobiles attempting to
240 park on Snowdance property or see the Inn emergency access road security gate not in
241 place to restrict automobile access, please contact Mr. Young at (970) 468-8070 during any
242 time of the day.

243 The covered garage area controlled parking was discussed. Ms. Cramer stated she
244 was in favor of a security gate at the entrance of the covered garage parking. Based on two
245 previous proposals from Denver companies, Mr. Young stated that the proposed cost of the
246 security gate would range from \$16,700 to \$26,000. Mr. Tosetti further commented that
247 there would be ongoing annual maintenance and electricity costs. He also reminded the
248 owners that the security gate cost was not in the Reserve Fund budget. Ms. Cramer stated
249 that the Board would further research the options and report back to the owners.

250

251 Southern Most Property Space

252 Ms. Davis presented her interest in maintaining the natural grass area just south of
253 the Snowdance Manor southernmost parking lot for owner use. After some discussion, Ms.
254 Cramer suggested that Ms. Davis review the options and present a plan to the Board for
255 next summer.

256

257

258 **Building Unit Usage**

259 An owner asked Mr. Young what was the unit breakdown percentage based on
260 usage type. Mr. Young responded that at present there were 18 second home units, 10
261 short-term rental units, 2 long-term rental units and 1 permanent owner resided unit.

262
263 **Board of Managers Election.**

264 The last item on the agenda was the Board of Managers election. Mr. Young
265 explained that Mr. Tosetti's position was up for re-election. Mr. Young indicated that Mr.
266 Tosetti had indicated his willingness to run for another 3-year term. With no other
267 nominations offered from the floor, the nominations were closed. Mr. Tosetti was
268 unanimously re-elected for a three-year term.

269
270 With no further discussion, Ms. Cramer made a motion to adjourn the meeting. All
271 attending owners agreed. The meeting was adjourned at 10:47 A.M. The attendance roll is
272 attached to these minutes and incorporated hereto.

273

274

275

276



Joan Reedy, Secretary

10/30/16

Date

September 18, 2016 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 | Russ Young | 3.06 | | 3.06 | 3.06 |
| 103 | Andrew M. Hensler Linda K. Enslar | Andrew Hensler | | 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 | Eugen J. Smaciarz | Beth Larson | 2.98 | 2.98 | | 2.98 |
| 201 | Lawrence Dillon Sondra Dillon | Sondra Dillon | Russ Young | 3.06 | | 3.06 | 3.06 |
| 202 | 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 | Marie Cramer | | 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 | | 2.95 | 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 | MaryAnn Cope | 2.96 | 2.96 | | 2.96 |
| 209 | Robert W. Spencer Jacynn Z. Spencer | Robert Spencer | Russ Young | 2.95 | | 2.95 | 2.95 |
| 301 | Susan R. Davis | | | 3.06 | 3.06 | | 3.06 |

| UNIT | LEGAL OWNER(S) | GENERAL PROXY DESIGNEE | SPECIAL PROXY DESIGNEE | % OWNERSHIP | ATTEND | PROXY | TOTALS |
|---------|--|------------------------|------------------------|-------------|--------|-------|--------|
| 302 | Catherine G. Reedy | Joan A. Reedy | | 3.08 | | 3.08 | 3.08 |
| 303 | Joan A. Reedy Catherine G. Reedy | Joan A. Reedy | | 2.90 | 2.90 | | 2.90 |
| 304 | Donald W. Steffens Charlotte A. Steffens | | Russ Young | 2.97 | | 2.97 | 2.97 |
| 305 | Scott C. Geiger Michael B. Harlan Thomas Weinreich | Scott C. Geiger | Russ Young | 2.96 | | 2.96 | 2.96 |
| 306 | Mark A. Cannon | | | 2.94 | 2.94 | | 2.94 |
| 307 | George H. Buckland Julie D. Buckland | George H. Buckland | Julie Buckland | 2.95 | 2.95 | | 2.95 |
| 308 | William Bolland | | Russ Young | 2.97 | | 2.97 | 2.97 |
| 309 | Kenneth Edward Nauman, Jr. | | Russ Young | 2.96 | | 2.96 | 2.96 |
| 401 | Gordon M. A. Banks Cynthia L. Banks | Gordon M. A. Banks | Marie Cramer | 3.84 | | 3.84 | 3.84 |
| 402 | Howard T. Cramer Marie Anne Cramer | Marie Cramer | | 4.00 | 4.00 | | 4.00 |
| 403 | Ryan Neil Lavergne | | Brian Heinke | 3.76 | | | |
| 404 | Rolland C. Johnson Andrew R. Johnson Kimberly Anne Doleman | Rolland Johnson | | 3.86 | 3.86 | | 3.86 |
| 405 | Brian Heinke Andrea Heinke | Brian Heinke | | 3.86 | | | |
| 406 | John L. Seymour | | Russ Young | 3.82 | | 3.82 | 3.82 |
| 407 | Raymond K. Keel Debra C. Keel | Raymond K. Keel | | 3.83 | | 3.83 | 3.83 |
| 408 | Thomas M. Moser Lisa A. Slezak-Moser Ruth and Mark Chapin | Tom Moser | | 3.85 | | | |
| 409 | Peter McConnell Rita McConnell | Rita McConnell | | 3.64 | 3.64 | | 3.64 |
| TOTALS: | | | | 100.00 | 32.23 | 47.41 | 79.64 |