

**CROSS CREEK CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
August 16, 2012**

I. CALL TO ORDER

The meeting was called to order at 6:05 p.m.

Board members Bob Rappold, Bryce Hunt, Carol Horn, Rob Luhrs, Don Morrissey, Dave Falk and Lindee Sebald attended via telephone. Don Morrissey were represented by proxy. A quorum was present.

Representing Summit Resort Group were Kevin Lovett and Peter Schutz.

II. APPROVE PREVIOUS MEETING MINUTES

The Minutes of the May 25, 2012 meeting were reviewed. With one revision, the removal of Don Morrissey from the attendance list, Carol motioned to approve. Dave seconds and with all in favor, the motion carried.

III. FINANCIAL REVIEW

SRG reported on Year to Date Financials as follows:

Year to Date, July 31, 2012 Financials

July 31, 2012 close financials report \$19,776.92 in the Alpine Operating acct., \$11,790.09 in the Alpine 100 Bldg. Reserve Acct., \$34,176.78 in the Alpine 200/300 Building reserve and \$32,400.51 in the Alpine Ctr. Bldg. Reserve acct.

P & L vs budget as of July 31, 2012

General Operating account Areas of Major variance:

- 612 Add Maint hours \$1000 under
- 663 Cable TV \$1792 over
- 669 Common area electric \$1154 under
- 675 Grounds and Parking maint \$3043 over
- 677 General bldg maint \$3582 under
- 678 Center bldg utilities \$1102 under
- 682 Pool and hot tub maint \$2973 over
- 683 Pool and hot tub chemicals \$1031 over
- 684 Plumbing and heating Center bldg \$2213 under

100 bldg Operating Variance:
overall, \$360.54 under

200/300 bldg Operating Variance:
overall, \$475.46 over

Due To Due From's

SRG reported on the following "Due to /due froms" and a plan to clear them.

The first set of due to due from's reviewed resulted from a "Clean up" of operating expenses paid out of reserves. Years ago, repair items were approved to be paid out of the reserve accounts and after completion and payment, it was decided to pay for the items out of operating; thus, resulting in monies owed from operating to reserves.

Due from Operating to 100 bldg reserves \$4271.64

Due from operating to 200/300 bldg \$5598.20

Due from Operating to Center bldg reserves \$2587.12

The second set of due to due from's result from the regular monthly transfers from operating monies to reserves that have not been made due to low cash in operating.

Reserve transfers "owed" from operating not paid, resulting from low operating cash are:

Due from operating to 100 bldg reserves \$2660

Due from operating to 200/300 bldg reserves \$14,581

Due from operating to center bldg reserves \$9167

Completing the Due to Due From transfers results in account balances of:

Operating -\$19,088.04

100 bldg reserve \$18,721.73

200/300 bldg reserve \$54,335.98

Center bldg reserve \$44,154.63

A special assessment of each unit would be necessary to complete the discussed due to due from transfers. SRG presented a special assessment model billing each unit its respective amount owed based on building and unit square footage. The Board agreed to postpone approval of the clearing of the due to due from's and the resulting special assessment until the remainder of the financial report and project planning items were discussed.

2012-13 Proposed Operating Budget

SRG presented the draft 2012-13 proposed operating budget. The following line item changes from 2011-12 budget to 2012-13 budget were reviewed to include:

Revenues

501 Operating dues per Sq Ft, increase \$1931.64

505 Operating dues per unit, increase \$2777.04

Expenses

per sq ft

621 Insurance - \$1839 increase

665 trash removal - \$184 increase

686 Telephone repairs - \$90 decrease

per unit

614 Internet - increase, \$408

663 Cable TV - increase, \$2369

There were no changes to 100 or 200/300 bldg operating line items

The above expense changes, with overall increase mainly due to insurance and cable tv result in an increase to dues of between \$35- \$48 per unit per quarter, 2.15% to 2.44% (dependant upon unit size).

Lindee stated that painting must be paid out of operating.

The Board agreed to postpone approval until projects and the capital plans were reviewed.

IV. MANAGING AGENTS REPORT

SRG presented the following managers reports:

Completed Items

100 bldg gutter/ heat tape install
309 deck repairs
Exterior Window washing
Deck inspection and safety shoring
Sto inspection

Report / Pending Items

100 bldg roof warranty; \$170 per month, \$2040 annual, covers inspection Spring and Fall and minor maintenance (caulking). SRG presented a draft survey of the 100 building owners; 100 building representatives to discuss proceedings.
LED lighting additional investigations are on hold; ESN, the company providing the original proposal, is no longer in business.
Fall Boiler inspection
Fall Dryer vent clean
Leak occurred into women's bathroom ceiling; leak fixed and drywall repairs to be completed
Stone repair on center bldg chimney is pending

V. OLD BUSINESS

Old Business items were discussed to include Decks, Sto and Painting.

Decks - The deck report prepared was included in the meeting packet.

-Part 1 - Safety - SRG reported that a contractor was hired to add screws and "L" brackets to the handrails. Unit 309 deck work was also completed.

-Part 2 - Deck Surfaces - in the report and from follow up inspection, the 3rd floor decks surfaces of the 200/ 300 building are in poor shape. not a safety issue but the deck surface wood is deteriorating. Some board of the 1st floor deck surfaces of the 200/ 300 building were also reported to be in poor condition.

SRG presented cost estimates to replace the 3rd floor deck surfaces as well as the 1st floor deck surfaces of the 200/ 300 buildings. These included the sleeper boards, but did not include the railings nor the spindles. Deck cost estimates to replace deck surfaces 3rd floor and 1st floor (not railings and not spindles) were between \$41k - \$80k dependant

upon material used. Product options included Trex (most expensive), Cedar / Redwood, Pressure treated pine (least expensive)

Exterior painting

-Paint color survey results were reviewed. Of the 3 color scheme options, Owners were most in favor of option 1 Gentry Blue / Spanish Chestnut.

-Paint pricing was reviewed as follows:

200/300 bldgs

Proff Paint - \$22,500

Center bldg

Proff Paint - \$5400

100 Bldg

Proff Paint \$10,200

(\$3k touch up painting option)

Sto

The annual Sto inspection and caulking have been completed. SRG received a detailed, color report of the Sto inspection and recommended repairs to the Sto. It was noted that pricing given is for Sto repairs only. If there is damage to substrate or structure behind the Sto, repairs necessary would be an additional expense.

The report calls for \$12k of Sto repairs total, broken down as follows:

\$8k 200/300

\$1500 100 bldg

\$2500 Center bldg

Capital plan review

The Board reviewed the Capital plans. There was concern of under funding. SRG recommended a professional reserve study be completed; the Board was not in favor of this.

Discussion ensued as follows:

-Lindee moved to do a special assessment to clear the due to due froms.

-Lindee noted that painting expenses must be paid for out of operating; she also noted that during painting years, dues collected could be reapportioned to fund the operating painting accounts.

-Carol recommended a larger assessment for the 200/300 building owners to place additional funds into reserves

-Don Morrissey recommended 100 bldg dues be increased by 3% with the excess being placed into 100 bldg reserve account in addition to completing the special assessment

Upon review and discussion of the due to due from clearing, special assessment, proposed budget 2012-13, projects and the capital plans, Carol moved to approve the 2012-13 proposed budget for presentation to the owners with painting expense and funding to come out of operating, to do a special assessment to fund the clearing of the due to due from's to include an additional assessment of the 200/300 building unit owners to add money to the reserves for deck and sto work and to this Fall complete the deck floor replacement of the 200/300 building with redwood and sto work and to complete the painting in Spring/ summer 2013; Don Morrissey seconds and the motion passed.

VI. NEW BUSINESS

Management agreement renewal - The Summit Resort Group / Cross Creek Property Management Agreement is up for renewal this October 14, 2012. Summit Resort Group proposed a 2 yr deal with no fee increase . Bob Rappold moved to approve the renewal; Bryce Hunt seconds and the motion passed.

VII. NEXT MEETING

The next Board meeting will take place in Winter 2013; SRG will poll the Board on specific Dates.

VIII. ADJOURNMENT

With no further business, the meeting was adjourned at 8:20 pm

Approved By: _____
Board Member Signature

Date: _____