

**CROSS CREEK CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
August 22, 2014**

I. CALL TO ORDER

The meeting was called to order at 6:08 p.m.

Board member Rob Luhrs attended in person. Carol Horn, Dave Falk and Lindee Sebald attended by telephone.

Representing Summit Resort Group were Kevin Lovett, Deb Borel, Peter Schutz and site manager, Jocelyn Banks.

II. OWNERS FORUM

There were no owners, other than Board members, present.

III. APPROVE PREVIOUS MEETING MINUTES

The minutes of the May 23, 2014 meeting were reviewed. Carol made a motion to approve the minutes as written. Rob seconded and the motion carried.

IV. FINANCIAL REVIEW

Kevin Lovett presented the year to date financials as follows:

Year to Date, June 30, 2014 Financials

June 30, 2014 close financials report \$7,155.87 in the Alpine Operating account, \$21,404.44 in the Alpine 100 Building Reserve account, \$57,040.10 in the Alpine 200/300 Building Reserve and \$32,896.67 in the Alpine Center Building Reserve account. The Operating Painting funds report \$97.48 in 100 Building painting fund, \$1,496.15 in 200/300 Building painting fund and \$468.35 in the Center Building painting fund.

June 30, 2014 close financials report that the association is 8% over budget in operating expenses. The net cash balance on hand is - \$9,364.

The Owners and Management discussed major expense variances. The major areas of variance were utilities and grounds and parking maintenance.

Budget 2014-2015

The proposed 2014-15 operating budget was discussed. Increase to dues proposed is 6%-7% depending on unit. This increase will cover projected operating expenses for 2014-2015. The Board discussed the changes from 2013-2014 to 2014-2015 to include:

Per Sq Ft Expenses

621 Insurance – Decrease, \$55 annual. Figure is based on actuals, with allowance for 8% inc in April 2015

662 Water / Sewer – Increase, \$1000 annual, per actuals

666 Snow Removal – Increase, \$1000 annual, per historical actuals

668 Natural Gas – Increase, \$205 annual, per actuals

669 Common Area Electric – Increase, \$875 annual, per actuals

- 675 Grounds and Parking Maint – Increase, \$5000 annual. \$3000 for trees and weed spraying, \$2000 for flowers
- 678 Center bldg Gas – Increase, \$1227, per actuals
- Per Unit Expenses
 - 611 Admin Management fess – Proposed Increase, \$1248 annual, 3%
 - 614 Internet – increase, \$5
 - 663 Cable TV – increase, \$540 annual (4% inc in April)
 - 664 Telephone – increase, \$48 annual, per actuals

It was noted by Board members that costs are on the rise. It was also noted that dues at Cross Creek were held constant for a number of years and we are now catching up with regular inflation.

Lindee made a motion to approve the budget as proposed to include the 6-7% increase to operating dues; Rob seconded and the motion carried.

Operating Cash Flow

Kevin reported that the association has an operating cash flow issue. As discussed at the 2014 annual owner meeting, the association is one to two quarters behind in cash.

The Board discussed options for improving the cash flow. Options discussed included a special assessment or a revenue allocation change which would involve keeping a portion of the monies regularly transferred to reserves in the operating account.

Allocating 2 quarters worth of monies routinely scheduled to go to the reserve accounts to be kept in operating will create approximately \$20k to improve cash on hand. With an operating cash balance of negative \$10k, we will net a cash balance of positive \$10k by the end of the 2014-15 fiscal year.

The Board agreed that they would prefer to avoid a special assessment.

Upon discussion, Lindee made a motion to adjust the allocation of Reserve Fund contribution for half of the year (2 quarters worth) to create working capital to assist with the operating cash flow issue; Rob seconded and the motion carried.

The annual budget mailer will be sent to owners presenting the 2014-15 budget to include the 6-7% increase to dues. The mailer will also discuss the cash flow issue and the plan to correct by keeping 2 quarters worth of monies typically designated for reserves in operating.

V. ACTIONS VIA EMAIL

The following actions via email were ratified:

Carol made a motion to ratify the following actions via email:
Center building boiler repair work to include replacement of the main circulating pump and repairs to the center building air handling units. Rob seconded and the motion carried.

VI. MANAGING AGENTS REPORT

SRG presented the following managers reports:

Complete Items

- Kevin and the Board thanked Jocelyn for her work with the complex.
- Sto inspection of all buildings is complete. It was noted that there were no major repairs to the buildings necessary. Caulking maintenance, tightening of boards and deck railings was completed. Next year the continued caulking will be done where necessary.
- Sto repair and painting of the entry wall, complete.
- Railing inspection is complete.
- Roof inspection is complete.
- Tree trimming on the backside of buildings 200 and 300 complete.
- Window washing complete.
- Clubhouse deck railing repairs complete.
- Internet access point addition by unit 310 complete.
- LED light blub replacement is phasing in as bulbs are burning out.
- Bridge repairs complete. Railing will be added.
- 100 building exterior touch up painting complete.
- Toilet flusher in the men's restroom has been replaced.
- Drinking fountain has been removed.
- Sandbags have been relocated.
- Interior hot tub and clubhouse area wood-work refinish and touch up painting is complete.

Roof Report

Professional Roofing has completed a roof inspection on all of the roofs. The report was reviewed as follows:

- Clubhouse – Roof report states that it is in fair condition. Repairs or replacement is necessary. The Board discussed the following options:
 - Option 1 – general repairs - \$4,968 (it was noted that Professional Roofing states that repairs will prolong the life of the roof by at least 3 years and includes a 2-year labor warranty)
 - Option 2 – replace - \$16,490 (with 5 year labor warranty)
 - Option 3 – replace - \$20,846 (with 10 year labor warranty)
 - Dave made a motion to complete the repairs at a cost of \$4,968. Lindee seconded and the motion carried.
 - Minor repairs to the 100-building roof will be done when the center building repairs are complete.
- 100 building roofs – Report states that the roof's life is another 3-5 years with continued maintenance and repairs.
- 200/300 building roofs – reports that roofs are in fine shape and no repairs are necessary this year.

VII. OLD BUSINESS

There were no old business items to discuss.

VIII. NEW BUSINESS

A. Liability Insurance. Current liability coverage is at \$7,000,000. The Board discussed investigating premium with an increase in liability coverage of an additional \$5,000,000. SRG will investigate and report back to the Board.

B. Dividers in the conference room will be removed and disposed of.

IX. NEXT MEETING

The next Board meeting will be held in Winter 2015. The Board will be polled for a date. Date for budget review meeting will be held prior to the next Board meeting.

X. ADJOURNMENT

With no further business the meeting adjourned at 7:13 pm.

Approved By: _____
Board Member Signature

Date: _____