

**CROSS CREEK CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
August 31, 2015**

I. CALL TO ORDER

The meeting was called to order at 6:00 p.m.

Board members Rob Luhrs, Don Morrissey and Lindee Sebald attended in person. Bryce Hunt and Carol Horn attended by telephone.

Representing Summit Resort Group were Kevin Lovett, Mike Kellett and site manager, Jocelyn Banks.

II. OWNERS FORUM

No owners other than Board members were present.

III. CENTER BUILDING

Scott, general contractor from Blu Sky was in attendance to discuss the Center Building reface project. It was noted that there is a fairly significant leak from the indoor hot tub; it is believed that the leak stems from one of the plumbing lines running from the mechanical room to the hot tub, under the interior aggregate floor. During previous meetings, discussion of a phased in approach to updating and completing repairs to the Center Building was discussed.

“Phase 1” of the Center Building work is planned to consist of:

- Digging up the interior stone aggregate floor and repair the plumbing line leak on the indoor hot tub; all plumbing lines will be inspected and addressed to the hot tub and the pool.
- Replacing the interior stone aggregate floor with a stamped concrete.
- Resurfacing the indoor hot tub
- Resurfacing the pool

The rough cost estimate to complete Phase 1 items is \$60,000.

As the leak should be addressed ASAP, the Board agreed to obtain firm numbers and plan to address all Phase 1 items this Fall with the exception of the pool resurfacing, which will be scheduled for summer 2016. Notification of dates of the indoor hot tub and pool closures will be sent to Owners.

Funding of Phase 1 work was discussed. The Board agreed to implement a special assessment of \$60,000 total to fund the project with ½ due November 1, 2015 and the other ½ due in May 2016.

Additional discussion will take place at the 2016 annual owner meeting.

IV. APPROVE PREVIOUS MEETING MINUTES

The minutes of the March 6, 2015 Board meeting were reviewed. Lindee made a motion to approve the minutes as written. Carol seconded and the motion carried.

V. FINANCIAL REVIEW

SRG reported on Financials as follows:

Year to Date, June 30, 2015 Financials

June 30, 2015 close financials report \$2,434 in the Alpine Operating acct., \$20,913 in the Alpine 100 Bldg. Reserve Acct., \$64,098 in the Alpine 200/300 Building reserve and \$10,995 in the Alpine Ctr. Bldg. Reserve acct. The Operating Painting funds report \$97.51 in 100 bldg painting fund, \$1,496.49 in 200/300 painting fund and \$468.46 in the Center Bldg painting fund.

P & L vs budget as of June 30, 2015 reports actual total expenditures of \$141,054 vs budgeted expenditures of \$145,381. General Operating account areas of major variance were reviewed. Overall operating expenses 3% under budget year to date
It was also reported that both the 100 building and 200/300 building operating accounts are reporting “under budget” year to date.

Operating Cash was discussed. Operating cash has improved, as planned, from a year ago. The “actual” operating account balance was calculated at a net \$9643. This is much improved (as planned) over June 2014 report where the association was negative \$9300 in cash.

Budget 2015-16

The 2015-16 draft budget was reviewed. Changes from the 2014-15 budget to draft 2015-16 budget were discussed as follows:

Revenues:

- Operating dues per sq ft – increase, 2%, \$2171
- Operating dues per unit – increase, 1.3%, \$862
- Operating Working Capital – decrease, \$19,984 (to \$0, all funds directed back to Reserve accounts – note this was the account set up to provide funding to the operating account)

Expenses:

Per Sq Ft Expense line item changes from 2014-15 budget;

- 621 Insurance – increase, \$192, actuals plus allowance for 10% increase
- 662 Water / Sewer – increase, \$700, based on actuals
- 665 Trash removal – increase, \$565, based on actuals – rate and allowance for extra pickups
- 668 Gas – increase \$90, based on actuals
- 699 Electric – decrease, \$440 based on actuals
- 677 General bldg maint – Increase, \$1000
- 678 Center bldg gas – increase, \$65

Per Unit Expense line item changes from 2014-15 budget;

- 614 High Speed internet – increase, \$334, based on actuals and allowance for 5% inc
- 663 TV – increase, \$480, based on actuals and allowance for 5% inc
- 664 Telephone – increase, \$48

200/300 operating – no change to dues nor expenses

100 operating – no change to dues nor expenses

Reserves; the reserve accounts were discussed. The 2015-16 draft plan presented revenues as follows for the reserve accounts.

Center bldg – annual contribution “back” to \$9996 per year

100 bldg – annual contribution “back” to \$4968 per year

200/ 300 bldg – annual contribution “back” to \$24,996 per year

Upon discussion, the Board agreed to increase the annual contribution to the Center Building reserve fund by an additional \$10,000. History of the Center Building reserve funding was discussed. Until 2011, \$20,000 annually was contributed to the Center Building Reserve account. In 2011, the Board recognized the recession and to avoid an increase to operating dues, shifted funds that would have been contributed to the Center Building Reserve account to the operating account. This decreased the contribution to Center Building reserves to \$9,996 annually. Currently, the Center Building Reserve fund has a balance of approximately \$10,000 (historically, the balance hovered in the \$50k range). The account balance is low in comparison with planned future expenses. A statement was made that the reduction to the Center Building reserve contribution in 2011 “decreased” the potential Center Building Reserve account balance by \$40,000 to date. It was noted “the math adds up” with a current balance of \$10k and \$40k of “reduced” contributions with the historically desired balance in the \$50k range. Don Morrissey moved to increase the Center Building Reserve contribution to \$20k annually; Lindee seconds and the motion passed.

Dues;

The proposed dues chart for 2015-16 was reviewed; it was noted that the operating dues increase was “inflationary”. SRG will revise the overall spreadsheet and recalculate dues to reflect the additional contribution to the Center Building Reserve Account.

Budget Approval, special assessment, mailer to owners;

Upon review and discussion, the Board approved the 2015-16 operating budget, the operating dues for 2015-16 as well as the increase to the Center Building Reserve funding to \$20,000 annually. The Board also approved the \$60,000 special assessment for “phase 1” of the Center Building Reface project with ½ due in November 2015 and ½ due in May 2016.

SRG will prepare the mailer notification to Owners and send to the Board for review and plan to send mailer to Owners by the end of this week.

VI. MANAGING AGENTS REPORT

SRG presented the following managers reports:

Completed Items

Accounting “true up”

Insurance claims closed

Sto inspection all buildings; 100 bldg exterior “touch up” painting

Brush removal, 306 / 310

304 window seal repair

Center bldg gutter addition

Window washing, all exteriors
200/ 300 entry landing and step painting

Pending/ Discussion items

Budget mailer to owners; SRG will revise the budget mailer to owners and send to the Board for review.

304 Deck expansion; the Board discussed the owner request to expand the creek side ground floor deck of unit 304. Sections of the Declarations that pertain to this were reviewed. Unit decks are classified as a "Limited Common Element". It was noted that there are "many hoops to jump through" in order to change a limited common element. The Board is willing to entertain such request, with the caveat that the requesting unit owner contact immediate neighbors that would be impacted by the deck expansion and obtain their feedback/ approval; if immediate neighbors approve, then the requesting unit Owners would be required to pay for all expenses for legal investigation, review and any necessary adjustments to the Governing Documents. Once the legal review is complete and if satisfactory to the Board, the Board would be willing to approve such a request (with immediate neighbor approval) and allow the unit owner to extend the deck at the requesting unit owners expense. SRG will contact the unit owner to inform them of the discussion.

VII. RATIFY BOARD ACTIONS VIA EMAIL

There were no email actions to ratify.

VIII. OLD BUSINESS

There were no Old Business items to discuss.

IX. NEW BUSINESS

There were no New Business items to discuss.

X. NEXT MEETING

The next Board meeting date is pending.

XI. ADJOURNMENT

With no further business the meeting adjourned at 7:55 pm.

Approved By: _____
Board Member Signature

Date: _____