

CROSS CREEK CONDOMINIUM ASSOCIATION BOARD OF DIRECTORS MEETING

January 13, 2006

CALL TO ORDER

A meeting of the Board of Directors for the Cross Creek Homeowners Association was held on January 13, 2006 in the Center Building conference room. Board members present were David Falk, Danny Spivack, Rob Luhrs and Don Crino. Bryce Hunt and Carol Horn attended via teleconference and Tim Nimmer joined the meeting in progress. Attending from Wildernest Property Management were Barbara Walter – Operations Director, Daniel Vlcek – Director of Off Mountain Properties and Robert Helinda – Resident Manager. Phil LaFrance – Director of Construction and Repair, as well as Danyelle White – Controller, also attended a portion of the meeting. President David Falk called the meeting to order at 6:40 p.m.

Mr. Vlcek introduced Robert Helinda, the new Resident Manager, to those Board members who had not previously met him. Ms. Walter also introduced Phil LaFrance as the Wildernest Director of Construction and Repair who will be coordinating the installation of the new hot tub.

NEW HOT TUB STATUS

Mr. LaFrance gave a brief update on the status of the new hot tub, which cannot be installed until the proper permits are received. He started working with the Town of Frisco and the Summit County Building Department before Christmas to obtain the permits. The Town of Frisco has required that the tub be set against the exterior pool area fence on two sides to obtain the necessary clearance from the pool edge. Mr. LaFrance hopes to have the permit from the Town of Frisco by the end of next week; after that permit is assigned, the electrical contractor must apply for his permit from Summit County. It is anticipated that the electrical contractor will need approximately four days to run the necessary wiring and connections for the hot tub. After that phase of the work is completed, the Town of Frisco must do a final inspection before granting the C.O. for the project.

Various options for running the electrical wire from the center building pump room to the hot tub were presented by Mr. LaFrance, including running the wiring from the pump room through the ceiling of the building and along the fence in conduit. The conduit can run along the base of the fence except at the gate entry to the pool area; it would have to run up and over the frame of the gate entry or it could run under the asphalt at the gate. The Board gave Mr. LaFrance the authority to work with the electrical contractor, Better Electric, to decide the most efficient and cost effective method of running the wiring. The cost estimate for the necessary electrical work is \$4000 to \$4500 depending on the installation path of the wiring.

Mr. LaFrance also suggested that Better Electric be retained to install the electrical connections needed for the gutter/downspout project approved for units 308-311 so that both electrical jobs can be done at the same time to potentially save money.

RESOLUTION; Upon motion made by Mr. Spivack, duly seconded by Mr. Nimmer and unanimously carried, the Board approved the installation of the electrical wiring needed for the hot tub and the electrical connections for the new heat tape subject to final approval of the cost for both projects by Mr. Falk.

Mr. LaFrance also briefly introduced his new department at Wildernest, the Construction and Remodel Department. He invited the Board members to view the major interior remodel just completed by his department in unit 209.

APPROVAL OF MINUTES

RESOLUTION: Upon motion made by Mr. Crino, duly seconded by Mr. Spivack and unanimously carried, the minutes of the September 4, 2005 Board meeting were approved as written.

FINANCIAL MATTERS

Accounting Issues – Ms. Whyte addressed the accounting issues raised again recently by Linda Sebald. According to Ms. Sebald, there are still four outstanding issues not corrected. These issues are:

1. Proper accounting for Equity in Resort Rentals on the Financial Statements of Cross Creek Condo Association.
2. Consistent treatment of assets transferred from the Resort Rentals to the Association.
3. Treatment of Insurance Reserves.
4. Previously filed consolidated tax returns.

Mr. Falk reminded the other Board members that Roger Swift, CPA, had been retained in late 2004 to review the issues previously raised by Ms. Sebald. Mr. Swift agreed with a few of Ms. Sebald's issues and recommended some minor changes to the financial records. Since the prior Wildernest controller was involved in this investigation, Ms. Whyte does not have the historical knowledge to know whether Mr. Swift's recommendations were completed. The analysis to determine this will take some time on Ms. Whyte's part and the Board agreed to cover any additional cost associated with this process. Mr. Spivack also offered to work with Ms. Whyte if necessary.

RESOLUTION: Upon motion made by Mr. Crino, duly seconded by Mr. Spivack and unanimously carried, the Board authorized the Wildernest Controller to review Ms. Sebald's original report regarding accounting issues and to review Roger Swift's recommendations to confirm that they were completed. Any additional costs associated with this part of the process will be covered by the HOA but any future investigative costs will be at Ms. Sebald's expense.

Financial Statements – Ms. Walter reviewed the balance sheet and financial statements for the period ending December 31, 2005. Total assets were \$356,895.50 while liabilities totaled \$15,914.96, leaving equity of \$340,980.54. It was pointed out that under equity, account 400, Donated Assets from CRR, does not match the corresponding entry on the CRR balance sheet; Ms. Whyte will confirm the accuracy of both entries and correct as needed.

Monthly Invoice Approval – Ms. Walter confirmed that Mr. Nimmer wants to approve all monthly invoices with the exception of the regular expenses such as utility payments. He had

previously requested a breakdown of the labor versus material costs for a \$597.00 invoice from the Wilderrest Repair and Maintenance Department to solve a heating issue in the conference room but has not received this information. Ms. Walter will check on this bill, as well as other invoices that are awaiting approval because of questions. Appreciation was expressed to Mr. Nimmer for his efforts at reviewing and controlling the HOA expenditures.

MANAGEMENT REPORT

Action List

The Action List was reviewed. Items of note and additional discussion included:

- Appreciation was expressed to Mrs. Crino for coordinating the furniture replacement in the clubhouse lounge and to Mr. Spivack who purchased and hung the new prints. All purchases were completed within the approved budget.
- A question was raised regarding whether the blower on the fireplace is the responsibility of the owner or the HOA. Ms. Walter explained that generally anything below the damper on the fireplace is the responsibility of the individual unit owner and anything above the damper is considered common area.
- Mr. Spivack reported that a local company, HealthStyles Exercise Equipment, had evaluated the broken weight machine in the exercise area and determined that it could not be repaired; the Nordic track also does not work well. A quote from HealthStyles was reviewed for some replacement equipment.

RESOLUTION: Upon motion made by Mr. Spivack and duly seconded by Mr. Nimmer, the Board unanimously authorized Mr. Spivack to coordinate purchase and delivery of the elliptical machine (G1 Home Gym) for \$750.00 and the exercise mat for \$45.00 plus a \$200.00 delivery charge.

Mr. Helinda will donate a rack with hand weights to the room if there is no objection to the use of these weights by the insurance company. A mirror for the room was also considered; Mr. Luhrs offered to purchase one at Home Depot and deliver it to the property on the work day.

- Mr. Helinda has ordered parts to replace the broken pieces on the foosball table.
- The water cooler was turned off at some point in the past but the Board requested that it be evaluated to see if it can be repaired.
- The fax machine in the office has been repaired but the copier is not working and is needed for use by groups and businesses that rent the conference room. The Board directed Mr. Helinda to have the copier checked and repaired if it can be done at a reasonable cost.
- There were numerous technical difficulties with the speaker phone provided by Wilderrest for the Board members who attempted to conference into this meeting. Mr. Hunt was authorized to research and purchase a good speaker phone NTE \$100.00 for use during Board meetings, as well as for conference room rentals.
- Mr. Helinda reported that the washing machine in the manager's apartment is not working and appears to be many years old.

RESOLUTION: Upon motion made by Mr. Nimmer, duly seconded by Mr. Spivack, the Board unanimously authorized the replacement of the washing machine in the manager's apartment if the cost does not exceed \$400.00.

- In response to a question regarding the contents of the Comcast TV cable package included in the HOA dues, Ms. Walter explained that the "expanded basic package" is

paid for by the HOA. This package does not include any of the premium channels, such as HBO or Cinemax, but these channels are available at the owner's individual expense. It was noted that the cover is off the cable box between the 200 and 300 buildings; since the cover is there, Mr. Helinda will attempt to put it back on.

- Ms. Walter reported that the gutter/heat tape project approved by the Board in September was still not completed. Turner Morris indicated that the early fall snow put them behind schedule for their contracts already in place prior to approval of the Cross Creek project. However, they have scheduled the gutters/heat tape for installation, weather permitting, during the week of January 23.
- Mr. Hunt reported on the status of the wireless internet installation in the conference building, as well as the six repeaters that had been added in individual units expand the service throughout the complex. There currently appears to be a few dead spots for reception in certain units, such as in the northwest corners of the 200 and 100 buildings. Mr. Hunt has only one spare repeater from his original equipment purchase and recommended buying several more to install for more complete signal reception. It was suggested that all units not receiving a signal be identified first. Mr. Hunt and Mr. Crino will work on this identification process within the next two weeks and then purchase the necessary additional repeaters.

RESOLUTION: Upon motion made by Mr. Luhrs, duly seconded by Mr. Nimmer, the Board unanimously approved the purchase of up to four more repeaters for the wireless network system.

It was also suggested that a sign be installed in all units having a repeater indicating that occupants should not touch, move or unplug the repeater; Mr. Hunt will add a label to the repeater equipment giving this instruction as he is performing the unit by unit signal survey.

The Board is pleased with this addition to the complex and appreciation was expressed to Mr. Hunt for his efforts in coordinating the technical aspects of the installation. The Ford group which recently did not book at Cross Creek because of the previous lack of Internet access has been informed of the addition of the service and, therefore, will return to Cross Creek for their business conference next year.

NEXT MEETING

After discussion of possible dates for an April meeting, it was determined that a date to accommodate a majority of the Board members could not be scheduled. The next meeting is scheduled for May 28, 2006, following the owners work day on Saturday, May 27. The status of the budget, particularly the final impact of the winter heating costs, and the action list will be the main topics of focus at the May meeting.

ADJOURNMENT

The meeting was adjourned at 10:00 p.m.