

SnowCrest Board Meeting Minutes from April 30, 2010

Conference Call Meeting

Randy Leeds called the meeting to order at 2:10 p.m.

*Meeting was attended by:

William Buck, Ron Kobernik, Rick Wincott, and Randy

NEW BUSINESS DISCUSSIONS

Lots below Snowcrest to possibly become open space.

William presented the current status of discussions regarding the lots below Snowcrest. He indicated that the plan would include landscaping and a stair leading up to the bridge entrance. William said that this would have to be a joint agreement with the City, The Villas, and Snowcrest. Randy asked if there was any expectation that Snowcrest would provide financial support. William was sure that the request would come up, but had not indicated that Snowcrest would or could provide any funding.

*All board members supported the concept, however would have to review and approve any funding requests.

Management Proposal From CB Lodging:

The proposal identified cost savings in both the management fee and hourly rates over what CBC is currently charging Snowcrest. Ron noted that in passed experience that lower rates don't always lead to an over all savings especially when factored with the hassles and time required to make a management change. Randy asked if there were other issues beyond potential cost saving that was driving this potential management change. William noted concerns about performance both long and short term.

*CBC's staff is only Kendall and Rodney. Concerns about their ability to keep up with maintenance and management tasks.

*Concerns were expressed regarding last year's snow removal not being timely and not adequate.

*With CBC drastic change in size and reduction of their other management properties there are questions whether CBC will be in the management business long term.

The board discussed these concerns and all generally agreed that the long term commitment to property management was the biggest issue of concern. Not all members agreed that CBC's size was a problem in their ability to maintain and manage Snowcrest.

There was a general consensus that a change in management at this time would be in the best long term interest the association. Randy noted that our current management contract doesn't expire until May of 2011. He indicated that if the association was to change management that his preference would be to change next spring when the contract expires. Other board members felt that the change needed to happen this summer and did not want to go through the winter with CBC. It was discussed that the contract does have provisions for early termination; which mostly involve a minimum of 90 days notice of termination. Randy noted that if a change was going to be made that he would want CB Lodging in place by the annual HOA meeting. This would likely mean overlapping the contracts; which would mean some additional expense.

The board agreed to wait for Chris Bartholomew's input before bring this to a vote. Randy said he would up date Chris on the board's discussions and schedule another meeting in two weeks for a vote on the issue.

New Budget Proposal :

Randy presented and overview of the proposed operating and capital budgets. The proposed operating budget is approx. \$6,000 over last years actual. It was noted that there will be a deficit balance carried forward from last year; which is likely to be \$7,000 to \$10,000. Additionally, the Capital Projects budget that was almost eliminated last year to keep dues down needs to be refunded for several projects (sewer and stair repairs) that needs attention.

Funding for the moisture issues in the crawl spaces was also discussed. Preliminary cost estimates run \$3,000 to \$5,000 per unit. Randy and Ron expressed the concern that the association needs to begin work on this issue soon before it becomes a bigger problem. Funding options were discussed with a special assessment being the most likely. William expressed concerns about a special assessment in these economic times.

After much discussion Randy made the following motion.

“To accept the proposed new Operating budget as presented, to raise the monthly assessment to \$525, to refund the Capital Projects budget to \$35 /month (this would come out of the \$525 monthly assessment), and to call for a special assessment of \$1,000 per unit to begin work on the crawl space moisture issue. The special assessment would be assessed in the July statements.

Ron seconded the motion.

The motion was passed by unanimous vote.

Late Payment Fee:

Randy presented the problem of delinquent payments by several homeowners. Currently there is only a small interest penalty for account more than 60 days outstanding. This problem has cause many cash flow issues; which last year resulted in the association having to obtain a line of credit for a local bank. A late payment fee of \$100 / month for accounts over 90 days outstanding was discussed.

Since this board meeting was running late, further discussion of this item was postponed for discussion to the next board meeting.

Adjournment

*Randy Leeds adjourned the meeting at 3:30 pm

Minutes Accepted by the Board:

May 14, 2010