

**FROSTFIRE CONDOMINIUM ASSOCIATION
ANNUAL HOMEOWNER MEETING
JULY 19, 2008**

I. CALL TO ORDER AND INTRODUCTIONS

The meeting was called to order by Mary Parrott at 9:00 a.m. in the Oro Grande Lodge Conference Room.

Board Members Present Were:

Mary Parrott, President, Unit D39
Merrel Miller, Treasurer, Unit C37
Marie Keeney, Secretary, Unit C38

Owners Present Were:

Thomas Richter, Unit A1	Laurie Jones, Unit A17
Bernard Amels, Unit A33	Bud Clifford, Unit A34
Ted Nelson, Unit B3	David Duncan and Darold Douglas, Unit C5
George Fornnarino, Unit C6	Kathy Miller, C37
Brian Faulkison, Unit E9	Stanley Tyms, Unit E10
Julie Hanan, Unit E41	Gary Howard, Unit E42

With thirteen units represented in person and seven proxies received a quorum was reached.

Representing Summit Resort Group were Peter Schutz, Kevin Lovett and John Crowell. Erika Krainz of Summit Management Resources transcribed the minutes from tape.

II. PROOF OF NOTICE

Notice of the meeting was provided in accordance with the Declarations and Bylaws of the Association. A copy was provided in the meeting packet.

III. REVIEW PREVIOUS MEETING MINUTES

Tom Richter made a motion to approve the minutes from the July 28, 2007 Annual Meeting as presented. Dave Duncan seconded and the motion carried.

IV. FINANCIAL REPORT

Merrel Miller presented the Treasurer's Report.

A. 2007 Year-End Status

As of December 31, 2007 the Association was \$2,380 over budget.

B. 2008 Budget Review

The overall budget was increased by \$7,889. Increases included:

1. Management Fee - \$960 increase.

2. Water – \$2,584 increase per the new rate.
3. Satellite TV - \$636 increase for projection from DTV plus new channels for full year.
4. Internet - \$2,526 increase due to required change by Comcast.
5. Roof Snow Removal - \$3,600 increase for this new account.
6. Building Maintenance - \$1,300 increase based on actual expenses.
7. Electricity - \$700 decrease based on actuals plus projected increase.
8. Gas - \$1,365 decrease based on actuals plus projected increase.
9. Fireplace Maintenance - \$1,350 decrease as the expense is being charged to owners.

C. *2008 Year-to-Date Status*

As of June 30, 2008 the Association was operating \$2,638 under budget. Significant variances to budget included:

1. Gas - \$1,145 under budget due to lower than projected rate.
2. Electricity - \$1,004 under budget due to a lower than projected rate.
3. Building and Hot Tub Maintenance - \$1,633 under budget due to less repairs.
4. Snow Removal - \$308 over budget due to heavy snowfall.
5. Roof Snow Removal - \$900 over budget but there is a credit due in December and the account should be on budget at year-end.

It is expected that the Association will be on budget by year-end. Merrel Miller anticipated dues for next year would only need to increase by an inflation factor.

D. *Reserve Fund Status*

The Reserve plan forecasts capital expenditures going out ten years. The goal is to bring the balance up to \$140,000 by 2018. Siding and roof (\$250,000) are the two big upcoming expenses. Sections of the roof will probably be replaced or repaired as needed this year. This expense is budgeted at \$1,500 – 2,000/year. The roof is original from 1983. Owners were asked to inform Kevin Lovett if they have any leaks. Failures may occur in the flashing and seams. A motion was made and seconded to put funds in the budget for an annual roof inspection. The motion carried.

An owner commented that the siding paint did not seem to last very long. Kevin Lovett explained that five years is the standard life for paint in this area.

V. **MANAGING AGENTS REPORT**

Kevin Lovett thanked John Crowell and Kevin for their work this winter.

A. *Completed Projects*

1. Painted front sides of the buildings.
2. Recycling service was added and a second container will be added. The cost is \$25/month for one container and \$40/month for two. Mary Parrott

reminded owners not to leave trash or recycling outside the dumpster or recycling bin because it attracts bears.

3. Completed various touch-up painting projects.
4. The annual wood fireplace inspection and cleaning was completed. Service Monkey can be contracted to service the gas fireplaces (at owner expense) for about \$100. The manual indicates that the gas fireplaces require annual inspection and cleaning.
5. Common area carpets were cleaned.

B. Pending Projects

1. Brick walkway repairs (rear of building). The project will entail pulling out all the bricks, re-leveling the area and relaying the bricks. The front side will be done next year.
2. Repairs to asphalt bike path. According to the County, Frostfire is responsible for maintaining the path on the Association's property. Each Association along the path pays a portion of the plowing.

C. Report Items

1. Roof Shoveling – Due to the design of the roofs of the D and E buildings, the snow must be shoveled off periodically.
2. Window Cranks – Merrel Miller found a source to purchase replacement cranks.
3. Tree Pruning and Maintenance – Owners were asked not to trim the trees, but to contact the Board if they would like trees trimmed behind their unit.
4. Solar Power for Hot Tubs – The common areas use 8,000 kilowatts/month. There would be a five year payback for producing one kilowatt of energy with solar power so right now solar does not make economic sense.

An owner suggested having Turner Morris look at the doorways to give some ideas for diverting rain/ snowmelt. Kevin Lovett said it was looked at before and the recommended solution was gutters and heat tape. Gary Howard thought there might be some type of straight diverter that could be installed on the roof. Kevin will do some research.

VI. OLD BUSINESS

A. HDTV

The buildings are not wired for HDTV but are wired for digital so there will not be any interruption in service when the system changes in February 2009. The current cable is RG59 and HDTV requires RG6. In order to receive HD signal, the existing system would have to be abandoned, a new dish purchased, new wiring installed and the receivers upgraded. The cost would be approximately \$1,200/unit. Merrel Miller recommended waiting for new technology (much like we did with the internet). An owner noted that there was nothing in the Capital

Budget for this project. Kevin Lovett pointed out the Association just finished paying off the \$15,000 satellite system.

David Duncan made a motion to survey the owners to determine how many units have HD televisions and would be interested in having HD signal at some point in the future. Bud Clifford seconded. The survey should include the cost for the capital improvement, the monthly ongoing cost and give timeframes for implementation. The motion carried. Merrel Miller said if the majority of the owners are in favor, the Board will consider putting this expense into the Capital Budget.

VII. NEW BUSINESS

A. Painting Deck Rails

Bids will be obtained to paint the metal deck rails. An owner pointed out the first floor has no deck railings and asked who was responsible for the expense. Kevin Lovett explained it was an Association expense as it is in the best interest of the Association to take responsibility for the project to maintain conformity. Owners are responsible for painting their own decks. The Board tracks the condition of the decks and will have the work done and billed to the owner if the owner does not take care of it.

B. Sign

A new sign will be made with the complex name, address and a directional arrow at the front of the property.

C. Hot Tub and Decking

The E building hot tub wood is deteriorating. Replacement is included in the 2010 Capital Budget. Bids will be obtained to replace both the deck and the hot tub.

An owner asked if there was a plan to rotate the closure of the hot tubs. Kevin Lovett said one tub is shut down seasonally, and it is supposed to rotate back and forth annually but sometimes there are maintenance issues that affect which tub can be running.

David Duncan had concerns about the cleanliness of the tub. He thought there might be outside people using the tub. John Crowell said even a locked gate would not eliminate this problem. Thomas Richter noted it was an owner responsibility to help police the hot tub.

D. Unit Entry Stairs

David Duncan asked if there was any plan to replace the metal treads on the entry stairs. The Board said there was not. Kevin Lovett noted that many Associations

were switching from wood to metal because it is more durable and the best surface for snow. If the treads are noisy, they can be tightened.

E. Dumpster Shed

An owner asked about the status of the dumpster shed. Kevin Lovett said all repairs had been made and it has been repainted.

F. Furniture Disposal

Bud Clifford distributed flyers for a thrift store in Dillon that will pick up used furniture at no charge.

G. Keystone Update

The Mountain House redevelopment is on hold for the moment. After the last meeting, the County Commissioners told Keystone that they have to address employee/affordable housing. All owners will be notified when a formal submission is made. Building height is an issue and the Commissioners are in favor of fewer, taller buildings. Once Vail receives approval and breaks ground, the project will most likely be phased over ten years. The River Run gondola base is being moved across the river. The construction should be completed by October 15th.

Laurie Jones recommended that all owners join the Keystone Citizen's League in order to stay informed about issues in the Keystone area. Individual membership is \$10/year.

H. Intercom Repairs

An owner asked how to get the intercom repaired. Kevin Lovett said Triangle Electric can make repairs.

VIII. ELECTION OF DIRECTORS

Mary Parrott's term expired this year and she indicated her willingness to run again. There were no nominations from the floor. Gary Howard made a motion to reelect Mary Parrott by acclamation. Darold Douglas seconded and the motion carried.

IX. NEXT ANNUAL MEETING DATE

The next Annual Meeting was set for Saturday, July 25, 2009.

X. ADJOURNMENT

With no further business, David Duncan made a motion to adjourn at 10:22 a.m. Gary Howard seconded and the motion carried.

Approved By: _____

Date: _____

Board Member Approval