

**FROSTFIRE CONDOMINIUM ASSOCIATION
ANNUAL HOMEOWNER MEETING
JULY 28, 2007**

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
Ronald Fiedler, Secretary, Unit D8

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, Unit C5
Jim Brown, Unit B3	George Fornnarino, Unit C6
Deborah Yoder, Unit C21	Merrel & Kathy Miller, C37
James & Marie Keeney, Unit C38	Joanne and Ron Fielder, Unit D8
Bruce & Diane Johnson, Unit E9	
Stanley Tyms, Unit E10	

With fourteen 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

There was a motion to approve the minutes from the July 29, 2006 Annual Meeting as presented. The motion was seconded and carried.

IV. FINANCIAL REPORT

Merrel Miller presented the Treasurer's Report. He recognized Ronald Fiedler, the previous Treasurer, for doing a great job with the Association's financials.

A. *2006 Year-End Status*

The Association ended the year with \$8,163 in the Operating account and \$18,237 in the Reserve Fund. The Association was \$8,954 over budget at year-end.

Significant variances to budget included:

1. Utilities - \$1,505 over budget in Gas and \$1,522 over budget in Electricity.
2. Repairs - \$3,605 over budget, in part due to installation of snow bars.
3. Legal Fees - \$2,212 over budget for legal work pertaining to the wetlands.

B. *2007 Year-to-Date*

As of June 30, 2007 the Association had \$5,464 in the Operating account and \$19,066 in the Reserve Fund. The Association was operating \$255 over budget.

Significant variances to budget included:

1. Utilities - \$1,204 under budget due to lower utilities costs.
2. Internet - \$1,243 over budget due to the requirement of a separate account.
3. Satellite TV - \$1,099 over budget due to installation of new equipment.
4. Overall Maintenance - \$888 over budget due to roof snow removal.
5. Landscaping - \$917 under budget. Mary Parrott thanked several other owners for their work around the property.

C. *Reserve Fund Status*

The annual Reserve contribution was increased to \$27,000 to move toward the short-term goal of \$100,000. This will be the last year for the satellite system payback of \$5,028.

The budgeted items in the three year Capital Reserve Plan include:

2007

1. Resurfacing the Parking Lot
2. Replacement of Concrete Curb
3. Installation of Snowbars on B, C and E Buildings

2008

1. East Side Building Staining
2. Brick Walkway Repair/Replacement

Merrel Miller said the Association was in a good financial position. There are no delinquent accounts. The Board will continue to watch the utilities that are now offsetting higher costs for internet and satellite TV. The Reserve Fund balance is projected to be about \$33,000 at year-end. He noted the Reserve contribution may need to be increased as the time draws closer for major expenses such as roof replacement.

An owner said there should be clear guidelines for Reserve versus Operating expenses in the future.

V. MANAGING AGENTS REPORT

Mary Parrott thanked the Summit Resort Group staff for their work around the complex. She said they have been very easy to work with and are very receptive to input.

A. *Completed Projects*

1. Repaired and painted the back of the building.
2. Painted the shed.
3. Painted dumpster enclosure.
4. Touched up paint in various areas.
5. Straightened D Building retaining wall.
6. Installed roof snowbars over the entries to A, B, C and E Buildings. The D Building entry is problematic; snow will be shoveled from that area this coming winter while the effectiveness of the snowbars is being evaluated.
7. Sealed cracks, sealcoated and restriped the parking lot.
8. Replaced concrete curb at front of complex.
9. Installed new hot tub covers for the A and E Building hot tubs. An owner suggested that owners who rent post instructions in their units for removing the covers to reduce damage. A motion was made to post signs with instructions for removing the covers at the hot tubs. The motion was seconded and carried.
10. Added new satellite TV channels in response to owner survey.
11. Washed exterior windows.
12. Installed energy efficient light bulbs.
13. Repaired C Building front entry stairs.
14. The Association website is up and running at www.SummitResortGroup.com. All Association documents, including the Declarations, Bylaws, House Rules, meeting minutes, budgets and financials are posted.

An owner requested that the small Frostfire sign on the corner be moved up onto the post so it is more visible.

VI. OLD BUSINESS

A. *Smoking on Balconies*

Owners were reminded to please be respectful when smoking on unit balconies as the smoke disturbs occupants in the units above. Owners are asked to please inform renters of this as well.

B. *Wireless Internet*

An owner commented that connectivity was sporadic in the A Building. Kevin Lovett said he would check into it. He encouraged owners experiencing problems to notify him. He pointed out that the system that was installed was a middle range system. It could be upgraded but the cost would increase significantly.

C. *Pet Waste*

Mary Parrott said the problem with pet waste was getting worse. John Crowell said there were pet waste bag dispensers on the hot tub railing and on the pump house.

D. *Siding Replacement*

An owner noted that the Reserve Budget indicated the siding only had two to three years of life remaining, but he did not see the \$100,000 replacement cost included in the budget. Kevin Lovett explained that the siding was still in reasonable condition and probably would not all have to be replaced at once. There are funds included for ongoing repairs and replacement of deteriorated sections.

E. *Quiet Hours*

A motion was made to put up a sign reminding residents that quiet hours are 10:00 p.m. – 8:00 a.m. The motion was seconded and carried.

F. *Keystone Resort Update*

Kevin Lovett said the Resort was talking about moving the fine dining restaurants from the Outpost to the top of Dercum Mountain, moving the Outpost gondola to connect the three base area villages, and replacing Argentine with a high speed quad. There has not been any new development with the Marriott. Frostfire owners will receive notice from the County if any plans are submitted for the Mountain House base area.

VII. NEW BUSINESS

A. *Recycling*

Mary Parrott said the Board voted yesterday to spend \$25/month for one co-mingled recycling bin.

B. *High Definition Television*

A proposal was received for upgrading the current television signal to high definition. It would require upgrading the equipment at a cost of about \$1,500 plus an additional \$5/unit/month fee. The receivers for each HD channel would also have to be replaced at a cost of \$100 each. Kevin Lovett has left a message for the satellite technician asking if the building wiring is HD compatible. In addition there would be a \$0.50/unit/month/channel fee for the HD signal. All units would have to participate in the program. Kevin commented that there was supposedly an FCC regulation specifying that all signal must be broadcast in either digital or HD by 2010. A motion was made to continue the investigation of HD signal but not to incur any expense for the coming year due to the small number of HD channels available. The motion was seconded and carried.

C. Window Replacement

An owner said her window crank mechanism was deteriorating. She has tried to locate replacement hardware but it is no longer manufactured. She may have to replace the entire window, which would be an Association issue. There was general discussion regarding responsibility for the various window components. Kevin Lovett reviewed the Association documents but they did not provide any specific information regarding window hardware. A motion was made to make the window hardware an Association responsibility, or to split the cost 50/50 between the Association and the owner. There was no second to the motion. After discussion, an owner proposed an amended motion, i.e. to ask the Board to research the window crank issue and to determine how the repair cost should be distributed, and to assign the task of repair to management. The motion was seconded and carried.

D. Deck Staining

The decks are a limited common element and the Association documents specify that deck staining is an owner responsibility. Owners who want to stain themselves should contact John Crowell for information about the stain color that should be used. Summit Resort Group can also stain decks for owners upon request and the owner will be charged \$35/hour for the labor.

E. Tree Survey

The aspen trees are growing rapidly and a balance between the health of the trees and preserving the views must be maintained.

F. Satellite Channels

Kevin Lovett said the Avalanche and Nuggets games are now being broadcast on Altitude; the Rockies are on FSN. The satellite system is at maximum capacity and additional equipment would have to be purchased to add another channel. A suggestion was made to switch the receiver between the Altitude and FSN channels depending on the sport season.

G. Roof Diverters

An owner said there was discussion at last year's meeting about diverters for the roofs and asked if anything had been done. Kevin Lovett said diverters were not installed. The effectiveness of the snowbars will be evaluated before additional modifications are made.

H. Energy Efficiency

An owner suggested researching solar equipment for heating. She said the cost was coming down and it could be very effective for heating the water for the spas. Kevin Lovett mentioned that energy efficient bulbs had been installed in the common areas throughout the property. An owner said consumers could also specify that they want some percentage or all of their electric to come from wind power; it only increases the current price by about 10% and should eventually be

less expensive. An owner volunteered to do further research on possible energy savings and to report back to the Board.

I. Yahoo – email User Group

Frostfire Owners are encouraged to join the Frostfire Yahoo – User email group; this is a great avenue for discussions, postings and information amongst the owners. Please be sure to send your email addresses to:

Kevin Lovett – lkevin1033@qwest.net

Merrel Miller – millermk@tx.rr.com

VIII. ELECTION OF DIRECTORS

Ronald Fiedler’s term expired this year and he will not be running again. There were two nominations for the vacant Board seat, Marie Keeney and Doug Vene. There were no nominations from the floor.

Secret ballots were distributed and tallied and Marie Keeney was elected.

IX. NEXT ANNUAL MEETING DATE

The next Annual Meeting was set for Saturday, July 26, 2008 at 9:00 a.m.

X. ADJOURNMENT

With no further business, the meeting was adjourned at 11:00 a.m.

Approved By: _____
Board Member Approval

Date: _____