

**FROSTFIRE CONDOMINIUM ASSOCIATION
ANNUAL HOMEOWNER MEETING
JULY 30, 2005
Keystone, Colorado**

I) I. CALL TO ORDER AND INTRODUCTIONS

The Annual Homeowner meeting was called to order by Mary Parrott at 1:05 p.m. in the Oro Grande Lodge Conference Room.

Owners present were:

Thomas Richter, Unit # A01	Daniel and Laurie Jones, Unit #A17
Bernard Arnels, Unit #A33	Bud Clifford, Unit #A34
Ted Nelson, Unit #B03	John Johnson, Unit #C05
George Fornnarino, Unit #C06	Deborah Yoder, Unit #C21
Merrel and Kathy Miller, C37 #D08	Ronald and Joanne Fiedler, Unit
Diane Johnson, Unit #E09	Stanley Tyms, Unit #E10
Larry and Julie Hanan, Unit #E41	Gary Howard, Unit #E42
Francis Summerhill, Unit #B04	Mary Parrott, Unit #D 34

With sixteen units represented in person and proxies received, a quorum was reached.

Representing Summit Resort Group were Peter Schutz and Kevin Lovett. Margot Mayer was recording secretary.

Peter Schutz introduced himself and his company, Summit Resort Group (SRG), which is managing the day-to-day operations of the association. Currently the company is managing twelve associations in Dillon and Frisco. His office is open seven days a week and can provide services such as notary and fax.

I) II. PROOF OF NOTICE

Notice of the meeting was provided in accordance with the Bylaws.

I) III. REVIEW MINUTES OF LAST MEETING

There was a motion to approve the minutes from the 2004 Annual Homeowner Meeting as presented. The motion was seconded and carried.

I) IV. FINANCIAL REPORT

Ron Fielder presented the Treasurer's Report. As of June 30, 2005 the Association appeared to be \$6,838 ahead of budget, but this did not accurately reflect the financial position as there are a number of reclassifications to be made:

1. Repair and Maintenance - Reclassify \$4,024 to the Insurance Claims account. This will change this account to an actual year-to-date of \$852 over budget and the overall Operating Budget to a total of \$2,796 ahead of budget.
2. Satellite TV – Surplus of \$2,989 to be placed in the Reserve Fund to pay

back the satellite equipment installation bringing the total Operating Expenses to \$193 over budget.

Ron welcomed Summit Resort Group and commented they have done a great job cleaning up and maintaining the flowerbeds. Peter Schutz explained he was working on simplifying the budget to make it easier to understand.

Repair and Maintenance expenses were over budget due to the expense for removing animals from the attic areas of A and B Buildings. Electricity was over budget and the Board will research this matter. As a result of claims filed within the past three years, the insurance premium has increased by \$1,299.

Overall, the Operating Budget is on track and all capital improvements are accounted for in the Fixed Assets section of the Balance Sheet. As of June 30, 2005 Current Assets were \$35,617.

Upcoming major projects are staining the south and perhaps west side next year. A moderate dues increase may be necessary in 2006 in order to build up the Reserve Fund. Last year's Special Assessment of \$40,000 for hot tub repair and fencing did not cover the total cost of the repairs. The Reserve Fund balance should be around \$50,000.

D V. MANAGING AGENT'S REPORT

A. Completed Projects

1. Hot tub railings and decks were painted.
2. Chimney and fireplace inspections and cleaning were done.
3. Satellite installation has been completed.
4. Hot Tub A - \$49,504 total expenses to date.
5. Hot Tub Fencing - \$2,163 total expenses to date. Kevin Lovett will work on the gate so it will close better.
6. Completed staining of east end of buildings.
7. Animal removal from the attic of A and B Buildings. The entry hole has been sealed. Property Management will continue to monitor.

B. Pending Projects

1. Landscaping clean up, plantings and mulching of flowerbeds are partially completed as there are additional improvements to come.
2. South side of buildings are scheduled for staining in spring 2006 or possibly fall 2005.
3. Parking lot pothole repairs.
4. Electrical wiring repair from animals in the attic of A and B Building.

C. Report Items

1. Wetlands – Kevin Lovett is working with Chip and Bud to define ownership of the wetlands and what should be done with it in the

- future.
2. Walkway – The Board was still working on defining ownership for the walkway. Legal advice was sought to get clarification. The insurance company asked the Frostfire Association to install a railing and the County asked for some other improvements. Cinnamon Ridge originally built the walkway and bridge but subsequently opted out of any involvement. The Board feels the walkway should be Cinnamon Ridge Association's responsibility. The issue must be resolved by April 1, 2006.
 3. Plat Maps – The Keystone PUD includes about 900 additional units at the base of the Mountain House.

D. Summit Resort Group Contact Information

Denver: 303-670-9437
Out of State: 800-944-9601 (including London)
Peter Schutz Cell: 970-390-1149

I) VI. OLD BUSINESS

A. Satellite TV

Kevin Lovett will research the cost of different channels and packages available. Some owners were interested in having OLN and HDTV.

B. Website

Peter Schutz said he was working on creating a secure, password protected Association website where meeting minutes, budgets and newsletters could be posted.

I) VII. NEW BUSINESS

A. High Speed Internet Access

Kevin Lovett will check into the costs and different options for high speed internet access since there seems to be more interest from the ownership than previously.

B. Tree Trimming

An owner requested the aspen trees be trimmed and some loose wood nailed down.

C. Mold on Hot Tubs

The mold on both hot tubs should be cleaned off and maintained weekly.

D. Inspections

During the summer months management inspects all unoccupied units twice a month, and during winter season once a week.

E. Water Shut Off

The master water valve should be shut off in any units that are not being

occupied for long periods of time.

F. Washer Hose Replacement

All owners need to replace their washer hose with a stainless steel water hose no later than the end of September 2005. If the hose is not replaced within this time frame, management will replace the hose and bill the homeowner.

G. Insurance

Any interested owners can review the insurance policy at the office.

H. Master Keys

An owner recommended getting a new master key for all units. Kevin Lovett said the cost would be approximately \$30 per door. After further discussion, the owners agreed not to pursue this project at Association expense. A motion was made to allow owners to get a second master key at their own expense. The motion was seconded and carried. Owners need to go through management to re-key their units.

I. Window Stripping

Window stripping was replaced a few years ago but it was brittle within a year. Any owner who finds a good product should let the Board know.

J. Wood Burning Fireplaces

There are still nine units with wood fireplaces. An owner was concerned about the fire danger, especially in light of the dumpster fire that was caused by a smoldering log.

K. Motion Detectors

Kevin Lovett will check into adding a motion detector at the back door of Building A and changing the light to a motion sensitive fixture in the hot tub area of Building E. All entryway lights will be reviewed with the idea of possibly changing them to motion sensitive fixtures to preserve energy.

L. Keystone Owner Cards

It appears that Keystone owner cards are for Keystone-managed Associations only. An owner mentioned that he received an owner's card even though the Association is not being managed by Keystone.

M. Stairs

An owner said the ski boots on the stairs were very loud. Maintenance will be done on all stairwells to try to reduce the noise.

N. Rusty Doors

Management will check the inside door of Building E to the parking lot for any rusty spots.

O. Hot Tub Building E

The hole in the hot tub's exterior has to be sealed. There was a suggestion to add an instructional sign at the hot tub for opening the cover and operating the hot tub.

P. Exterior Deck

An owner said he had a significant burn on his deck. He was directed to contact Kevin Lovett.

Q. Bird Feeder

The Board will contact the owner who has a bird feeder on the deck. The bird droppings fall on the deck below and cause a problem.

R. Capital Improvement Study

A Capital Improvement Study will be developed to identify how much money should be in the Reserve Fund. The Study should be evaluated on an annual basis.

S. Bus Service

The Association opted not to pay for Keystone's bus service.

T. Email Addresses

Homeowner email addresses should be added to the homeowner address list.

D) VIII. ELECTION OF DIRECTORS

Ron Fielders' term expired and he indicated he was willing to serve another term on the Board. Thomas Richter and Bernard Arnels volunteered to serve on the Board. Votes were tallied and Ron Fiedler was elected by ballot to serve another term. Mary Parrott said all owners were invited to attend Board Meetings.

D) IX. SET NEXT ANNUAL MEETING DATE

The next Annual Meeting was set for Saturday, July 29, 2006.

D) X. ADJOURNMENT

With no further business, the meeting was adjourned at 3:12 p.m.

Approved By: _____ Date: _____
Board Member Approval