

**WOOD CREEK CONDOMINIUM ASSOCIATION  
BOARD OF DIRECTORS MEETING  
March 27, 2009**

DIRECTORS PRESENT: Charles Kelly  
Donna Hayley  
Robert Harrison

MANAGEMENT COMPANY: Danny Myers  
Toni Wilson

Meeting was called to order at 10:10 am.

It was established that the purpose of the meeting was to review the year-to-date financial statements. Our second quarter quarterly meeting was delayed a month and a half, so we are able to review financial statements at this meeting through February (month 8). We will schedule another quarterly meeting at the end of April (in one month) to review our 9-month financials.

It was pointed out that the \$15,000 special assessment in the fall was placed as a capital budget item on the Income Statement. This should have been added to operating Contingency budget and will be moved for the March Income Statement. The related expenses will also be moved out of Capital Expenditures and into operating Contingency Expenditures. These adjustments will still keep us at \$12,168 over budget for the year, though the Interest Expense operating expense (\$1,217 year-to-date) is always removed when we figure our exact expense budget; this brings us to \$10,951 over budget through 8 months. (Note: The Interest Expense is removed from the calculation because this is not an expense incurred by the HOA, but instead is incurred by several owners who are paying back a loan. This Interest Expense is offset by the unbudgeted \$6,182.25 Special Assessment Revenue on the Income Statement. The remaining Special Assessment Revenue goes to reduce the principal on their loan, which is carried by the HOA).

It was decided by the Board to defer the May Window Cleaning and Chimney Cleaning until July, saving \$3,800 in expenses this year. This will bring the overage down to approximately \$7,000. The goal will be to reduce expenses an additional \$3,000 in the final quarter (April, May, June) to bring the expense budget within \$4,000 of projections. Danny felt we could continue to see savings in Electricity (currently \$4,000 under budget), Hot Tub Labor, and a few other areas to meet this goal.

Much of the overage to date can be found within the Contingency expense line. Larger than budgeted items include a new washer/dryer pair (\$2,100), repairing the roof over the 05 stack (\$3,600), upgrading the lobby heater thermostats (\$655), repairing and upgrading roof heat tape circuits (\$1,345), and replacing the failed controller board for

the hot tub and purchasing a back-up board (\$980). These items alone account for almost \$9,000 in contingency items, when the annual budget is only \$4,800.

Maintenance Labor and Supplies are \$4,000 over budget. Danny provided the detail spreadsheet of those expenses to the Board for their review. Donna asked that the General Maintenance line in the detail also be outlined so that all expenses can be justified to the ownership. While no one items seemed to be responsible for the extra expense, the mandate from the Board and the owners to keep a closer eye on the upkeep of the building has caused the cumulative overage. It will be wise to consider increasing this budget line next year, as the age of the building will translate into the need for more care.

The Board asked Maintenance to take a close look at the operation of the sliding glass door screens this spring to ensure proper functioning.

Donna noticed that there were several charges to set up the conference room. Toni will review the Conference Room revenue account for the year to ensure we have received payment if the room was rented.

While not as substantial a dollar amount, Danny confirmed for Donna that there is currently a charge for 2 phones at Wood Creek; one in the elevator and one in the conference room. Danny will have Eli research where the lobby phone is and whether it just shares the line with the conference room phone.

Regarding past due assessments, it was reported that one owner was 4 months delinquent. The Board asked Danny to have our attorney send a demand letter prior to possibly starting foreclosure on the recorded lien.

## **OLD BUSINESS**

### **Roof Repairs in Fall of 2008**

The Board asked how the roof repair above the 05 stack was faring. It was reported that we have kept that area more free of snow this winter and have monitored if any leaks have occurred. While water does still flow down the slanted roof area and off the drip edge to the ground below, no penetration of water into the building has been observed. Charles pointed out that the \$3,600 repair, while substantial, must have come with a warrantee. Danny felt that the absence of leaking shows the job was done correctly (the stucco siding was removed in one area and flashing added where a hole was discovered); if additional damage occurs, that would not be the fault of the contractor. By monitoring and removing any snow/ice build-up in this area, it was felt that additional damage could be minimized or avoided. Heat from unit ceilings still appears to penetrate to the roof, melting snow and creating water and possible ice dams, but this is a difficult problem to rectify without re-insulating ceilings.

### **Wireless Internet**

Charles reported that the Wi-Fi was not working properly during the week he has been in. It was discovered that one of the 2 transmitters was not transmitting properly. Eli is working to get this fixed. It was also discussed that it might be worthwhile to increase the speed of service on the Time Warner line. This would likely cost an additional \$35 per month. The charge from Time Warner is currently \$90 each month. We pay Roomlinx \$100 per month to monitor and provide customer support. Donna reported the Wi-Fi worked well for her earlier in the year.

### **Elevator**

Robert will follow up with the elevator inspector he had come to Wood Creek to provide a second opinion on the need for elevator upgrades. A written report is expected. The decision needs to be made on whether the estimated \$100,000 upgrade can be delayed.

### **Commercial Units 108/109**

As of this date, no commitment has been made by the Town of Mt. Crested Butte to allow those units to be used as residential units. It was understood by the Board that a determination needed to be made that stated whether there was sufficient fire suppression (sprinklers) in the building to allow those units to be used as residential.

In addition, Danny will obtain a copy of the keys to ensure he has access to the units. Danny will also remind the owner that an un-used automobile cannot be left in the parking lot. Once the winter snow has melted, the car will be towed if it has not been removed.

### **NEW BUSINESS**

Charles expressed his concern that the cost of a vacation in Crested Butte was exorbitant (including high lift ticket prices and airline flights). Danny shared that many guests have been able to get good package values this year, but encouraged any concerns to be sent to the Resort through the skicb.com website.

The Budget meeting for 2009-2010 was set for Monday, June 15<sup>th</sup>; Danny will e-mail a draft budget for the Board's review around June 5<sup>th</sup>. This will allow the Board to discuss and set next year's budget and dues prior to our July 8 Annual HOA meeting.

The next quarterly meeting will be held in one month on Monday, April 27<sup>th</sup> at 9AM Crested Butte time just as a quick follow-up review to this meeting.