

CHAMONIX-AT-WOODRUN ASSOCIATION
BOARD OF MANAGERS MEETING MINUTES

October 27, 2016

I. Call to Order

Betty Lebovitz, President of the Board, called the meeting to order by conference phone call at 1:01 P.M. Colorado time on October 27, 2016. Board members present by conference phone call were Betty Lebovitz, and Brian Moir. Dick Brown was present in Snowmass. Nonmembers present in Snowmass were Mike George, Bill Anderson, Joe Zuena and Lee Wilson of Snowmass Lodging Company by Wyndham Vacation Rentals.

II. Approval of Minutes

Mrs. Lebovitz made a motion to waive the reading and to approve the minutes of the March 10, 2016, Board meeting. Mr. Moir seconded, and the motion was approved.

III. Old Business

A. State of the Property

The following repairs and replacements were completed since March 10, 2016, Board meeting:

- Entry door beveled glass doors were repaired
- Ski locker entry carpet was replaced
- Domestic hot water system pin hole leaks were repaired
- Shop garage door opener was replaced
- Domestic hot water tank leak was repaired (leaking access hatch)
- Fire Extinguishers were checked and replaced or recharged as needed
- Chimneys were inspected/cleaned
- Dryer ducts were cleaned throughout the property
- Domestic hot water recirculating pump was replaced
- Pool deck furniture was replaced, five condos also replaced patio chairs
- Fire alarm strobe was repaired
- Boiler room drain repaired
- Heat boilers serviced for winter, pilot generators replaced where needed
- Driveway heat pump control was replaced
- Drain between B and C Buildings was replaced with improvements to surface grading
- Comcast replaced cabling between buildings
- Comcast installed new HD program boxes in all condos needing the upgrade
- Comcast performed signal testing and connector upgrades in most condos

B. Heat Boiler control replacement

It is necessary to replace the domestic hot water and driveway heat system controls to allow control of the systems. The present control can no longer be adjusted by our contractor. The estimate for this control replacement is \$26,250. It is recommended that this replacement be funded through the reserve fund. Mr. Brown made a motion to authorize the replacement.

Mr. Moir seconded, and the motion passed.

C. Window replacements

No additional windows were replaced this fall. Owners of condominiums 21, 25, 27 are considering future replacements.

D. C Building wheel chair access

Mr. Wilson described a wheelchair lift to give access from the parking garage to the third floor landing, C Building. The installation is estimated to cost approximately \$48,700, which includes power installation to the location. The lift will also require a maintenance contract to maintain certification. The maintenance contract through our existing elevator contractor will be \$1,200 per year. After discussion the Board decided to defer action on this matter at this time. If any owner in C building comes forward in the future with an immediate need for this kind of the equipment, the board will reconsider at that time.

IV. Accounting and Budget

A. Current Financial Position

While there were other delinquencies during quarter 3 of the HOA fiscal year, we are pleased to report that all outstanding owner balances have been paid in full, with the exception of the owner of Unit 27. Unit 27 is presently delinquent on assessment payments in the amount of \$6,349. Mr. Wilson has contacted the owner to request payment of the outstanding balance.

The Association has a \$4,903 surplus, as compared to the plan, after 10 months, excluding any carry-forward surplus from prior years.

General & Administrative costs are forecasted to be under budget by \$5,092, primarily for savings relative to budget of Insurance and Depreciation. Utility costs are expected to be under budget by \$10,638, or about 5%, due to lower Gas costs that are partially offset by cost increases in other line items. Repairs & Maintenance expenses are forecasted to be over budget by \$5,123 or 1%, with higher than budgeted Firewood and Custodial costs that were partially offset by reduced Pool and Snow Removal costs, with other line item variances offsetting.

B. Reserve Fund Status

The Association has a projected Reserve Fund balance of \$317,179, at 2015-2016 fiscal year-end.

Mr. George noted that the external auditors recommend that any miscellaneous line item credit in the Reserve Fund be allocated to a specific cost line item. Management recommends transfer of the year end miscellaneous credit to the Elevator Replacement reserve line. The amount at present is \$129.78, with October entries yet to post.

Mrs. Lebovitz made a motion to approve the transfer. Mr. Brown seconded, and the motion passed.

Mr. George also advised that the audit report from fiscal 2014-2015 year end noted an inter-fund

loan from the reserve to the operating fund of \$10,118. Mr. George explained that the Insured Cash Sweep, or ICS, system currently in place results in automatic sweeps between the operating and reserve cash accounts, whenever the operating account exceeds \$250,000, so that the HOA cash is always under the FDIC insurance limit. At times, this sweep process will create inter-fund loans, while keeping HOA cash invested in accounts that are within the FDIC insured limits. Mr. Brown made a motion to approve this inter-fund loan. Mr. Moir seconded, and the motion passed.

C. 2016-2017 Budget Review

The budget is presented without the additional projects described in the New Business section, below. If the Board decides to add any of the listed projects, it will result in an adjustment to the proposed assessments.

SLC, for the overall budget, proposes that assessments for 2016-2017 increase by 0.3%, or \$3,288. The budget is presented to the Board with the assumption that the cumulative carryforward surplus will discount next year's assessment.

Cost adjustments between the forecasted year-end totals for 2015-2016 and those proposed in the 2016-2017 operating budget are listed below:

Insurance – Insurance is budgeted for a 5% premium cost increase over the prior year. By continuing with a master policy program for insurance to Woodrun Place, Chamonix, and The Enclave, Chamonix secures access to higher combined maximum replacement cost coverage, while paying less in premiums. The properties are rated individually for risk exposure, based upon individual claims history and the unique characteristics of each physical plant, but the combined premiums will be less than what they would otherwise be individually. The aggregate coverage is proposed at \$93,310,460, with Chamonix allocated at 84,468 square feet and \$25,120,555 replacement limit, or \$297 per square foot for Chamonix individually. Under the master policy limit, the replacement cost per square foot can be as high as \$1,104.68 ($\$93,310,460/84,468$), in the event that Chamonix suffers damages resulting in a full replacement claim, while at the same time, no claims are paid from damages occurring from the same cause at The Enclave and/or Woodrun Place. After discussion Mr. Brown made a motion to approve of these insurance strategies. Mr. Moir seconded, and the motion passed.

If a unit owner has renovated kitchen or bath areas, performed other interior modifications, or purchased a unit that had interior modifications performed subsequent to initial construction, the Board strongly recommends that those unit owners have their units appraised on a replacement cost basis. The Board strongly encourages the affected owner to purchase coverage to supplement the policy obtained by the Association. The Board advises each and every owner to have his insurance agent review existing association policies and that owner's policies to make sure that each and every owner has appropriate coverage for his personal property and unit improvements. The Board has decided to maintain liability insurance coverage on a blanket basis for \$1 million per occurrence and \$2 million aggregate, with a \$25 million umbrella. Increased costs of construction are separate from the property limits at \$2,000,000 under the building and ordinance section of the Package coverage. Demolition has a limit of \$500,000, separate also from the property limits. For each fiscal year, the Association purchases a minimum worker's compensation policy, primarily to protect against potentially uninsured subcontractors working on site who might

become injured. Each Unit owner is strongly encouraged to review his insurance policies and coverages with both John Wilkinson, the WPCA agent, at (970) 925-7285, and his individual private carrier.

Electric – budgeted each for a 3% increase.

Telephone – budgeted for a 1% increase.

Gas – budgeted for a 4% increase.

Water & Sewer – budgeted for a 10% increase.

Trash and Cable Services – each budgeted as last year.

Pool Maintenance - budgeted for a 4.75% increase, but less than that of the 2015-2016 budget year. We are planning for fewer repairs.

Snow Removal - budgeted as last year

Equipment Service Contracts are budgeted for a 3% increase.

Annual Reserve Fund review and adjustment:

The Reserve Fund line items, as currently proposed, have updated entries for amounts and years of expected replacement, per the schedule. Anticipating Board approval, the domestic hot water and driveway boiler controls replacement is scheduled for 2017. The drainage replacement project, completed during fall of 2016, will also be charged to the Reserve Fund in fiscal 2016-2017. The Reserve Fund, prior to charges for the tasks, is budgeted to amount to \$405,685.

V. New Business

Board member replacement

Mr. Anthony has sold his condominium and will no longer be available to serve on the Board. The Board discussed the board member replacement procedure specified in the Bylaws. There is one interested candidate who qualifies for the vacant position at this time. Mr. Brown made a motion to appoint Mr. William Powers to the Board of Managers, until a successor is elected at the next Annual Meeting. Mrs. Lebovitz seconded, and the motion passed.

Condominium door lock reprogram

There have been requests to change the way door locks operate, so that the doors do not require manual locking, when the door is closed. The expectations of most renters and guests is that the door will automatically be locked when closed. However, most of the doors at Chamonix remain unlocked when closed, unless the user turns a thumbscrew from inside the condo to lock the door. Historically, there have been requests to have the doors both automatically lock when opened and closed, and also for the door to remain unlocked (some owners prefer the present “unlocked” condition). For security reasons, management recommends that the system be changed, so that all doors lock by default, when opened and

closed. Each lock will need to be removed, and the internal mechanism of each lock will need to be adjusted to accomplish this goal. We are able to do this work with SLC staff, although it will require additional maintenance time in the budget. We estimate that adjusting all locks will cost approximately \$3,500. After discussion, the Board decided to approve.

Courtyard flower pots and benches

At the request of condominium 27 owners, a plan for flower pots and benches has been submitted for approval by the Board. The plan calls for 4 pots, similar in style (but smaller) to the large pots around the center circle, with one situated at each building entry. In addition, two teak benches, one at the Office and one at AA Building entry would provide a place to sit while awaiting transportation, as well as add accents to the courtyard. Estimated cost for the benches and pots is \$3,850, and an additional \$2,500 for maintenance time for daily flower pot watering. After discussion, the Board decided to approve careful placement of new pots in the courtyard, while limiting placement to not be on the courtyard surface.

Additional Tree lights at entry

At the request of condominium 27 owners, a plan to install more holiday lights on each side of the entry drive was presented. The existing tree in front of the office would be lighted more fully, and power would be run from the trash bay side of the building to the Mugo pine for a similar lighting pattern. The light strings are estimated to cost \$600, with additional costs for an electrician to complete the power installation (estimate \$500). This project would also be added to the Grounds budget. After discussion the Board decided to approve.

Lower Parking Garage Painting

The owners of condominium 27 request the entire lower garage be painted. We have an estimate of \$6,000 to have the lower parking garage painted. Mr. Moir asked that Lee circulate a parking map to the board members. This would be added to the Painting and Staining budget. After discussion, the Board decided to have management repaint existing walls, as needed.

Mrs. Lebovitz made a motion to accept the budget as amended for changing the lock default settings, adding courtyard benches and pots, and adding additional tree lights, as noted above. The assessments, therefore, are set at \$1,121,409.81, or an increase of 1.3%. Mr. Brown seconded, and the motion passed.

The annual member's meeting will be on March 2, 2017, at 4:00 pm in the Chamonix meeting room.

VI. Adjournment

Mrs. Lebovitz made a motion to adjourn. Mr. Brown seconded, and the motion passed. The meeting was adjourned at 2:39 P.M.

Respectfully submitted,



Brian Moir, Secretary