

## **THE ENCLAVE ASSOCIATION**

### **BOARD OF MANAGERS MEETING**

**September 23, 2003**

#### **I. Call to Order**

Mel Blumenthal, President of the Board, called the meeting to order via telephone at 8:00 AM. Board1 members Glen Fisher and Andy Jacob were present via phone, as was Bob Sirkus, owner of Enclave 103 and 202. Mike George and Joe Porcaro of the management company were present at the Enclave.

#### **II. Old Business**

##### **A. Approval of Minutes - Board meeting of October 3, 2002**

Mr. Fisher made a motion to waive the reading of the minutes of this meeting. Mr. Blumenthal seconded, and the motion was carried. Mr. Fisher made a motion to approve the minutes of this meeting, and Mr. Blumenthal seconded. The motion was carried.

##### **B. Brush Creek/Burlingame Development**

Mr. Blumenthal advised the attendees that the developer's application was still in process. Public meetings continue, and interested owners are encouraged to participate.

##### **C. Grounds Renovation**

The first project, which primarily comprised the snowmelt installation and major landscaping renovation, is complete. The second project, which primarily comprised some new landscaping, the outstanding balance of cost from the first project, and minor tasks throughout the property, is substantially completed.

##### **Owner Grounds Committee Recommendations/Completed**

The Association dedicated \$10,000 in fiscal 2002-2003 to pay for projects recommended by this committee. Projects completed are listed below:

Trash & Recycling Bins - cost= \$2,570.00

Snow Fence – 4X4 wood posts, chain section fence above the southwest carports cost= \$1,029.

The Board decided to defer the purchase of replacement pool furniture to a later date.

##### **D. Financial Review 2002-2003, Unaudited**

Management forecasts that the Association will finish the year under budget by \$10,539, primarily for deferred Special Projects costs (pool furniture), and lower than expected Utility expenses.

Balance Sheet – All owners, excluding one, are current on payment of assessment accounts. Mr. Porcaro will contact that owner and request payment before the end of the fiscal year.

### III. New Business

#### A. Budget 2003-2004

##### Operating Fund

The Board directed management to budget for \$1,000 in legal expenses to provide funding to investigate member options regarding the Snowmass Village Resort Association.

SLC and the Board discussed current management fees, services, and costs at length. The Board decided to defer on any decisions regarding service and administration fees at this time, other than those to be outlined in the cover letter to members that will accompany the first assessment billing invoice for fiscal 2003-2004. Insurance is budgeted to increase by 9%, based upon recently received quotes. The Board considered purchasing \$10 million in additional Difference In Conditions (DIC) property insurance to supplement the general package property policy coverage at a cost of \$35,000. As the insurance agent has advised that full replacement value DIC policies up to the estimated replacement value of The Enclave are no longer available, discussion centered on the merits of purchasing this separate DIC policy. While The Enclave has purchased DIC coverage above the base \$5 million coverage offered in the general package policy in past years, the Board believes that the cost is now excessive. The Board decided against purchasing the supplemental DIC policy. Overall General and Administrative expenses are budgeted to increase by \$2,810, driven mainly by increased Insurance costs.

Utilities are budgeted to increase considerably from \$83,847 to \$103,785, or \$19,938. Gas costs are projected to increase by 40% from \$31,826 to \$44,556. Water is budgeted to increase by 22%, or \$2,942, as the Enclave received a one-time credit during the fiscal year, and consumption is now metered and expected to increase in support of the new landscaping. Television cable costs are budgeted to increase by \$3,393 for a 5% increase in the basic commercial package and \$5.79 per unit per month to begin paying for additional outlet charges on behalf of its members.

Repairs and Maintenance expenses are budgeted to allow for a price increase from \$25 to \$28 for housekeeping custodial hours and \$26 to \$30 for maintenance hours. The increased unit pricing for these services will be the same for owner and Association consumption and are at or below local market prices. Other maintenance line item expenses are budgeted at flat amounts to fiscal 2002-2003 or at modest, inflationary increases. Overall Repairs & Maintenance costs are budgeted to decline by \$49,536, or 24%. Excluding Special Projects, Repairs and Maintenance expenses are budgeted to increase by \$20,918.

##### Additional Owner Grounds Committee Recommendations

Three more spruce trees at east end of parking structure  
Additional landscaping and bench for east elevator ground entrance

Additional lighting at west stairwell, between ground and first floor  
Shrubs at ski entrance  
Replace damaged lattice under ground floor walkways

The Board directed management to price this work and have it performed, as long as the costs are less than or equal to the actual 2002-2003 operating surplus.

#### Reserve Fund

The Reserve Fund Assessment is proposed to decrease by \$1,838, or 4%. Anticipated Useful Life is abbreviated as AUL, and Line item Funding is abbreviated as LIF.

#### Changes:

Increased the AUL of the garage roofs from 23 to 26 years/Decreased the LIF  
Decreased the Pool Boiler LIF to match the schedule  
Increased the AUL for the Spa Boiler from 14 to 15 years  
Increased the AUL for the new grounds lights from 5 to 15 years/Increased the LIF from 0 to \$500 per year  
Increased the AUL on Hallway Lighting from 10 to 15 years  
Increased the AUL for Brass Kick Plates from 7 to 15 years  
Increased the AUL for Elevator Valve Replacement from 25 to 26 years

#### Summary

Assessments are proposed to increase by 4.84%, or \$22,375.

Mr. George will draft a cover letter to go out with the statements.

#### IV. Date of Next Annual Meeting

A. By vote last year the members established the month of the annual meeting to be March of each year. The annual meeting is set for March 7, 2004, at 4:00 PM.

#### V. Adjournment

A. Mr. Blumenthal made a motion to adjourn the meeting, and Mr. Fisher seconded. The motion passed, and the meeting was adjourned at 10:31am.

Respectfully submitted,

Andy Jacob, Secretary