

## ***Silverado 2 HOA Board Minutes***

September 29, 2012, Winter Park, CO

The meeting was called to order at 9:00 a.m. Board members present were Karl Hagman, Greg Byrd and Gene Culwell. Others present were Brad McClain, Amy Yoder, Kathie Mallow and Brook Boehler. A quorum was established. The minutes from the May 21, 2012 board meeting were reviewed. Karl motioned to approve the minutes as corrected. Greg seconded and the motion passed.

**ADA Issues:** Nicholas Catanzarite (Peters/Mair/Wilcox attorneys) presented information about potential ADA issues that may or may not have an impact on Silverado II. Nicholas raised the question “Is it reasonable for Silverado II to comply?” Brad noted that for hotel chains (Marriott, Hilton, etc.) there is one owner, thus impacting ADA issues; with Silverado II, there are multiple owners in a condominium situation. Karl moved to approve a \$500 retainer for Nick Catanzarite to research, analyze and write up the issue. The motion was seconded by Greg Byrd and passed.

**Financials:** Amy Yoder presented “draft” 2011-2012 financial statements for SHO and SIO since financials have not yet been returned from our accountant. Brad noted that 2011-2012 was a difficult year for rentals, due to weather and fire issues, mostly; insurance costs have gone up, as well as costs for maintenance (up \$6,000 due partly to trash removal increases and roof repairs.) Greg moved that we transfer \$30,000 to the reserve account, seconded by Gene; the motion passed. Karl suggested that we look into investment options for the reserve funds (i.e. CDs, etc.) There was discussion about changing banks due to poor service from Bank of the West. Gene moved to change all operating bank accounts from Bank of the West to Wells Fargo, seconded by Karl; the motion passed. Karl also noted that we had an exceptional year financially, considering the difficult economic circumstances.

Amy noted on the SIO financials, although the bottom line shows \$82,239 in net income, there is \$50,000 in uncollected dues to date. Amy discussed the on-going bad debt and the collection efforts we currently are making.

Amy presented the July, 2012 through June, 2013 budgets, for both SHO and SIO operations. The board discussed reserve expenses (#6020, SHO) which are \$111,080. Brad noted that we’ve been paying 10% increases for insurance year after year but the budget is based on last year’s actual. Karl suggested shopping for policies. Brad noted that with the substantial claim we had two winters ago, companies are not as interested in servicing our account. There was discussion about changing our deductible to a higher amount that we keep in a readily available savings account.

The SHO 10-year budget plan was presented and discussed. In that plan, there is a \$60,000 item for “unit doors” which is unclear, but not resolved. Owner Kathy Mallow questioned the board about the 3 patio doors in each unit, and issues with them due to age, etc. Some owners have replaced doors on their own, it was noted. The board agreed to research who is responsible for doors and discuss a “shared expense” possibility with owners.

Gene moved (Karl seconded) that the budgets be approved as presented. The motion passed.

### **General Manager’s update:**

1. Exterior paint: Some work is left to do, with funds available (already budgeted), and only the Event Center remains. It was decided to let that building alone for this year—due partly to the fact that the siding is on upside down. Brad noted the improvements in the EC—new bar, general interior improvements.
2. Fire System: The back-up and dry valves have been repaired. Bids are in hand for other improvements to the system through Tri-County Fire. Karl moved (Greg seconded) to spend \$7,727 to begin these updates, already budgeted.
3. Exterior doors on connecting “wings:” Gene presented new, lower numbers for replacing all 16 doors that are “fire-escape” openings; he noted that the fire department is only asking for panic bars, NOT a fire-rated opening. We will buy one door (approximately \$565) to install and evaluate before buying the other 15 doors.
4. Roofs: The twin-T construction on the flat roof has on-going issues; basically, it’s the wrong product. The seams are being worked on right now, thanks to a dedicated contractor.
5. Restaurant: Karl Vogelbacher intends to renew his lease for another year and presented information about the condition of the kitchen, which has aging equipment (from the 1980’s, mostly.) The board authorized Karl to lease (his recommendation) a new dishwasher for an approximate cost of \$100 per month. Karl will put together a list of kitchen needs with pricing and priorities.
6. Time share units: Brad discussed possible upgrades, mostly cosmetic now, such as couches, bathroom shelves, bedspreads/curtains and a few remaining mattresses. The bigger issue is with interval owners wanting to sell timeshare weeks with little demand. The problem is that there are scam artists out there that appear legitimate, but in fact, only offer to deed weeks to fraudulent entities, charging a substantial fee. Amy is working with an attorney to draft a policy requiring a large (\$3,000 or more) fee to transfer a week to an LLC or other corporate entity.

The meeting was adjourned at 10:58 a.m., moved by Greg Byrd, and seconded by Karl Hagman. The motion passed.