

MINUTES OF THE BOARD MEETING
OF THE ANCHORAGE WEST ASSOCIATION

September 29, 2007

At a meeting of the Board of Directors of the Anchorage West Association, duly and regularly called and held at 12:00 noon on Saturday, September 29, 2007, there were present: Directors James Sebben, Roy Topping, David Lipa, Melissa Barrett and Peter Tamblyn from the current Board of Directors. Kevin Lovett and Peter Schutz were present representing Summit Resort Group. Anchorage West Owner Marilyn Topping was in attendance.

1. **Call to order** – The meeting was called to order at 12:00 noon

2. **Owners Forum** – the meeting was advertised and welcomed owners to participate.

Landscape Committee Report – Marilyn Topping presented the Landscape Committee report. It began with the presentation of the minutes from the previous landscape committee meeting. Some pricing information was discussed. The overall recommendation from the Landscape Committee is to proceed with improvement efforts in the terrace areas. The minutes from the 2007 annual owner meeting, as they pertained to landscaping, were reviewed. The Landscape Committee was given the following direction:

1. Create written plan for improvements on the front entrance areas to the complex and obtain respective bids.
2. Create written plan (or plans) for improvements to the Terraced area and obtain respective bids.
3. Report on the above to the Board of Directors in efforts to create a survey which is to be sent out to the owners to obtain owner input. Melissa Barrett stated that she would be happy to assist with the survey.

3. **Minutes** from the June 15, 2007 Board meeting were approved with discussed minor corrections.

4. **Financials**- Treasurer Jim Sebben reported on the financials as follows:

Financial Report as of August 31, 2007

August 31, 2007 close financials report that we have \$12,466.50 in Operating and \$33,925.55 in Reserves.

August 31, 2007 Profit and Loss statement reports that we are \$10,900 over budget in operating expenses. Areas of overage include:

\$3746 in Boiler and heat R & M – this is due to a large purchase of zone valves; do not expect recovery over the next few months

\$1962 in Grounds Maint – this is mainly due to the landscape report from Neils Lunceford; do not expect expenses to reoccur next year; do not expect to recover this year

\$6092 in Pool Maintenance – this is mainly due to the new furniture, new chlorine generator, electrical and light repairs, new pool cleaner; do not expect expenses to reoccur next year; expect some recovery over the next few months

\$1137 in meeting expenses- this is due to overages from 07 annual meeting; do not expect recovery this year

Reserve Account Summary

Current Balance	\$33,925.55	
Remaining expenses (2007)	\$4500	snowmelt boiler

	<u>\$750</u>	carport concrete
	\$28,675.55	
Remaining contributions (2007)	\$11,280	(\$2820 * 4)
Total predicted balance YE	\$39,995.55	(Dec 31, 2007 close)
Total predicted balance YE per capital projects plan \$34,742		

Roy Topping's work on the testing and balancing of the boiler has saved the Association approximately \$5,000.

Dave Lipa suggested moving the Capital Budget to run in line with the fiscal year (as opposed to the calendar year); SRG will make this change.

Dave Lipa moved "where as the current board of directors wishes to correctly and accurately reflect its current reserve (Replacement Fund) cash balances and corresponding "appropriated" retained earnings and

where as the financial statements of Anchorage West Association reflect as of June 30, 2007 a cash account "Reserve Bank Account" in the amount of \$33,737.22 and a long-term liability "Reserve Balance" in the amount of \$28,171.09 and an equity account "Replacement Fund" in the amount of \$31,849.16 which are incongruent to their respective meanings and whereas the necessary steps to correct the reporting of the correct reserve related accounts requires an audit, the advice of Summit Resort Group's accountant for which the board feels is not an economically reasonable option; The following resolution is submitted to the board of directors.

That the cash amount of \$37,737.22 which is currently reflected as "Reserve Bank Account" should agree with the equity account currently labeled as "Replacement Fund. Additionally, the account labeled "Reserve Balance" should be eliminated. Furthermore, the account named "Reserve Fund" should be renamed "Retained Earnings-appropriated-Reserve" and in the future, except for timing differences, the two accounts should remain equal."

The motion was seconded and passed.

5. Managing Agents report- Kevin Lovett reported on the following:

Completed items

- Snowplow contractor selection – Snowplow contractor Whistle Why you Work has been selected for the 2007-08 season at an expense of \$4500 for the season; it was noted that \$5200 is budgeted or the season.
- Concrete repairs – completed concrete caulking and repairs to carport structure wall and boat lot seams as well as repairs to the concrete by the walk from the lower south bldg. parking lot to the pool area.
- Recycling containers in place
- Dumpster replacement complete
- Internet equipment has been installed units 71 and 105; letter to be mailed to owners informing them of new codes pending
- Bike clean out, adjusted bike rack at upper bldg. to allow for unit 105 to park easier
- Irrigation system winterization
- Improvements to landscape terrace stone edges near new steps
- Painting of wall of lower parking lot
- Laundry room sink repairs
- Additional pool equipment purchased

- Installation of new signage at pool
- Fall aeration, winterization fertilizer application

Pending Items

- Snowmelt system by pool removal and re running off of boiler in lower South bldg.
- Pool closure
- Pool furniture storage

Discussion Items

- Bylin roof panels – It was noted that one of the items that has been discussed previously via email is the removal (or revamping) of the shed roofs that sit above the sidewalks in front of the lower north and lower south bldgs. The shed roofs are in place to prevent ice / snow from falling off of the roof and hitting a pedestrian. Turner Morris has provided a bid of \$3,462 to install the Bylin panel system on both roof edges; this system will melt the snow and ice on the roof edges (it was also noted that this is the same type of system that has been installed over the edge of the lower North bldg. above the walk way between the pool and the lower north bldg.). SRG noted that the bid does not include the electric run to power the systems which would be an approximate \$750 - \$1000 each run. SRG stated that if these systems are installed, it is not recommended to remove the structures until observations are made of the functionality of the bylin system for at least one winter season to ensure that no ice or snow will fall off the roof and injure a pedestrian. There is a chance that even with the Bylin system in place, large amounts of snow and / or ice could still fall off of the sloped roof. Total estimated cost to install the bylin panels on both the lower north and south bldg. roofs is \$5462 with the electrical connections.

After discussion, Jim Sebben moved to defer this project at this time and build up the reserve fund; Melissa Barrett seconds. The vote was called for; Jim Sebben and Melissa Barrett vote to not complete the bylin panel install at this time and Roy Topping and Dave Lippa voted to complete the bylin panel install; Peter Tamblyn abstained from the vote; the result was a tie. The conclusion was to not complete the bylin panel project at this time and to monitor for future consideration.

-Pool cover – SRG reported that the existing summer time pool cover is deteriorating; the cost estimate to purchase a new pool cover for next year is \$3500. SRG and Roy Topping will research ideas and possibilities for a new cover and monies slated in the capital projects budget for a new pool cover will be moved from 2009 to 2008 as the new cover will be in place for 2008 summer.

6. Old Business

A. Carport Structure – concrete repairs, caulking and the asphalt berm installation have been completed.

B. Dumpster enclosure – The possibility of installing an enclosure around the dumpster was discussed. After discussion, Melissa Barrett moved to defer the addition of an enclosure around the dumpster at this time; Jim Sebben seconds and the motion passed unanimously.

7. New Business

A. On site vs. Off site management; the 3 bedroom managers unit and the office space

-On site vs. off site manager analysis- an item of recent discussion has been an analysis of the benefits and non-benefits of having an onsite manager. SRG reported the following financial comparison of on –site vs. off-site management.

- Management package for on site manager (current) \$3950 / mo plus use of managers unit
- Management package for on site manager if a studio unit was provided \$4750 / mo plus studio unit
- Management package for off site manager (if housing was not provided) \$5500

Tying in to the above discussion of the on-site vs. off –site management was discussion of the possibilities that exist for the site manager’s 3bedroom unit. The following three possibilities were discussed:

- the unit could remain the site managers unit
- the unit could become a rental unit
- the unit could be sold

It was noted that the rental and / or sale of the unit would have taxation issues

A third part to the above dialogue was discussion of the option of converting the office space into a livable quarter; possibly a studio unit that could be available for an on site manager or possible “overflow” rental for Anchorage West owners guests.

SRG report that the following requirements must be met in accordance with Town policy:

1. Must have egress
2. Must meet Town Parking requirements of 2 parking spaces for every unit– currently there are 98 parking spaces
3. Must have a full working kitchen

SRG reported that the following steps must be completed in order to proceed with the office conversion into a livable space:

1. Plans – must provide plans to the Town of Dillon for approval
 - a. under 500 sq. ft. can be reviewed at staff level
 - b. over 500 sq. ft. must be reviewed by planning commission
2. Gain Owner approval

The following bids were presented to draw up the plans

- Summit Building Solutions - \$3,000 - \$5000
- Dave Argano - \$5000
- Baker, Hogan, Houx - \$3000

The cost to complete the conversion is approximately \$150 - \$200 per sq. ft. (unfurnished)

A few Possible scenarios were discussed:

- Rent the 3 bedroom unit; \$1800 / mo
With off site management; management fee becomes \$1550 more per mo
\$250 realized – taxes paid on rental

- Rent the 3 bedroom unit; \$1800 / mo
With studio unit; management fee becomes \$800 more per mo
\$1000 realized – taxes paid on unit

After discussion of the above items, it was concluded that owner approval would be necessary to spend money on the office conversion. Dave Lippa will compete further analysis of the possibilities.

B. Site Manager Status – the performance of the site manager was discussed. Reports from some of the Anchorage West Board of Directors leading up to this meeting stated unsatisfactory performance from the site manager and initiated discussions of a change. Adequate records are available supporting unsatisfactory performance. SRG stated that the site manager is an employee of SRG, not of the Association. SRG did state and agreed to indemnify and hold the Anchorage West Association harmless of any negative results from the change. It was concluded that a new site manager be hired. SRG will mail notice to all owners informing them of the new manager and his contact information.

C. Owner of unit 126 requests that the street side windows of buildings with non insulated window walls are replaced for heating reasons and energy savings. He believes that during original construction (he is an original owner) that the insulated window wall system was omitted at some units for cost savings. The Board pointed out that the replacement of these windows is slated for 2010; Roy Topping volunteered to contact this owner.

D. Excessive firewood on the deck of unit 114 – it was reported that the deck of unit 114 is holding excessive amounts of firewood. SRG will contact the owner to ask why.

E. Unit owner request to paint all exterior metal slider doors and window frames on lake side. This request will not be pursued at this time as the surface is metal and may not take paint well and these doors and windows are slated for replacement in 2010.

F. Hot tub cover – A new type of energy efficient hot tub cover will be pursued. Peter Tamblyn reports that a complex in Dillon has found a good cover; Roy Topping, Peter Tamblyn and Kevin Lovett will investigate.

G. Drainage – it was noted that drainage issues at the complex should be identified and placed on the capital projects budget.

8. Next Meeting Date – The next Anchorage West Board meeting will be held January 12, 2007 at 9:00 am in the SRG office.

9. Adjournment – with no further business, the meeting adjourned at 2:33 pm.