

**CINNAMON RIDGE III CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
January 8, 2011**

I. CALL TO ORDER

Mike Black called the meeting to order at 9:00 am.

Board member Mike Black attended in person; Fred Davison, Kevin Donofrio and Mike Pedersen attended via telephone. Kevin Lovett and Deb Borel were present on behalf of Summit Resort Group and Peter Schutz attended by phone.

II. OWNERS FORUM

The meeting notice was posted on the website. Aside from Board members, there were no owners participating in the meeting.

III. APPROVE PREVIOUS MEETING MINUTES

The minutes from the October 20, 2010 Board meeting were reviewed. Mike Pedersen made a motion to approve the minutes of the October 20, 2010 Board Meeting; Fred Davison seconded with all in favor, the motion carried.

IV. FINANCIAL REVIEW

Kevin Lovett gave the following financial summary:

Financial Report as of December 31, 2010

December 31, 2010 close financials report that we have \$42,252.46 in operating, \$19,982.19 in the Reserve Money Market Account and \$30,980.67 in the Reserve Account.

December 31, 2010 Profit and Loss statement reports that we close the 2010 fiscal year \$7,119.94 under budget in operating expenses. It was noted that the 2010 fiscal year end surplus projection at the close of September 2010 was to be \$8110 under budget; the difference is attributed to fire protection expense overage due to the fire sprinkler inspection and gas fireplace inspection fees that were not included in the previous projection.

Fred Davison moved to transfer the \$7119.94 operating surplus to the reserve account which results in operating balance of \$35,132.52 and a reserve balance of \$38,100.61.

Areas of significant 2010 expense overages were reviewed to include:

6155 Site manager hours \$2,657.75

6215 Internet \$1508.72 over (note, budget figures for Internet and Cable revised for 2011)

6230 Electric \$1280.57 over, XCEL rate increase

6330 Grounds Maintenance \$1372 over. SRG will change name of this account from Grounds Maintenance to "Grounds Maintenance/Projects".

6650 Fire Protection \$3189 over due to fire sprinkler inspection. 2011 budget adjusted accordingly.

Areas of significant underage include:

6240 Gas \$3449.54 under
6255 Contingency \$6848 under
6360 Snow Removal \$1218.31 under
6740 Upper spa R & M \$1157 under
6670 R & M \$4430 under

2011 Budget – Fred Davison made a motion to approve 2011 budget as presented. Mike Pedersen seconded and with all in favor, the motion carried.

V. **MANAGING AGENTS REPORT**

Kevin Lovett gave the following managing agent's report:

Completed Items

- Concrete walkway stripe painting at handicap ramp
- Gutter / heat tape install C bldg – SRG will add to project list for 2011, the addition of gutters, heat tape and snow bars on the remaining 2 westerly sections of the parking lot side of the C building.
- Carpet nosing tread installation
- Stair tread nosings delivered for buildings B and C. Installation is planned to start this spring. Suggestion was made to face drill all treads, so when homeowners are in town, they can install.
- Fire inspections
 - Alarm
 - Sprinkler
 - Fire extinguishers
- Fireplace inspections – Fireplace inspection reports were reviewed. Minor repairs to include caulking of the wood burning fireplace refractories was noted and a few fireplace metal grates (to hold the firewood) were recommended to be replaced; Fred Davison stated that new metal “small size” firewood grates could be purchased at Lowe's for \$35. SRG will inform owners of this.

Report Items

-Site manager hours- in the future, SRG will improve time classification between building maintenance and ground maintenance on time cards.

Period ending 10-31-10 avg 1.56 hrs per day
Period ending 11-15-10 avg 2 hrs per day
Period ending 11-30-10 avg 2.26 hrs per day
Period ending 12-15-10 avg 1.83 hrs per day
Period Ending 12-31-10 avg 2.1 hrs per day

-D bldg Hot Water heater – Hilco recommends Bradford White, 400,000 BTU, 80 gallon heater which produces 400 gallons / hr. The cost estimate for this water heater is \$13,000.

Hilco states that the existing heater is in good shape and believes another 2 years life can be expected. It was noted that this time line is based on an exterior evaluation and it is difficult to predict the remaining life as failure will occur from the inside.

Delivery / install time of a new hot water heater is approximately 3 days, depending on stock availability. Upon discussion, the Board requested that Hilco inspect again in October of 2011 and depending on that evaluation, probably plan to complete the replacement of the hot water heater in building D in Summer of 2012. The capital plan will be adjusted to reflect the \$13,000 budget figure and the projected 2012 replacement.

-Lower hot tub shell, interior wood – the future of the Teak wood on the inside of the lower hot tub was discussed. SRG received bid to replace the existing Teak wood with new teak wood of approximately \$1400. It was noted that replacing with a composite material was probably not the best option at this point as the life expectancy and performance of composite material was not determined to be better than that of the Teak wood. Kevin Lovett reported the suggestion by John Crowell of SRG that this Spring, he can remove the existing Teak wood boards, power wash them and flip them over; this will give us fresh wood to attach to. The Board agreed that this is an appropriate solution and authorized SRG to proceed accordingly.

-Dryer Vent Cleaning –Local Summit County company Consider it Done (CID) came out and cleaned the dryer vents of units 101 and 302. They use a high pressure air compressor hose which they run from the outside dryer vent into the unit to where it hits the dryer (with this method, there was no need to move or take dryer vent apart); then, they turn air compressor on and with special hose nozzle head, the air blows back out towards the outside of the vent and blows any lint/ debris back outside. Second try if deemed necessary. A softball size amount of lint and “birds nest” came out of 101 and a softball size of lint came out of 302. This method is much more effective than the shop vac with pole technique used by SRG personnel (note, 3rd floor vents are on roof and require roof access!). Cost to complete 2 units was \$115; cost to complete 34 units is \$45 each if all done at same time. Upon review, the Board agreed to have Consider It Done clean dryer vents every three years beginning in 2012; funds to complete this work will be placed in the Budget. SRG will clean the exterior bird screen on the two years that CID does not. Mailer will be sent to homeowners reminding them of the importance of keeping their dryer vents cleaned to include points that a clean dryer vent improves the performance of the dryer and helps prevent fire hazard.

-Hot tub area - SRG will turn down heat at night in the hot tub bathroom. SRG will ensure that the hot tub temperature is 102 degrees.

-Unit 312 front door – it was noted that the front door of unit 312 sticks. This is part of the unit and is owner responsibility to pay for repairs. SRG will have their maintenance look at it on behalf of the owner.

VI. OLD BUSINESS

A. Window Wood Work

Inventory of window wood work condition was taken. Upon review, the Board agreed to (a) include in the January 2011 mailer to Owners (discussed below) a general reminder that it is the owners obligation to maintain the windows including treating the wood work around the inside of their unit windows and sliding glass doors; (b) send additional letter to those owners in which an immediate treatment is needed based on the inventory list taken including suggested product information for the treatment.

B. January 2011 Mailer to Owners – Items included in mailer are:

Budget 2011

Window/ slider door woodwork

Pet reminder

Dryer Vent cleaning recommendation

Completed items note (Concrete improvements, C bldg gutter addition)

New board member information

Thanks to Larry Glover

Reminder that minutes are on the website

C. Board of Directors position vacancy- Board member Larry Glover has sold his unit and resigned from the Board. The Board went into executive session to discuss applications received. Upon review, Mike Pedersen made a motion to appoint Bob Tomskey to fulfill the remaining portion of Larry Glover's term. Fred Davison seconded and with all in favor, the motion carried.

VII. NEW BUSINESS

A. HB 10-1278 – new Colorado legislature that requires HOA's to register with Colorado RE Commission; SRG will complete this.

B. Reserve Budget- The reserve budget was reviewed; the following revisions were made:

Gutter / Heat Tape C bldg – 2 areas of gutter and heat tape for building C to be added in 2011.

Gutter / Heat Tape D bldg – SRG will get a bid to add gutter, heat tape and snow bar above the walkway to unit D 124; this expense will be added for 2011.

D124 sub floor work from framing deflection - \$1,000 will be committed into reserve budget for 2011.

Siding - \$5k will be placed for each bldg (B, C , D) in 2013 and the \$17k will be moved out to 2018 and beyond. The theory is to proactively replace deteriorating siding boards as needed and postpone major siding replacement.

D bldg Stair tread nosings – the cost estimate to purchase stair tread nosings for the D bldg will be placed in to the budget for 2012.

Lower Hot tub interior wood replacement – this figure will be reduced from \$3k to \$1400.

D bldg hot water heater - increase from \$12,000 to \$13,000 and moved in budget to 2012

C. SRG and Mike Pederson will look into landscaping and irrigation possibilities to include determination of Water District charges and tap fees for irrigation and looking into other options for berm landscaping other than grass.

D. 2011 Annual Owner meeting – planned for June 25, 2011.

VIII. SET NEXT MEETING DATE

The next Board meeting will be held on Saturday, March 26, 2011 at 9:00 am in the office of Summit Resort Group.

IX. ADJOURNMENT

With no further business, Fred Davison made a motion to adjourn at 11:10 am. Mike Pedersen seconded and the motion carried.

Approved By: _____
Board Member Signature

Date: _____