

**THREE SEASONS CONDOMINIUM ASSOCIATION
ANNUAL BOARD OF DIRECTORS MEETING
JUNE 13TH, 2011 1 P.M. MDT
THREE SEASONS CONDOMINIUMS MEETING ROOM
MT. CRESTED BUTTE, COLORADO
www.3seasonscb.com**

Call to Order

Jeff Steere called the meeting to order at 1:40 p.m.

Roll Call/Establish Quorum:

In attendance: Jeff Steere
 Tony Sansing via phone
 Wanda Bearth
 Trent Sanderson
 Walt Mauro
 Josh Quentzel

A quorum was established with all 6 Board Members in attendance.

Also in attendance: Crested Butte Lodging & Property Management employees-Patrick Seaman, Grant Benton, and Lee Friedman.

Election of Officers

Tony made the following-

Motion: Jeff Steere to serve as President.
2nd: Walt
Vote: Unanimous approval

Jeff made the following-

Motion: Trent Sanderson to serve as Vice President.
2nd: Walt
Vote: Unanimous approval

Wanda made the following-

Motion: Walt to serve as the treasurer.
2nd: Jeff
Vote: Unanimous approval

Wanda made the following-

Motion: Nominate Tony to serve as the secretary.
2nd: Jeff
Vote: Unanimous approval

2011-12 Board of Directors	Term Expiration
Jeff Steere, President	2014
Trent Sanderson, Vice President	2013
Tony Sansing, Secretary	2012
Walt Mauro, Treasurer	2014
Wanda Bearth, Director	2013
Josh Quentzel, Director	2013

Reading/Approval of Past Meeting Minutes

Tony made the following-

Motion: Waive reading of the June 7, 2010 Board of Directors meeting minutes and approve as submitted by Crested Butte Lodging.

2nd: Trent

Vote: Unanimous approval

Manager's Report

No additions to the report delivered in the annual meeting.

Financial Report

Wanda had nothing further to add to the financial report presented at the Annual Homeowners Meeting held prior to this Board meeting due to frequent correspondence with the Board.

Tony asked how much money the Association can expect to see because of the foreclosure of unit 139. Wanda said it would be about \$2,700. Unit 202 will be in the same situation once their foreclosure is finalized. Unit 202 & 240 are being rented and income is being applied to the outstanding balances. It is possible for the Board to initiate its own foreclosure on behalf of the HOA but that is only a reasonable if there is a minimal mortgage or no mortgage; however, a lien may be attached to any other property held by the owners in delinquency at 3 Seasons. Unit 202 is scheduled to sell 8/3/11. Unit 208 is new to the foreclosure list and is due to sell in September.

Tony thinks we should wait on additional assessments until we see how the bank owned and soon to be bank owned properties work out. 2 of the 4 could be resolved by September.

Old Business

No old business.

New Business

Trent was concerned that grills are dripping from one balcony to another and could present a safety hazard. Currently, homeowners are only allowed gas grills.

Budget - CBL submitted an operating budget to the Board. Wanda informed the Board that the capital projects that were suggested at the homeowner's meeting could be included in the operating budget since they are all repairs. Dues could be raised to cover the increase in expense.

Jeff asked if the budget needs to be approved immediately. There is not a specific date mentioned in the operating documents except that a budget has to be approved annually. The Board decided to hold off on budget approval until more is known about the retaining wall repair.

Wanda added a note about carpet cleaning. \$3,000 was put in the budget to pay CBL for carpet cleaning, slightly over half of the actual billable amount.

5 year capital plan – Trent suggested replacing carpet as needed so as not to incur a big expense at one time. Wanda thinks there should even be a different flooring used in certain places. Treads on north stairs have been popular. Jeff thinks the 5 year plan looks pretty good and would like to put off replacing carpet another year if possible. The homeowner's opinion at the annual meeting was to tackle all of the current proposed projects at once instead of in pieces. Tony thought the Board should look into a metal wall replacement for the retaining wall which might be cheaper and last longer. Management was asked to talk to the Town Manager to continue the discussion and find out whether the town will provide financial support to the association.

IRS Excess Income Resolution -

Jeff made the following-

Motion: Forward excess revenues over expenses for fiscal year ending May 31, 2011 as per IRS Ruling 70-604.
2nd: Wanda
Vote: Unanimous approval

Management Contract – Wanda noted that she changed the date that the budget needs to be delivered to the Board from April 1st to May 1st to allow for March expenses to be included when the budget is being drafted.

Tony made the following-

Motion: Contract Crested Butte Lodging & Property Management to manage the Association for the fiscal year beginning June 1, 2011 with one edit in section 6 (change word shall to may) and fixing the association's president's address in section 9.
2nd: Josh
Vote: Unanimous approval (Wanda abstained)

Liability/Property insurance deductible increase – Wanda noted that the HOA has \$72,000 of tenant insurance. Due to the increase of claims, the Board should consider raising the deductible to avoid more claims and a hike in premium. A raise from a \$1,000 deductible to \$5,000 would save the association \$1,500 annually.

Unscheduled Business

Hot water heaters – CBL will draft a letter putting homeowners on notice that hot water heaters older than 7 years old should be replaced per insurance recommendation. This points negligence to the homeowner. Other items of concern will also be noted in the letter and delivered to homeowners after Board approval.

Meeting adjournment

Josh made the following -

Motion: Adjourn the 2011 annual board of directors meeting at 4:29 p.m.

2nd: Walt

Vote: Unanimous approval