

**ONE BRECKENRIDGE PLACE ASSOCIATION
BOARD OF DIRECTORS MEETING
August 17, 2017**

I. Call the Meeting to Order

The One Breckenridge Place Association Board of Directors Meeting was called to order by Larry Pithan at 10:00 a.m. via teleconference.

Board Members Participating Were:

Larry Pithan, President, #12

Bob Fisher, Vice President, #17

Brian Southard, Secretary/Treasurer, #26

Representing Great Western Lodging (GWL) were Chad Christy, Jeff Cospolich, Lindsay Toyne and Brian Juchno. Erika Krainz of Summit Management Resources transcribed the minutes from recording.

II. Review of Financials

Larry Pithan raised a question regarding the lack of depreciation of the Exterior Upgrade in Progress line item on the Balance Sheet. Lindsay will follow up with the CPA. She will remove the "In Process" from the title. The final report on the upgrade expenditures was included in the Annual Meeting minutes. Bob Fisher asked how the Reserve interest estimate in the Reserve Budget was calculated. Lindsay explained that it was an average based on past actual Reserve interest earned.

III. Heat Tape Installation

Brian Juchno said there was \$40,000 allocated for the heat tape and painting projects. The heat tape has been completed on five of the seven units. Two of the seven units need new scuppers at a cost of \$800 each. The costs for the electrical and heat tape are coming in well under the projection. The electrician is on site today. The project should be completed in the next couple of weeks after the scuppers are delivered. The total cost will be about \$27,000, leaving about \$13,000 for the painting project. There is still daily maintenance required but it is much less than the units without heat tape. The common area electric in next year's budget will need to include the electricity for the 11 units. Brian Juchno will develop an estimate for the cost based on the usage for the four units that were installed last year. The total reimbursement for all units this year was \$7,500.

IV. Window and Chimney Cap Painting

One bid has been received. Additional bids will be solicited if the Board chooses to move forward with this project. GWL has worked with Final Touch and has been pleased with their product. The bid is for the windows that need to be painted right now. The southern exposures of all buildings

were repainted most recently due to the sun exposure and they have held up pretty well. Larry Pithan said Reserve balance is relatively strong until 2029, when it drops to \$13,000 due to shingle replacement. He was concerned about the impact of a \$100,000 expenditure now. Chad Christy said that with ongoing maintenance, it may be possible to push out some of the high-priced projects. The Reserve Study is just a projection and is subject to adjustment. The focus should be on the one to three year timeframe.

The contractor bid the project by complex. Brian Juchno will confirm that he would be willing to honor the price per complex if the project is phased. The Board discussed breaking the project into phases over two or three years. Brian Southard was in favor of painting entire buildings at one time rather than only certain exposures and doing the project in phases over two years.

The chimney cap project estimate was \$12,000. Including all roof penetrations would increase the total to about \$14,000. Most the cost for this project could be covered with the remaining funds from the painting project. The contractor was comfortable with adding the chimney caps to the scope of work. The penetrations could be done as time permits. The work would be done in September, weather permitting. The contractor bid the roof penetration project separately from the window frame painting as the work would require a boom truck.

Chad Christy recommended scheduling all chimney caps and vent penetrations and half the windows in the spring and to do the remainder of the windows the following year. The Board agreed with this recommendation and requested additional bids. The schedule for this work can be communicated to the owners at the Annual Meeting.

V. Projects Through 2018 (Reserve Study)

There were no additional projects discussed.

VI. CD Update

Bob Fisher said the funds were invested in a 6-month CD earning 1.35% with a Sallie Mae-endorsed bank. The CD matures 2/16/18 and the Board can decide at that time what to do with the funds. Lindsay Toyne is getting the statements online. The Reserve balance as of the end of June was about \$190,000, with \$76,000 of that amount in ready cash outside of the CD.

VII. New Business

A. *Flow of Business*

Chad Christy said typically the flow of requests to a management company should come from the Board President. He strongly recommended maintaining a paper trail from the Board President to GWL for transparency.

B. Management Company Options

Chad Christy said he had heard that the Board was soliciting proposals for management of the Association. He asked if this was true and if so, why. Brian Southland confirmed that he had reached out to other management companies. He felt it was good business to know what is in the marketplace and to ensure the Association is getting the best value. He noted that the Board was not looking to make a change at this time.

Chad Christy said GWL has worked very hard for the Association for ten years and has received nothing but praise at the Annual Meetings. If the Board as a group decides to seek alternative management, this decision should be documented in meeting minutes. Taking this type of action without documentation goes against the idea of transparency and working for the good of the entire group. In addition, it is very hard on staff morale to hear about this type of action through rumors.


Bob Fisher said the Board had discussed this matter and agreed to obtain more information to help them better understand the competition in the market. Chad Christy said the existing management agreement is ten years old and that he has always been open to feedback or any changes to the agreement, but has not heard any. He encouraged the Board to talk to him if they would like to see it revised. Larry Pithan stated that he was against a management change. He believes GWL has done a great job, although there is always room for improvement. In his opinion, the only reason to consider a change would be if it is determined that the association fees are high. Bob Fisher pointed out that neither he nor Brian Southard have said they want to make a change. Chad reiterated that this decision should be documented for transparency, and since there were no recorded Board meeting minutes, that this effort was not officially a Board decision but rather the effort of single board member. He added that if the Board does decide to go out for bids, he hopes GWL is included in the process.

C. Annual Meeting Preparation

Lindsay Toyne is finalizing the proposed budget and will forward it to the Board in the next few weeks. The Annual Meeting notice will be sent out no later than the end of September. Last year's procedure for the Board election will be followed. Interested owners will be asked to submit a bio or self-nomination so they can be included on a ballot that will be sent with the meeting notification. Owners who cannot attend the meeting will be able to vote for the Board candidates by ballot. A reminder of the October 28th meeting date will be sent to all owners in the next week.

VIII. Adjournment

Bob Fisher made a motion to adjourn at 11:17 a.m. Brian Southard seconded and the motion carried.

Approved By: 

Date: 8-28-17