

**SAWMILL CREEK CONDOMINIUM ASSOCIATION
ANNUAL HOME OWNERS MEETING
June 30, 2007
Breckenridge, CO**

Owners present included:

Dan & Linda Sardi	100	Larry & Pam Pithan	212
Nim Halfon	101	Phil & Bryanne Wallace	301
Paula & Jim Peterson	102	Mike & Karen Svetlic	302
Gary & Sheila Wigglesworth	102	Joella & Harold Nauman	303
Mike & Dona Jasiak	116	Pat & Rick Dame	304
Dale & Suzanne Schlinsog	201	Kristen Wilson	314
Anne & Steve Browning	203	Libby O'Brien	401
Scott Benson	204	Jack & Jay Goth	403
Tom Kohler	205	Orville & Rose Mary Cook	404
Kathy & Richard Peat	207	Joe & Lois Friesen	405
Bob Christianson	208		
Molly Logsdon	210		

Chad Christy, Keith Kroepler, Jeff Cospolich, Patrice Novak and Brian Juchno also attended representing Great Western Lodging, the managing agent.

I. CALL TO ORDER

Larry Pithan called the meeting to order on June 30, 2007, at 12:58 p.m.

II. ROLL CALL AND PROXIES

Twenty one units were represented in person and twenty proxies were received. As mandated in the by-laws, a majority was represented and a quorum was reached.

III. NOTIFICATION OF MEETING NOTICE

The notice was provided in accordance with the By Laws. A copy was provided in the meeting packet.

IV. APPROVAL OF MINUTES FROM JUNE 24, 2006, ANNUAL MEETING

Tom Kohler motioned to accept the 2006 Meeting Minutes, Orville Cook seconded the motion, all were in favor and the motion was passed.

V. FINANCIAL REPORT

The financial report was presented by Keith Kroepler

A. Profit and Loss Budget vs. Actual – January through December 2006

1. Net income of \$25,882.02 at year end that was transferred into the reserve account in January of 2007. The resolution will state that the \$25,882.02 will be used for future capital expenditures.

- a. Line items 8100 – Maintenance and Repairs and 8110 - Landscaping, show a significant savings due to the exterior remodel.

B. Profit and Loss Budget Overview – January through December 2007

1. Line item 8025 – Insurance, decreased by \$4,000.00
2. Line item 8100 – Maintenance & Repairs, decreased by \$3,000.00
3. Line item 8120 – Pool & Mechanical Repairs, increased by \$1100.00
4. Line item 8220 – Snow Removal, increased by \$1200.00
5. Line item 8345 – Electric, increased by \$3400.00
6. Line item 8355 – Sewer, increased by \$1000.00
7. Line item 8365 – Water, increased by \$1100.00

C. 2007 Budget vs. Actual 1/1/07 – 5/31/07

1. Net income of (641.32), which was budgeted at a \$6432.13 loss, tracking \$5790.81 ahead.
2. Line item 8100 – Maintenance & Repairs, savings of \$3794.48.
3. Line item 8120 – Pool & Mechanical Repairs, \$2346.76 over budget.
4. Line item 8220 – Snow Removal, savings of \$1007.93.
5. Line item 8250 – Elevator & Security Monitoring, \$3009.42 over budget due to requirements needed by the fire department.

D. Balance Sheet as of May 31, 2007

1. The reserve account has \$152,880.16.

E. Approval of Finance Report

Larry Pithan made a motion to approve the financials, the motion was seconded, all were in favor and the motion was passed.

VI. PROPERTY MANAGER'S REPORT

The property manager's report was presented by Chad Christy.

A. 2006/2007 Projects

1. Hot tub room
 - a. Heat exchanger was replaced, the pumps were moved under the tubs, motor was replaced.
 - b. Hot tubs were PVC plumbed 8 years ago, the plumbing, decking and any structural repairs will be completed this fall.
 - c. Peroxide is great, but it wears on plastic.
2. Landscaping
 - a. Complete exterior lighting and flowerbeds
 - b. Karen Svetlic inquired about the budget for the landscaping, Brian Juchno answered there have been some changes but the project is tracking within budget.
 - c. Dona Jasiak (116) inquired about the back part of the landscaping, near her unit. The grounds will be re-seeded and landscaped.
 - d. Steven Browning (203) suggested hanging baskets at the garage entry.
3. Parking Lot
 - a. There has always been a drainage issue, there are two options:
 - i. Top coat, will last approximately 3-4 years (\$11,000.00)
 - ii. Resurface entire lot, concrete curving to repair drainage (\$33,000.00). Based on the final dollar amount of the remodeling project, we will determine which option will be chosen.

- b. Rick Dame inquired whether the parking lot project will be coming out of the reserves, the answer is yes.
- 4. General Discussion
 - a. The garbage is a concern, taking up a parking space in the garage and the smell.
 - i. Larry stated a separation wall will be built in the future to separate the garbage from the parking area, with the construction debris gone, the situation should get better.
 - b. Rate increases due to remodel and gondola
 - i. Jeff Cospolich commented that the rental figures increased about 7% this past season with the average nightly rate increasing by \$45 per night. Jeff would like Sawmill Creek to re-establish itself prior to increasing the published nightly rates, if the rates are increased too soon it could hurt the rental figures.
 - ii. The average \$ per square foot has increased by \$130 since the remodel was completed in the sales of the units.
 - c. Wooden stairs replaced with metal
 - i. After Travis Construction has completed everything, Great Western Lodging will have the treads replaced next summer.
 - d. Ski Area development
 - i. Area between peaks 8 & 9, upgrade to Vail status
 - ii. New CEO of Vail Resorts, Lucy Kay has a good understanding of the ski area in relation to the town.
 - e. Long range capital expenditures
 - i. Mike Svetlic asked if the board of directors could establish long range planning for large projects and set aside the appropriate money in reserves for those expenses.
 - f. Hard Wood floors in units
 - i. Please consider the noise factor when remodeling and installing hard wood or tile floors in units.
 - g. Community gas grill installed for owner/guest usage

VI. NEW BUSINESS

Larry Pithan presented New Business

A. Exterior Renovation

- 1. Travis Construction punch list items
 - a. Painting, landscaping, roof and doors/windows.
- 2. Elevator installation was late, the doors will be replaced, they are scratched due to swelling. The new doors will be non-swelling doors.
- 3. Value for dollar
 - a. The overall workmanship on the project was very good.
 - b. Larry took this opportunity to thank Great Western Lodging for all of their hard work.
- 4. Construction project spreadsheet overview (spreadsheets attached for review)
 - a. After all construction expenses are paid, \$22,535.00 should be remaining in the reserve fund.

VIII. ELECTION OF BOARD MEMBERS

A. Two positions up for re-election and one vacant position to fill (Brian Erley)

1. Jack Goth was re-elected, his term will expire 2010.
2. Karen Svetlic was re-elected, her term will expire 2010.
3. John Bachman was elected to replace Brian Erley (sold his unit), his term will expire 2009.

IX. NEXT MEETING DATE

- A. The next meeting will be tentatively set for June 28, 2008.**

X. ADJOURNMENT

- A. Meeting was adjourned at 2:14 p.m.**