

Sawmill Creek Condominium Association

c/o Great Western Lodging
PO Box 3355
Breckenridge, CO 80424

June 27, 2009
Park Avenue Lofts conference room
Breckenridge, CO

Roll Call & Proxies

In attendance

Mike & Karen Svetlic	302	Kathy & Molly Logsdon	210
Phil & Bryanne Wallace	301	Scott Benson	204
Jack Goth	403	Nim Halfon	101
Paula & Jim Peterson	102	Pat Dame	304
John & Kara Bachman	211	Dona & Michael Jasiak	116
Richard & Amy Peat	207	Steve Browning	203

And via telephone conference

Orville Cook	404	Larry Pithan	212
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Chad Christy, Jeff Cospolich, Keith Kroepler, Brian Juchno, and Jackie Gottschalk also attended representing Great Western Lodging (GWL), the managing agent.

Proxies

Edward Rogers	115	Linda Sardi	100
Stephen Scavoto	105	Randal Smith	107
Robert Brigham	109	Paul Allen	111&309
Brian Schmidt	114	Geraldine Stronawski	201
Lynda Monaco	202	Thomas Kohler	205
Robert Christianson	208	Garret Schenkenbach	216
Harold Nauman	303	Howard Classen	305
William Baker	306	James McKinney	307
Jeffrey Aron	308	Klaus Raschke	310
Ken Wilson	314	Elizabeth O'Brien	401
Joe Friesen	405	Bruce Mandel	406
Gary VanderHaagen	408		

I. Call to Order

Karen Svetlic called the meeting to order on June 27, 2009 at 10am MST.

II. Roll call and proxies summary

Fourteen units were represented in person or on the phone, and twenty-four proxies were received. As mandated in the by-laws, a majority was represented and a quorum was reached.

III. Verification of Notice

The notice was approved in accordance with the By-laws. A copy was provided in the meeting packet.

IV. Approval of Minutes from June 28, 2008 Annual Meeting

Jack Goth motioned to approve the 2008 meeting minutes, Scott Benson seconded the motion, all were in favor and the motion was passed.

V. Financial Report

The financial report was presented by Keith Kroepler.

1. Balance Sheet Year End 2008

- a. Cash in the operating account is \$24,022.
- b. Amount in the Reserve account is \$47,167.
- c. Accounts receivable is gas bills not paid yet; we are working on collecting.
- d. All financials are audited each month by an independent CPA.

2. Profit and loss as of May 31, 2009

- a. Insurance - a couple thousand less than what was budgeted for in 2009.
- b. Alarms and Elevator - coming in on budget, no problems the first half of the year.
- c. Repairs & Maintenance - running a little over but should be ok by the end of the year.
- d. Snow Removal - under budget, may change with Nov and Dec.
- e. Utilities - had to add a couple lines for Apex for the elevators.
- f. Overall budget is \$3000 under budget for the first half of the year.
- g. Reserves - the only expense is the ice melt system being put on the roof.

3. 2009 P&L, Budget vs. Actual, January 1 – May 31, 2009

- a. Dues – showing an increase here because although the dues remain at \$400, they were \$350 for Jan-March 2009.

- b. Reserves - contributions will remain the same.
- c. Management & Accounting Fees - Great Western Lodging will not increase either of these.
- d. Insurance - will increase to \$28,974 per the insurance company.
- e. Alarms & Elevator - because of the renovation, the elevator had to have a service contract and monitoring.
- f. Repairs & Maintenance - will remain about the same as last year.
- g. Utilities - have a small increase to cover increases in cost.

4. 2009 Budget Overview

- a. Every year, \$50,000 goes into reserve account for capital expenditures.
- b. There are 54 units each paying \$400 a month for reserve and operating.

5. Approval of Finance Report

Steve Browning made a motion to approve the financials; the motion was seconded by Pat Dame. All were in favor and the motion was passed.

VI. Property Manager's Report

The property manager's report was presented by Brian Juchno.

1. 2008/2009 Projects Completed

Repairs & Maintenance is under budget mainly because of the exterior remodel. We will be doing touch up painting in the hallways because of the walls getting scuffed or luggage carts hitting the walls.

Landscaping will be done to get it back into the shape it was in prior to the remodel. It probably won't be completely back in shape until the end of summer 2010. Along the Park Avenue sidewalk in front, we put a timber retaining wall in last fall, and it will be continued this summer. We're trying to keep weeds under control but the rain keeps washing the weed killer off. We will keep reapplying to kill the weeds.

Metal stairs have been put in for safety reasons to help with ice build-up in the winter.

Concrete patching is an ongoing project and we will be keeping on top of that. A separation wall has been put up to block the trash bin, to help keep mess contained, and of course to improve the aesthetics of the area. We are keeping an eye on the stairs by the pond, as they may need to be replaced next summer. We are reducing the use of

the salts because it deteriorates concrete. We will have a contractor look at the railing around the pond.

Garage-level entrance tile to the elevators has been removed and replaced with heating underneath to help keep snow out of the elevators. There was heat tape put in the tracks on each floor to help the door. If the car is not in use it will return to the first floor so that it does not have to heat the whole elevator shaft to keep the oils warm.

All fire extinguishers have been replaced.

2. Pending Projects

Landscaping - we are trying to keep the maintenance down on the flower boxes and improve them as much as possible. We are going to remove 6 inches of soil and put maintenance-free flowers that will also help with the weeds. We will also be improving the rock areas. The board and GWL are looking at removing the path at the back of the complex that is not used by Sawmill Creek, and probably landscaping it. The stairs in the front leading down to Park Avenue will be replaced with metal stairs, since they are starting to break down.

Hot tubs – they are always being watched so we can continue to estimate their useful life and replacement timeframe. We think that the current tub shells still have about 4 more years remaining.

Garage – An owner asked about any extra storage area space in the garage? The board will look into doing this for next year's meeting. The biggest issue with this is losing parking spaces; there is only 1 space per unit now (even for a 2 bedroom+loft that may sleep up to 10 people!), with very few extra spaces.

VII. Discussion

Is there anything that can be done to uniform or standardize the patio furniture, since most patios face the street? Keith suggests that the board get a committee together to make these kinds of decisions.

There have been 4 channels added to the cable TV service.

The board needs to keep in mind and maybe form a committee to address potential noise impacts/mitigation when an owner wants to put in hardwood or tile floors. Some type of sound barrier can be put under it to keep the noise level down for the neighbors below.

VIII. Old Business

1. Windows warranty

If the windows fail and someone gets hurt, the owners are responsible. GWL will send out the warranty information to the owners. If they are having any problems they need to contact the manufacturer, the HOA is not responsible.

2. By-law updates

This is to get everything into compliance with the new Colorado laws. Next year's meeting we will have the revised By-laws presented for approval. They will be sent with the meeting notice and voted on at the meeting.

IX. New Business

1. Painting Concrete Walls

Orville suggested painting the concrete walls a neutral color. This summer they will be painted; this will allow GWL to power wash them and improve their appearance.

2. Unit Listings

There are 2 units listed right now, unit 307 is listed for \$499,000, and 208 is listed at \$575,000. Unit 311 sold in August for \$580,000.

3. Tax Assessment

The county tax assessments went out recently, and 65% of the county homeowners have protested the increase. You have to look at the comparables that the county uses to make sure they are fairly comparable to your unit.

X. Election of Board Members

1. There are 2 positions up for re-election
 - a. John Bachman & Orville Cook up for re-election or replacement.
 - b. Mike Svetlic made a motion to re-elect John and Orville for another term. Steve Browning seconded. All in favor, motion passed.

XI. Next Meeting Date

1. The next meeting will be tentatively set for June 26, 2010.

XII. Adjournment

1. Paula Peterson motioned to adjourn the meeting, Mike Jasiak seconded motion. The meeting was adjourned at 11:20am, June 27, 2009.