

**THE CORRAL AT BRECKENRIDGE HOMEOWNER ASSOCIATION
BOARD OF DIRECTORS MEETING
April 19, 2017**

CALL THE MEETING TO ORDER

The Corral at Breckenridge Homeowner Association Board of Directors Meeting was called to order by Geoffrey Forman at 4:04 p.m. via teleconference.

Board members participating were:

Geoffrey Forman, 304E (teleconference)	CJ Milmoie, 308E (in person)
Chris Rains, 303W (teleconference)	Mike Yura, 103W/101W (teleconference)
Terry Lee, 202E (in person)	

Board member Lori Heuck, 105E was absent.

Representing Great Western Lodging (GWL) were Keith Kroepler, Brian Juchno, Jeff Cospolich and Lindsay Toyne. Erika Krainz of Summit Management Resources was recording secretary.

II. SNOW MELT SYSTEM UPDATE

Brian Juchno said the system worked very well this winter. He determined it was possible to lower the idle and melt temperatures. He will have Tolin perform another energy analysis sometime during the summer to determine if there are any opportunities for further savings.

Any significant cracks in the concrete will be sealed.

The snow melt system runs off the common boiler and there is not a separate meter so it is not possible to determine the exact usage and cost. Overall gas usage was about the same as last year but the locked gas price was slightly lower so there were some savings.

There was one heating system repair that required the addition of glycol but it was not related to the snowmelt system.

Terry Lee said there was a section of concrete in the canyon by the street that was spalling. Brian Juchno will look at it in the summer and arrange for repairs with the contractor if required.

III. DISCUSSION OF CURRENT FINANCIALS

The GWL team has been meeting monthly with Lori Heuck. She will be providing updates to the Board.

Keith Kroepler said the Balance Sheet reflected a Reserve balance of \$327,000. The negative Accounts Receivable balance was the result of owners pre-paying dues. There were no owner delinquencies. The Operating cash balance as of the end of the month was about \$5,000.

CJ Milmoie requested the addition of a column for the prior year-end results. Lindsay Toyne said QuickBooks allows year-over-year comparisons, but does not allow a certain date in time to be compared to the end of the fiscal year. So she will provide this information on a separate document moving forward.

The Profit and Loss (P&L) reflected a year-to-date net loss of \$9,000. Keith Kroepler reviewed the following:

1. Some capital expenses have been paid from Operating. These expenses could be transferred from Reserves to Operating to reduce the deficit if desired.
2. Faux painting of the lobby was \$4,500, and the insurance company reimbursed \$1,500.
3. There were several hot water recirculation line leak repairs, all under the \$5,000 deductible, and claims were not filed.
4. Electric was about \$7,600 over budget. Usage in December was up 10,000 kwh due to the constant operation of the heat tape during the heavy snowfall.
5. There was some vandalism to the bathroom and luggage doors resulting in a \$1,200 repair expense.

Terry Lee said Chad Christy recommended increasing the Reserve contribution to be at least 10% of total operating expenses to be in line with lender standards. Lindsay Toyne will inform the Board what the current contribution level is and what kind of increase would be necessary to achieve the 10% contribution level. With total operating expenses of \$545,000, the annual contribution would need to be approximately \$55,000.

IV. LANDSCAPING DISCUSSION

There has been talk about revamping and repurposing some of the original planting areas. Thetford Landscaping provided a proposal for improvements throughout the property for a total cost of around \$44,000. This project would add a considerable amount of maintenance, which would be contracted out. The estimated annual maintenance cost is \$7,000. There would also still be an annual expense of \$4,000 for the hanging baskets. The proposal would address the entrances and common area spaces, with focus on improving

the curb appeal. It does not include addition of a new ranch gate at the entrance. Brian Juchno noted that the landscaping would be an unbudgeted expense that he believes could be paid from Reserves. The Operating Budget would have to be increased by 1.65% to cover the additional maintenance. Lindsay Toyne will provide an updated projection of the effect on the Operating Budget.

The proposal did not include a map of the work. Brian Juchno said Thetford could provide a map but there would be a cost involved. If the Board decides to move forward with the project, a map would be included.

Although the Board would be authorized to make a decision about the project, Keith Kroepler recommended getting owner feedback for transparency. It should be confirmed that this project could be considered a Reserve expense. Brian Juchno will review the governing documents and consult with the CPA.

Geoffrey Forman suggested sending a survey to the owners to determine if they have objection to paying the \$44,000 project cost from Reserves. The Board recommendation will be included with the survey.

Pruning and tree removal will be done for defensible space and to prevent damage to the buildings.

Mike Yura suggested that multiple bids should be obtained. Brian Juchno said he has reached out to multiple landscape companies. Of the four he has approached, the only one that expressed interest in the project was Thetford Landscaping, who has done work for the Association in the past. Brian can provide information about local examples of their work.

Terry Lee resolved that the Board unanimously agrees to send a letter to the owners with a survey to obtain owner feedback with a Board recommendation to undertake the entire project at one time, assuming there is adequate funding that can be used from Reserves, and to attach a copy of the bid. It should be made clear to the membership that the project will not be completed at the beginning of the summer. Brian Juchno will ask Thetford to provide a timeline for the project.

V. NEW BUSINESS

The new Reserve Study should be completed in the next few months. There are some large items coming up such as boilers for \$480,000 for the east and west buildings in 2018/19/20 and \$250,000 in 2019, 2020 and 2021. Tolin will be evaluating the boilers and will provide an estimate of the remaining useful life. Garage door replacement is scheduled in 2019 at a cost of \$78,000, but it may be possible to push the replacement out a few years since they are in good condition.

VI. ADJOURNMENT

CJ Milmoie made a motion to adjourn 5:44 p.m. Terry Lee seconded and the motion carried.

Approved By: _____

Board Member Signature

Date: _____

May 10 2017