

**SNOWFLAKE CONDOMINIUM ASSOCIATION
BOARD OF DIRECTOR'S MEETING
MINUTES
JANUARY 23, 2012**

Call to order:

The meeting was called to order, per prior notice, by President Leo Bennett at 1:30 PM. The meeting was held in the IT Conference room, Snowflake Building, Copper Mountain, CO.

Board Members Present:

Leo Bennett
Nancy Barnett
Jim West
Steve Misch
Susan Byers

Others:

Tom Malmgren

Minutes of Prior Meeting:

The minutes of the previous Board of Directors meeting held on November 14, 2011 were approved as written and distributed.

Manager's Report:

Tom provided the Board with a brief update on the glycol leak that occurred in unit 411 in late October, damaging units 311 and 212. Insurance companies have made inspections and each owner has filed individual insurance claims to restore their respective properties. Tom noted that a leaking bathtub drain from unit 411 was the latest challenge that occurred, causing water damage to the bath ceilings/walls in units 311 and 212. The owners of these two units have expressed strong displeasure with the events originating in unit 411.

The windows on either side of the elevator on the fourth floor were caulked on the exterior to attempt to stop water infiltration. While improved, the leakage has not been completely stopped. Weather will prevent further repairs until spring. Tom will have the damaged concrete walls scraped and repainted.

It was noted that the interior damage caused by the leaking roof above the C-1 commercial space (golf pro shop/Christy Sports) was repaired as directed by the space owner, Copper Mountain. The Association did pay for its responsibility for these repairs which totaled \$3,425.

Tom reported that Wendell is back living in unit 203, the manager's residence and Cheri has moved to Keystone. Thus, things are in a bit of transition at the moment.

Treasurer's Report:

Leo Bennett, Treasurer (in addition to President) presented the Treasurer's report which is attached. His report recapped the second quarter financial results, provided project financial results, highlighted capital cash flow projections. He will submit an email motion with reserves appropriations adjustments.

Leo also reported that a working session of the Board acting as the Finance Committee had met earlier in the day and provided an overview of their conclusions in completing a major revision and update of the Capital Reserve Plan for calendar year 2012. The Board moved to accept the Finance Committee's report (attached), including the revised Capital Reserve Plan. Motion by Susan Byers, seconded by Jim West and passed unanimously.

Committee Reports:

None

Old Business:

Leo reviewed the ceiling/plumbing project final report. The Board thanked him for his effort and thoroughness.

Discussion of the alarm system resulted in the Board becoming more familiar with the total number of detectors in the complex and their respective locations. Leo submitted a spread sheet that he developed from the Vision Security report to more clearly understand the configuration of the alarm system and the devices used.

Discussion of e-mail motion 2012 – 14 regarding a proposed definition of Common Element Portion of the heating system was debated for some time. Final decision of the Board was to withdraw this motion.

The Board discussed the letter from attorney Jerry Orten regarding methods of amending the declaration to correct error in percentage share of ownership contained in the declaration. It was determined that the current percentage of all votes specified in the Declarations (70%/100%) violates the Colorado Common Interest Ownership Act (CCIOA), which limits such requirements to 67% of all votes, and invalidates any contrary provision in Declarations.

Leo suggested presenting resolutions at the annual meeting to amend the Declarations to comply with CCIOA, and to amend the schedule of per cent interest in common elements to be the schedule which has been in use since 1999. He will have draft resolutions at the next Board meeting.

Approval of e-mail motions that the Board had acted upon since the last meeting to be made a matter of record:

Motion 2012 – 14 – Defining Common Element portion of heating system
Motion withdrawn
Motion 2012 – 15 - Motion to accept excess tile – Adopted
Motion 2012 – 16 - Motion to accept proposal from Vision Security – Adopted
Full motions attached.

New Business:

It was noted that numerous owners on floors 3 and 4 have complimented the improvements on levels 2 and 5. Several have expressed a desire to have sconce lighting installed on 3 & 4. Leo has asked Reconstruction Experts for a budgetary estimate to do this work. Depending upon cost estimates, this will possibly be looked at to accomplish next spring. Wrapping the beams in Alder like floor 2 would be part of this proposal.

Next meeting of the Board:

The next meeting of the Board is scheduled for May 21, 2012 at 10:00 a.m. in the IT conference room. The next meeting will be primarily budget review and adoption for the 2012 – 2013 fiscal year beginning July 1, 2012. Leo noted that much of the work had been accomplished at today's Finance Committee meeting and a 3.5% dues increase is what we are considering. Inflation is running around 3%, and there was no increase for inflation in the current year.

Adjournment:

There being no further business the meeting was adjourned at 2:45 PM.

Respectfully submitted,

Accepted,

Thomas J. Malmgren
Thomas J. Malmgren, Managing Agent

Leo Bennett
President

TREASURER'S REPORT - PERIOD ENDING DECEMBER 31, 2011 (Q2FY2012)

OPERATING FUND

	Actual	Budget	Over
<u>Income</u>	101,118.83	100,822.50	296.33
<u>Expense</u>			
Admin & Professional	20,927.67	22,493.00	(1,565.33) Office supplies -943; property taxes -850.
Utilities	50,071.76	52,036.00	(1,964.24) Com. G & E, -1421; trash -297; mgr G & E -120.
Maintenance			
Firewood	630.00	1,200.00	(570.00)
Landscaping	1,746.96	1,200.00	546.96
Miscellaneous Expense	864.86	375.00	489.86
Repairs & Maintenance	11,289.65	11,500.00	(210.35)
Repairs & Maintenance - Boiler	2,036.50	4,000.00	(1,963.50)
Service Contract - Elevator	3,122.16	3,100.00	22.16
Service Contract - Fire	4,848.92	1,600.00	3,248.92
Snow Removal	1,926.00	3,000.00	(1,074.00)
	<u>26,465.05</u>	<u>25,975.00</u>	490.05
 Total Expense	97,464.48	100,504.00	(3,039.52)
 Total Operating Fund	3,654.35	318.50	3,335.85 (Favorable)

CAPITAL RESERVE FUND

<u>Income</u>			
Capital Reserve Fund Dues	14,677.64	14,677.50	0.14
Special Assessment	7,500.00	7,500.00	-
Interest	163.26	312.50	(149.24)
Total	<u>22,340.90</u>	<u>22,490.00</u>	(149.10)

Capital Reserve Expenditures 123,723.97

Reserve Balance December 31, 2011 (Preliminary):

Unappropriated Reserves	67,021.00
Due to Operating	(17,881.00)
Appropriated but not expended	<u>10,032.00</u>
Total Reserves	59,172.00

Note: future special assessment of \$22,500 accrued.

Project Commitments							
Date	Item	GC Overhead	Asbestos	Plumbing	Lighting	Ceiling	Total
8/10/2011	Contract	16,087.69	22,394.38	14,475.20	15,303.75	12,453.53	80,714.55
8/10/2011	Allocate OH	(16,087.69)	5,574.68	3,603.34	3,809.59	3,100.08	0.00
8/10/2011	Sub-total by component	0.00	27,969.06	18,078.54	19,113.34	15,553.61	80,714.55
9/8/2011	Architect		350.00				350.00
9/13/2011	CO #1 Alder trim - beams					1,188.87	1,188.87
9/30/2011	Fire alarm heat sensors		3,113.00				3,113.00
10/11/2011	CO #1A Alder trim - drop downs					462.50	462.50
10/11/2011	CO #3 Standard grid instead of narrow					(487.00)	(487.00)
10/12/2011	CO #4 Fixtures under allowance				(2,831.60)		(2,831.60)
10/20/2011	Temporary housing		1,439.22				1,439.22
10/31/2011	CO #6 Fire breaks over 2500		524.66				524.66
10/31/2011	CO #7 Overspray abate, sconce holes		2,936.40		420.00		3,356.40
10/31/2011	CO #8 Electrical to code				1,462.00		1,462.00
11/20/2011	Bulbs, test cans, paint samples, valve tags		31.12	35.82	103.83		170.77
11/30/2011	CO #9 Vent covers		264.86				264.86
11/30/2011	CO #10 Drywall under windows		126.45				126.45
11/30/2011	CO #11 Drywall ceilings in alcoves					0.00	0.00
11/30/2011	CO #12 Rewire outlets				438.00		438.00
12/5/2011	CO #5 Plumbing surprise over 600			(95.70)			(95.70)
12/12/2011	CO #13, accept grid, get tiles						0.00
	Component Totals		36,754.77	18,018.66	18,705.57	16,717.98	90,196.98
Payment History & Allocation							
Date	Description	Amount	Payment Allocation				Balance
		Total	Asbestos	Plumbing	Lighting	Ceiling	90,196.98
9/8/2011	Payment Tom Connelly, architect	350.00	(350.00)				89,846.98
9/19/2011	Payment RE	1,000.00	(1,000.00)				88,846.98
9/30/2011	Payment Vision Security	3,113.00	(3,113.00)				85,733.98
10/12/2011	Payment RE	18,761.83	(18,761.83)				66,972.15
10/16/1902	Payments temp housing	1,439.22	(1,439.22)				65,532.93
10/22/2011	LB Expense (cans, paint samples, tags, test bulbs)	88.24	(31.12)	(35.82)	(21.30)		65,444.69
11/7/2011	Payment RE	37,500.00	(12,059.60)	(17,982.84)	(7,457.56)		27,944.69
11/29/2011	LB expense (bulbs)	82.53			(82.53)		27,862.16
12/12/2011	Payment RE	15,000.00		0.00	(11,144.18)	(3,855.82)	12,862.16
(Unpaid)	Payment RE (9310.77)						12,862.16
(Unpaid)	Payment RE (3551.38)						12,862.16
	Remaining		(0.00)	(0.00)	0.00	12,862.16	12,862.16
1/11/2012 17:12							

January 24, 2012

To: Board of Directors

Subject: Minutes of Finance Committee Meeting of January 23, 2012

The Board of Directors met in a working session as the Finance Committee on the morning of January 23, 2012 from 8:30 a.m. until 11:00 a.m.

Attending were Leo Bennett (Treasurer), Nancy Barnett, Susan Byers, Steve Misch, Jim West, and Tom Malmgren.

The objective of the meeting was to complete a major revision and update of the Capital Reserve Plan for calendar year 2012.

2011 was a year of major capital activity for the Snowflake HOA. While the primary focus was on the second and fifth floor asbestos, plumbing, ceiling and lighting project, the Association also replaced three of the seven roofs, started conversion to a wireless fire alarm system, and did significant cosmetic improvement to the exterior. Expenditures totaled approximately \$125,000.

The committee established the following criteria for updating the Reserve Plan:

- No Special Assessments would be planned. Special Assessments would be used only in crisis situations.
- No extraordinary annual assessment (dues) increases would be planned. Dues increases would be assumed to be in line with inflation.
- Completion of conversion to the wireless alarm system would be given precedence both for safety considerations and to reduce the maintenance expense associated with the current system.
- Upgrade of the third and fourth floor halls with sconces and wall and ceiling paint would be done IF major asbestos abatement could be avoided and the expected cost was reasonable. Otherwise the upgrade would only be paint.
- Upgrade of the building exterior would be continued at some level.
- Maintenance and repair of mechanical systems (boilers, elevator, etc.) would be done more or less as previously planned.
- Additional roof replacement would be done as the roofs reach the end of their economic lives, the earliest being about nine years out.
- After the third and fourth floors, the lobby would be next to get attention in future interior upgrades.
- Further major upgrades to the second through fifth floor halls (wall texturing, floor leveling, new carpet, new paint, signage, benches, décor, etc.) would then be considered as it became affordable.

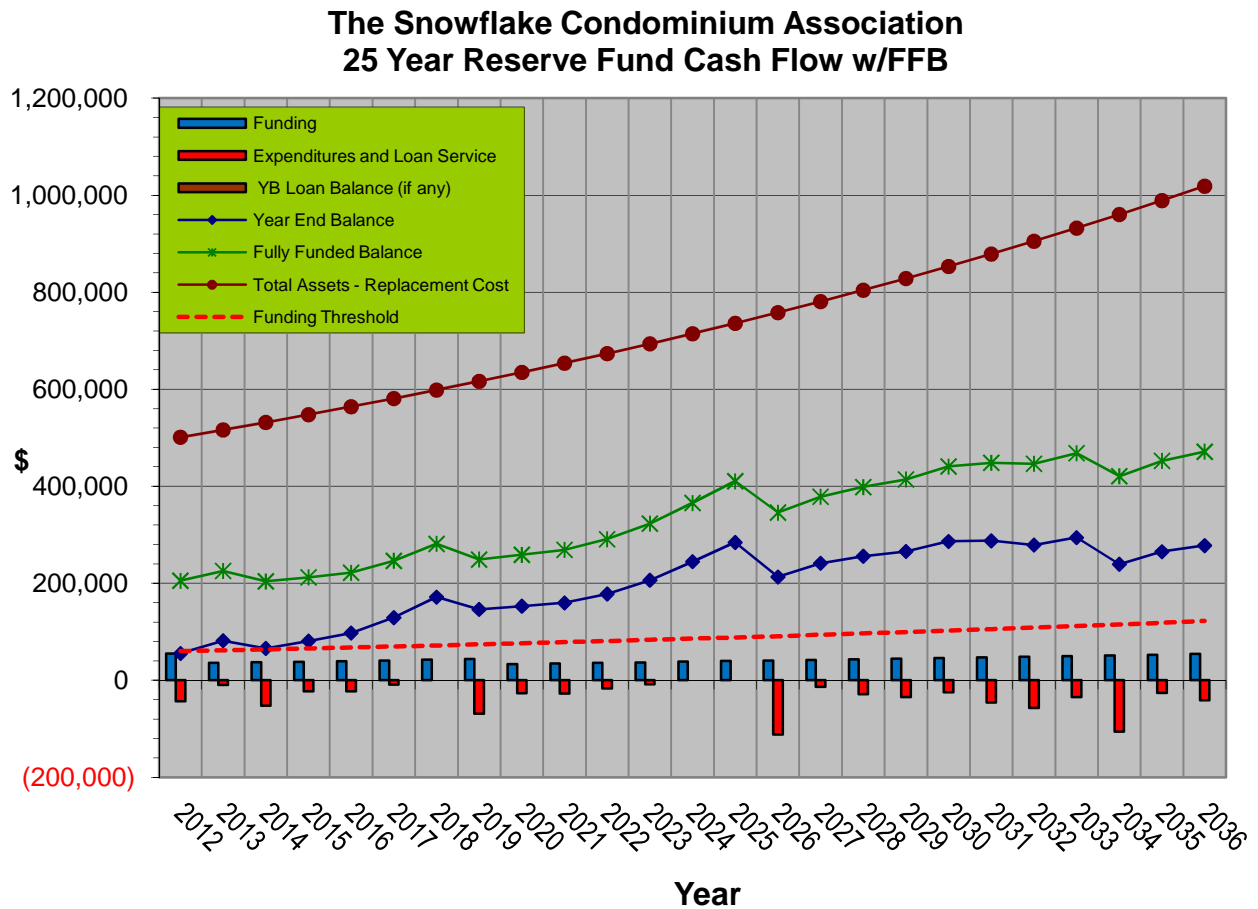
For planning purposes the committee assumed that inflation would approximate 3%.

The committee started with a proposed draft Reserve Plan. The committee reviewed the items on the Reserve Component list by major category: Exterior, Interior, Mechanical, and Roofs. Items were added

and deleted, and economic lives and costs were adjusted. The result was the spending requirement by year for the next twenty five years.

Attention was then given to funding the plan. The funding was tight. It was observed that a number of previous investments would reduce the growth requirements of the Operating Fund, and that, in FY2013, the split of the annual assessment between the Operating Fund and the Capital Reserve Fund could be adjusted to increase the portion going to Capital Reserves, while still adequately funding operations, and in particular maintenance and repairs.

The following chart summarizes the resulting plan:



The Capital Reserve Plan investment schedule by Component in major group is as follows:

(Note: Economic Life Remaining '0' means spend in Calendar Year 2012, '1' means 2013, etc. Total Economic life '100' means a one-time occurrence. Any future occurrence is in a different line item.)

Component		Economic Life	
Group	Name	Total	Rem'ng
Roof	C2/C6 Roof (19x27=513)	25	9
Roof	Lower CC roof (C3, C4)	25	10
Roof	Residential roof(2001) (11448)	25	14
Roof	IT roof (C5,) (2004) (32x45=1440)	25	17
Roof	C1 Roof (2011)	25	24
Roof	Upper Call Center Roof (C3) (2011) (26x21=546)	25	24
Roof	204 roof (steel) (2011)	50	49
Mech - Alarm system	Ph 2 - All 49 Unit S/H detectors & repeaters	100	0
Mech - HVAC	Boilers - Rebuild (Domestic)	15	1
Mech - Elevator	Elevator - Rebuild/Upgrade	25	2
Mech - Elevator	Elevator Cab - Remodel	15	2
Mech - HVAC	Miscellaneous Heaters - Replace	25	3
Mech - HVAC	Remove stairwell heaters, repair walls	100	3
Mech - Alarm system	Comm'l smoke detectors (15+ ext to code)	10	4
Mech - HVAC	Hot Water Storage Tank - Replace	15	5
Mech - HVAC	Boilers - Rebuild (Heat)	15	8
Mech - Alarm system	SD, S/H Detectors Res common & units	10	9
Mech - Alarm system	Console, wireless, repeaters	15	14
Mech - HVAC	Boilers - Replace (Domestic)	30	15
Mech - HVAC	Boilers - Replace (Heat)	30	22
Mech - HVAC	Expansion Tanks - Replace	30	22
Mech - Plumbing	Plumbing Unspecified	30	29
Interior	Paint Ceilings 3 & 4	18	0
Interior	Paint walls 3-4	100	0
Interior	Sconce Lighting 3 & 4, ACM, drywall, alder	30	0
Interior	Lobby door open control	35	2
Interior	Lobby upgrade incl lighting, rear door, décor	15	2
Interior	Managers Unit - Remodel	7	4
Interior	Carpeting - Replace (2nd - 5th)	18	7
Interior	Décor - 2- 5, incl signage	15	7
Interior	Floor leveling 2 - 5	50	7
Interior	Paint walls 2 - 5	9	7
Interior	Texture walls, 2 -5	50	7
Interior	Wood Benches - Replace	18	7
Interior	Stairwells - paint	10	8
Interior	Stairwells carpet (1st level)	12	8
Interior	Interior Fire Doors - Replace (Common)	75	20
Interior	Wood Interior Doors (common) - Replace	24	21
Interior	Lighting 2,3,4 & 5	30	29
Interior	Suspended Ceiling 2 & 5	30	29
Interior	Common Windows - 4th & 5th, H & SW	35	33
Interior	Managers Unit Windows - Replace	35	33
Exterior	Ext Surfaces - Repaint/blast Walls	10	0
Exterior	Exterior upgrade	15	1
Exterior	Sidewalk & step concrete	25	2
Exterior	Landscape upgrade	15	4
Exterior	Pole Lights/wall top lights	25	5
Exterior	Vehicle Barrier Arms - Replace	12	7
Exterior	Exterior steel doors - replace	45	10

The committee agreed on the following action items:

- Annual inspection of all flat roofs, with preventative maintenance done to prolong the life of the roof (Carbonate);
- Get an expert opinion on the need for/timing of rebuilding/replacement of boilers (Carbonate);
- Obtain bids for rebuilding/upgrading/remodeling the elevator and cab (Carbonate);
- Research the practicality and potential cost of an automatic lobby door (Carbonate);
- Prepare one or more lobby upgrade concepts with related spending levels (Decorating committee).

The committee agreed to submit the revised Capital Reserve Plan for approval at a regular board meeting.

Leo Bennett
Treasurer

RePlan™

Version 5.0

This copy of *RePlan™* is licensed to

SNOWFLAKE CONDOMINIUM ASSOCIATION, INC.

for its exclusive use in managing Reserve Funds. Use for any other purpose, including any commercial use, or use on behalf of any other entity, is prohibited.

**CY 2012 Reserve Plan
Adopted January 23, 2012**

Bennett Consulting, Inc.

5422 Madera Road
Colorado Springs, CO 80918
(719) 440-3064

© 2010 Bennett Consulting, Inc.

RePlan™ V 5.0

50-10-102

Snowflake Condominium Association, Inc.

RePlan™ Reserve Plan - Current Year Parameters

Parameter	CalendarYear	Amount	
Current Year	2012		
Prior Year End Reserve Balance		\$ 54,454	
Prior Year End 'Appropriated But Not Expended'		\$ (12,832)	
Prior Year Operating Surplus Transferred to Reserves		\$ -	
Net Year Begin Reserve Fund Balance		\$ 41,622	
Annual Reserve Interest Rate Earned		1.0%	'0nn'
Annual Inflation Rate		3.0%	'0nn'
Current Year Q1 & Q2 Reserve Contribution		\$ 7,338.75	
Current Year Q3 & Q4 Reserve Contribution		\$ 8,669.00	
Annual Capital Assessment This CY		\$ 32,016	
Annual Capital Assessment Next CY		\$ 35,196	
Funding Plan Adjustment - Year and New Annual Amount	2020	\$ 32,000.00	
Funding Threshold as % of Total Assets		12%	
Insurance Proceeds - Year and Amount		\$ -	
Loan - Year and Principal			(Or prior year end loan balance)
Loan - Rate			'0nn'
Loan - Term (Years)			
Loan - Payment			Calculated

© 2010 Bennett Consulting, Inc.

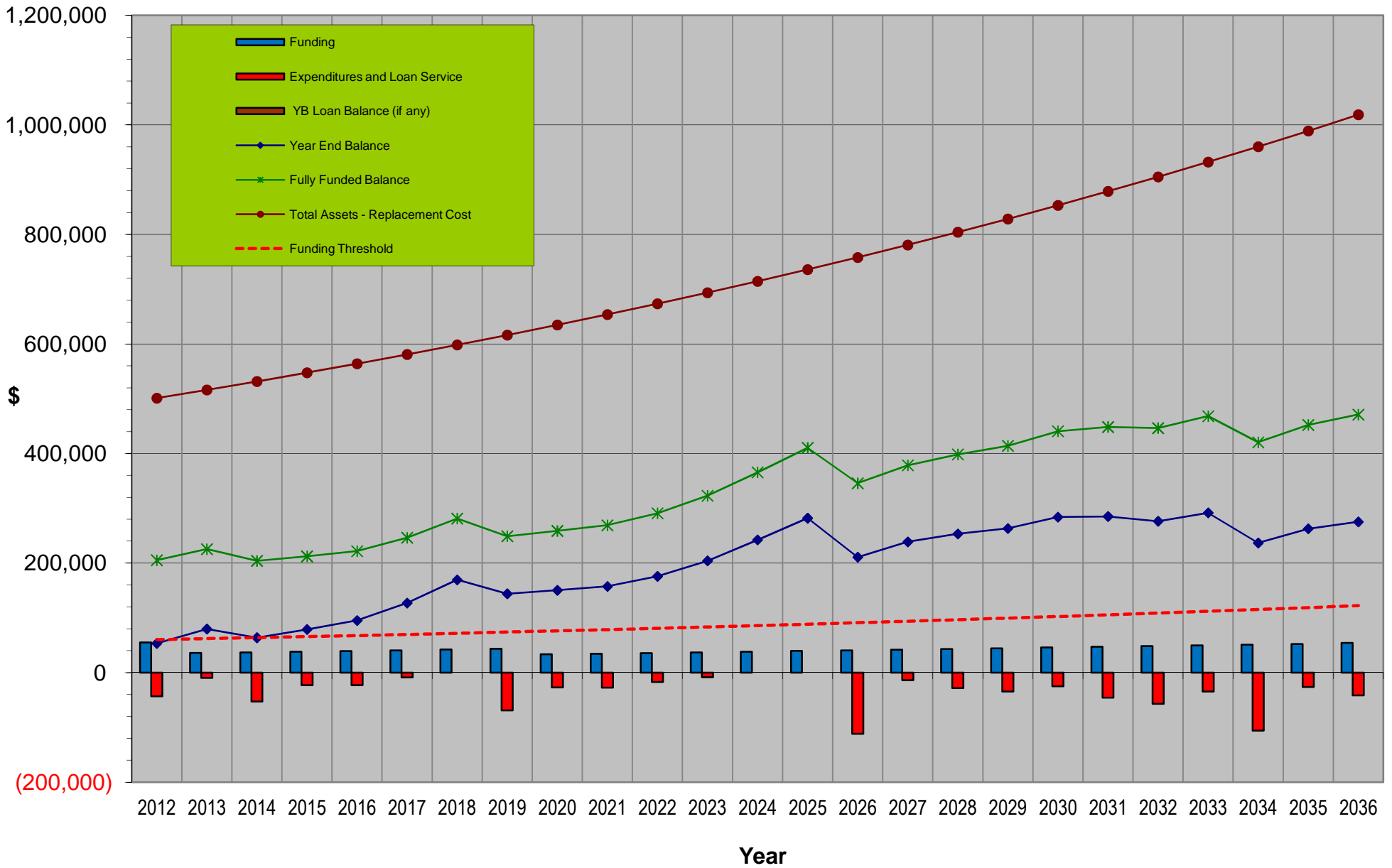
Snowflake Condominium Association, Inc.									
Funding Plan									
Year	2012	2013	2014	2015	2016	2017	2018	2019	2020
Running Rate	23,069	23,761	24,474	25,208	25,964	26,743	27,546	28,372	29,223
Planned Funding from Dues	32,016	35,196	36,252	37,340	38,460	39,614	40,802	42,026	32,000
Special Assessment	22,500								
Total From Dues and Special Assessment	54,516	35,196	36,252	37,340	38,460	39,614	40,802	42,026	32,000
Interest Earned on Reserve Funds	473	662	713	710	866	1,107	1,476	1,559	1,465
Total Reserve Funding*	54,988	35,858	36,965	38,049	39,326	40,720	42,278	43,585	33,465

XXXXX Denotes funding is less than annual running rate.

* Excludes insurance or loan proceeds

© 2010 Bennett Consulting, Inc.

The Snowflake Condominium Association RePlan™ 25 Year Reserve Fund Cash Flow w/FFB



Snowflake Condominium Association, Component	Cash Flow Detail												Cash Flow Detail						
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Ext Surfaces - Repaint/blast Walls	5,000	-	-	-	-	-	-	-	-	-	6,720	-	-	-	-	-	-	-	-
Paint Ceilings 3 & 4	1,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,554
Paint walls 3-4	2,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sconce Lighting 3 & 4, ACM, drywall, alder	18,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ph 2 - All 49 Unit S/H detectors & repeaters	16,725	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exterior upgrade	-	5,150	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,024	-	-
Boilers - Rebuild (Domestic)	-	4,509	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,025	-	-
Sidewalk & step concrete	-	-	5,729	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lobby door open control	-	-	5,305	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lobby upgrade incl lighting, rear door, décor	-	-	10,609	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,528	-
Elevator - Rebuild/Upgrade	-	-	27,318	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Elevator Cab - Remodel	-	-	3,825	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,959	-
Ski lockers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Heaters - Replace	-	-	-	16,391	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Remove stairwell heaters, repair walls	-	-	-	6,556	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Landscape upgrade	-	-	-	-	5,628	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Managers Unit - Remodel	-	-	-	-	6,956	-	-	-	-	-	-	8,555	-	-	-	-	-	-	10,521
Comm'l smoke detectors (15+ ext to code)	-	-	-	-	10,332	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pole Lights/wall top lights	-	-	-	-	-	2,869	-	-	-	-	-	-	-	-	-	-	-	-	-
Hot Water Storage Tank - Replace	-	-	-	-	-	5,970	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle Barrier Arms - Replace	-	-	-	-	-	-	3,167	-	-	-	-	-	-	-	-	-	-	-	-
Carpeting - Replace (2nd - 5th)	-	-	-	-	-	-	22,484	-	-	-	-	-	-	-	-	-	-	-	-
Décor - 2- 5, incl signage	-	-	-	-	-	-	12,299	-	-	-	-	-	-	-	-	-	-	-	-
Floor leveling 2 - 5	-	-	-	-	-	-	6,752	-	-	-	-	-	-	-	-	-	-	-	-
Paint walls 2 - 5	-	-	-	-	-	-	10,288	-	-	-	-	-	-	-	-	-	13,423	-	-
Texture walls, 2 - 5	-	-	-	-	-	-	10,288	-	-	-	-	-	-	-	-	-	-	-	-
Wood Benches - Replace	-	-	-	-	-	-	3,800	-	-	-	-	-	-	-	-	-	-	-	-
Stairwells - paint	-	-	-	-	-	-	-	8,859	-	-	-	-	-	-	-	-	-	-	11,906
Stairwells carpet (1st level)	-	-	-	-	-	-	-	1,115	-	-	-	-	-	-	-	-	-	-	-
Boilers - Rebuild (Heat)	-	-	-	-	-	-	-	16,962	-	-	-	-	-	-	-	-	-	-	-
SD, S/H Detectors Res common & units	-	-	-	-	-	-	-	-	24,288	-	-	-	-	-	-	-	-	-	-
C2/C6 Roof (19x27=513)	-	-	-	-	-	-	-	-	3,262	-	-	-	-	-	-	-	-	-	-
Exterior steel doors - replace	-	-	-	-	-	-	-	-	-	8,467	-	-	-	-	-	-	-	-	-
Lower CC roof (C3, C4)	-	-	-	-	-	-	-	-	-	2,016	-	-	-	-	-	-	-	-	-
Console, wireless, repeaters	-	-	-	-	-	-	-	-	-	-	-	-	-	11,344	-	-	-	-	-
Residential roof(2001) (1448)	-	-	-	-	-	-	-	-	-	-	-	-	-	86,596	-	-	-	-	-
Boilers - Replace (Domestic)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,640	-	-	-
IT roof (C5,) (2004) (32x45=1440)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,983	-
Interior Fire Doors - Replace (Common)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wood Interior Doors (common) - Replace	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Boilers - Replace (Heat)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expansion Tanks - Replace	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1 Roof (2011)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
U Call Center Roof (C3) (2011) (26x21=546)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lighting 2,3,4 & 5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Suspended Ceiling 2 & 5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Plumbing Unspecified	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Common Windows - 4th & 5th, H & SW	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Managers Unit Windows - Replace	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
204 roof (steel) (2011)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Replace steel roofs????	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Manual Overrides	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	43,225	9,659	52,785	22,947	22,915	8,839	-	69,078	26,936	27,550	17,202	8,555	-	-	111,826	13,640	28,472	34,470	24,981
YB Balance	41,622	53,385	79,584	63,764	78,866	95,277	127,158	169,435	143,942	150,471	157,412	175,817	204,120	242,357	282,063	210,900	238,853	253,367	263,220
Reserve Funding	54,516	35,196	36,252	37,340	38,460	39,614	40,802	42,026	32,000	32,960	33,949	34,967	36,016	37,097	38,210	39,356	40,537	41,753	43,005
Insurance Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned	473	662	713	710	866	1,107	1,476	1,559	1,465	1,532	1,658	1,890	2,221	2,609	2,453	2,238	2,449	2,570	2,722
Total Contributions	54,988	35,858	36,965	38,049	39,326	40,720	42,278	43,585	33,465	34,492	35,607	36,857	38,238	39,706	40,662	41,594	42,986	44,323	45,728
Expenditures	(43,225)	(9,659)	(52,785)	(22,947)	(22,915)	(8,839)	-	(69,078)	(26,936)	(27,550)	(17,202)	(8,555)	-	-	(111,826)	(13,640)	(28,472)	(34,470)	(24,981)
Loan service - Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan service - Principal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditures plus Loan Service	(43,225)	(9,659)	(52,785)	(22,947)	(22,915)	(8,839)	-	(69,078)	(26,936)	(27,550)	(17,202)	(8,555)	-	-	(111,826)	(13,640)	(28,472)	(34,470)	(24,981)
YE Balance	53,385	79,584	63,764	78,866	95,277	127,158	169,435	143,942	150,471	157,412	175,817	204,120	242,357	282,063	210,900	238,853	253,367	263,220	283,967
YB Loan Balance (if any)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Fully Funded Balance

Snowflake Condominium Association, Inc.	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Ext Surfaces - Repaint/blast Walls	0	515	1,061	1,639	2,251	2,898	3,582	4,305	5,067	5,871	0	692	1,426	2,203	3,025	3,895
Paint Ceilings 3 & 4	0	86	177	273	375	483	597	717	845	979	1,120	1,269	1,426	1,591	1,765	1,947
Paint walls 3-4	0	21	42	66	90	116	143	172	203	235	269	305	342	382	424	467
Sconce Lighting 3 & 4, ACM, drywall, alder	0	618	1,273	1,967	2,701	3,478	4,299	5,165	6,080	7,046	8,063	9,136	10,265	11,455	12,706	14,022
Ph 2 - All 49 Unit S/H detectors & repeaters	0	172	355	548	753	969	1,198	1,440	1,695	1,964	2,248	2,547	2,862	3,193	3,542	3,909
Exterior upgrade	4,667	0	354	728	1,126	1,546	1,990	2,460	2,956	3,479	4,032	4,614	5,228	5,874	6,555	7,271
Boilers - Rebuild (Domestic)	4,086	0	310	638	985	1,353	1,742	2,154	2,588	3,046	3,530	4,040	4,577	5,143	5,739	6,365
Sidewalk & step concrete	4,968	5,340	0	236	486	751	1,032	1,328	1,642	1,973	2,322	2,691	3,080	3,489	3,921	4,375
Lobby door open control	4,714	5,003	0	156	322	497	682	878	1,086	1,305	1,536	1,780	2,037	2,308	2,593	2,893
Lobby upgrade incl lighting, rear door, décor	8,667	9,613	0	728	1,501	2,319	3,184	4,100	5,067	6,089	7,168	8,305	9,505	10,769	12,101	13,502
Elevator - Rebuild/Upgrade	23,690	25,462	0	1,126	2,319	3,582	4,919	6,334	7,829	9,407	11,074	12,832	14,685	16,638	18,696	20,861
Elevator Cab - Remodel	3,124	3,466	0	263	541	836	1,148	1,478	1,827	2,195	2,584	2,994	3,427	3,882	4,362	4,868
Ski lockers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous Heaters - Replace	13,200	14,214	15,277	0	675	1,391	2,149	2,952	3,800	4,697	5,644	6,644	7,699	8,811	9,983	11,217
Remove stairwell heaters, repair walls	5,820	6,056	6,302	0	68	139	215	295	380	470	564	664	770	881	998	1,122
Landscape upgrade	3,667	4,120	4,597	5,099	0	386	796	1,230	1,689	2,175	2,688	3,230	3,802	4,406	5,042	5,713
Managers Unit - Remodel	2,649	3,637	4,683	5,788	0	1,023	2,108	3,257	4,474	5,760	7,119	0	1,259	2,593	4,006	5,502
Comm'l smoke detectors (15+ ext to code)	5,508	6,619	7,791	9,028	0	1,064	2,192	3,387	4,652	5,989	7,402	8,895	10,471	12,133	0	1,430
Pole Lights/wall top lights	1,980	2,141	2,311	2,488	2,674	0	118	244	376	517	665	822	988	1,163	1,348	1,542
Hot Water Storage Tank - Replace	3,433	3,890	4,371	4,877	5,410	0	410	845	1,305	1,792	2,307	2,852	3,427	4,034	4,674	5,349
Vehicle Barrier Arms - Replace	1,073	1,326	1,594	1,876	2,174	2,488	2,818	0	272	560	865	1,188	1,530	1,891	2,272	2,675
Carpeting - Replace (2nd - 5th)	11,172	12,553	14,008	15,538	17,147	18,839	20,617	0	1,287	2,650	4,095	5,624	7,240	8,949	10,754	12,659
Décor - 2- 5, incl signage	5,333	6,180	7,073	8,013	9,004	10,047	11,144	0	845	1,740	2,688	3,691	4,753	5,874	7,059	8,309
Floor leveling 2 - 5	4,721	4,976	5,242	5,519	5,808	6,110	6,424	0	139	287	443	608	783	967	1,163	1,369
Paint walls 2 - 5	1,859	2,872	3,944	5,078	6,277	7,542	8,878	0	1,177	2,425	3,747	5,146	6,626	8,190	9,841	11,584
Texture walls, 2-5	7,194	7,582	7,987	8,409	8,850	9,309	9,788	0	212	437	675	926	1,193	1,474	1,771	2,085
Wood Benches - Replace	1,888	2,122	2,368	2,626	2,898	3,184	3,485	0	217	448	692	951	1,224	1,513	1,818	2,140
Stairwells - paint	1,399	2,161	2,968	3,821	4,723	5,675	6,681	7,741	0	913	1,880	2,904	3,989	5,135	6,347	7,627
Stairwells carpet (1st level)	293	378	467	561	660	765	876	992	0	96	197	305	418	538	666	800
Boilers - Rebuild (Heat)	6,249	7,356	8,523	9,754	11,052	12,418	13,857	15,370	0	1,165	2,399	3,707	5,091	6,555	8,101	9,735
SD, S/H Detectors Res common & units	1,862	3,835	5,925	8,136	10,476	12,948	15,559	18,315	21,223	0	2,502	5,154	7,962	10,935	14,078	17,401
C2/C6 Roof (19x27=513)	1,600	1,751	1,910	2,076	2,251	2,434	2,627	2,829	3,040	0	134	277	428	587	756	935
Exterior steel doors - replace	4,900	5,191	5,495	5,813	6,145	6,492	6,854	7,232	7,626	8,037	0	194	399	617	847	1,091
Lower CC roof (C3, C4)	900	989	1,082	1,180	1,283	1,391	1,505	1,623	1,748	1,879	0	83	171	264	363	467
Console, wireless, repeaters	500	1,030	1,591	2,185	2,814	3,478	4,179	4,919	5,700	6,524	7,392	8,305	9,267	10,280	0	779
Residential roof(2001) (11448)	25,190	28,304	31,583	35,033	38,661	42,476	46,484	50,695	55,117	59,759	64,629	69,738	75,095	80,711	0	3,568
Boilers - Replace (Domestic)	4,378	4,809	5,263	5,740	6,241	6,766	7,318	7,896	8,503	9,139	9,805	10,503	11,234	12,000	12,801	0
IT roof (C5,) (2004) (32x45=1440)	2,320	2,688	3,077	3,486	3,917	4,370	4,848	5,350	5,878	6,433	7,015	7,627	8,269	8,943	9,650	10,392
Interior Fire Doors - Replace (Common)	15,107	15,843	16,609	17,408	18,239	19,105	20,006	20,944	21,920	22,936	23,993	25,093	26,238	27,428	28,667	29,955
Wood Interior Doors (common) - Replace	2,318	3,183	4,098	5,065	6,086	7,164	8,302	9,501	10,764	12,095	13,496	14,970	16,521	18,151	19,864	21,664
Boilers - Replace (Heat)	10,987	12,731	14,570	16,507	18,548	20,697	22,958	25,335	27,835	30,462	33,222	36,119	39,161	42,353	45,700	49,211
Expansion Tanks - Replace	1,099	1,273	1,457	1,651	1,855	2,070	2,296	2,534	2,784	3,046	3,322	3,612	3,916	4,235	4,570	4,921
C1 Roof (2011)	340	700	1,082	1,486	1,913	2,365	2,842	3,345	3,876	4,436	5,026	5,648	6,302	6,990	7,714	8,475
U Call Center Roof (C3) (2011) (26x21=546)	110	227	350	481	619	765	919	1,082	1,254	1,435	1,626	1,827	2,039	2,262	2,496	2,742
Lighting 2,3,4 & 5	800	1,648	2,546	3,497	4,502	5,565	6,687	7,871	9,121	10,438	11,826	13,289	14,828	16,448	18,151	19,942
Suspended Ceiling 2 & 5	623	1,284	1,984	2,725	3,508	4,336	5,210	6,133	7,107	8,133	9,215	10,354	11,553	12,815	14,143	15,538
Plumbing Unspecified	200	412	637	874	1,126	1,391	1,672	1,968	2,280	2,610	2,957	3,322	3,707	4,112	4,538	4,985
Common Windows - 4th & 5th, H & SW	272	420	576	742	917	1,102	1,298	1,504	1,721	1,950	2,191	2,444	2,712	2,992	3,288	3,598
Managers Unit Windows - Replace	194	300	412	531	656	788	928	1,075	1,230	1,394	1,566	1,748	1,938	2,139	2,350	2,572
204 roof (steel) (2011)	203	418	646	887	1,142	1,412	1,697	1,997	2,314	2,649	3,001	3,372	3,763	4,174	4,606	5,060
Replace steel roofs?????	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Accumulated Depreciation ('Fully Funded Balance')	205,255	225,515	203,969	212,349	221,768	246,325	281,261	248,993	258,750	269,062	290,934	323,041	365,623	410,469	345,852	378,528
Year End Cash Flow Balance	53,385	79,584	63,764	78,866	95,277	127,158	169,435	143,942	150,471	157,412	175,817	204,120	242,357	282,063	210,900	238,853
Percent Fully Funded	26%	35%	31%	37%	43%	52%	60%	58%	58%	59%	60%	63%	66%	69%	61%	63%
FFB Shortfall	(151,869)	(145,931)	(140,205)	(133,483)	(126,492)	(119,168)	(111,826)	(105,050)	(108,279)	(111,649)	(115,117)	(118,921)	(123,266)	(128,406)	(134,952)	(139,675)
Total Replacement Costs	501,156	516,191	531,677	547,627	564,056	580,978	598,407	616,359	634,850	653,895	673,512	693,718	714,529	735,965	758,044	780,785
% Depreciated	41%	44%	38%	39%	39%	42%	47%	40%	41%	41%	43%	47%	51%	56%	46%	48%
Annual Funding Threshold	60,139	61,943	63,801	65,715	67,687	69,717	71,809	73,963	76,182	78,467	80,821	83,246	85,743	88,316	90,965	93,694

Email motion FY2102-14:

Resolution by the Snowflake Executive Board

Title: Definition of the Common Element portion of the Heating System

Whereas, over the life of the Snowflake building many owners have freely modified the portion of the heating system within their unit at their specification and expense, and

Whereas, the portion of the heating system which is common has not been formally differentiated from that which is the unit owner's responsibility,

Therefore, in acknowledgement of historic practice, it is resolved that

The portion of the heating system which is a Common Element shall consist of:

- The boiler and related equipment;
- The supply and return pipes from the boiler to and within the second floor ceiling;
- The supply and return pipes entering the ceilings of the second floor units to the point where they connect to the vertical stacks supplying the upper floors;
- The vertical stacks to the units above the second floor;

Branches from those pipes and heating and control devices within a unit are not Common Elements, but are the responsibility of the unit owner. Owner's are not allowed to modify any of the Common Elements, and must adhere to the Renovation Rules regarding changes to the heating within the unit.

This principle shall also apply to heat distribution in units C2, C3, C4, C5, and C6.

Adoption moved by Leo Bennett, November 21, 2011.

Discussion deferred until January 23, 2012 Board Meeting

Email motion FY2012-15: Accept surplus tiles

Resolved, that the offer by Reconstruction Experts to provide 20% surplus USG tiles in lieu of replacing the Armstrong grid with the USG grid is accepted. The Armstrong grid is to be accompanied by a 30 year warranty by Armstrong.

Submitted by: Leo

Date: 12/9/2011

Adopted: 5 Yes, 0 no

Date: 12/12/2011

Email Motion FY2012-16:

I have done further analysis regarding the alarm system choices. As a result, I move that we adopt the following resolution:

Resolved, the proposal by Vision Security to complete the conversion of the alarm system on floors 2, 3, 4, and 5 to wireless at a cost of \$16,725 is accepted.

OPTIONS OFFERED BY VISION SECURITY

There are three options offered by Vision Security:

Option 1: Do repairs to the existing alarm system, with no conversion of residential units to wireless: re-install 25 indicator lights for a cost of \$1,500; do repairs to the system on floors 3 and 4 for a cost of \$1,800 to \$2,500; do repairs to wiring damaged during construction on the 5th floor estimated to be \$2,500 to \$4,000. Total estimated cost: \$5,800 to \$8,000. Some or all of the work on the 5th floor on the 5th floor can be charged to Reconstruction Experts. Estimated net cost: \$3,300 to \$5,800 (all operating fund expense).

Option 2: Convert the residential units on floors 2 and 5 to wireless, do repairs on 3 & 4. This eliminates the need to re-install indicators and do repairs on the 5th floor. The cost is \$12,056, and the repairs on 3 & 4 are estimate to be \$1,800 to \$2,500. The total cost would be \$13,856 to \$14,556. A credit would be negotiated with RE in lieu of the repairs on the 5th floor, estimated at \$2,000. The estimate net cost would be \$11,856 to \$12,556.

Option 3: Convert the residential units on floors 2, 3, 4, and 5, and avoid all repairs. The cost would be \$16,725. Estimating a credit of \$2,000 from RE, the net cost would be \$14,725. (All Reserve Fund.)

ANALYSIS

Eventually we must complete the conversion to wireless.

If we elect Option 1, we will incur the following costs to complete the conversion:

Full conversion of all floors (~Option 3):	\$16,725
Labor to replace tiles with indicators:	600
Increase due to 3% inflation (1 year)	502
Maintenance on existing system (1 year)	<u>3,000</u>
Total additional costs	\$20,827
Original cost estimate: \$3,300 to \$5,800.	
TOTAL FINAL NET COST:	\$24,127 to \$26,627

If we elect Option 2, we will incur the following costs to complete the conversion:

Conversion of floors 3 & 4:	\$4,669
Increase due to 3% inflation (1 year)	140
Maintenance on existing system (1 year)	<u>1,500</u>
Total additional costs:	\$6,309

Original cost estimate: \$11,856 to \$12,556.

TOTAL FINAL NET COST: \$18,165 to \$18,885

If we elect Option 3, the conversion will be complete and we will incur no additional cost to complete it.

TOTAL FINAL NET COST: \$14,725

Additional cost over Option 3 if Option 1 is selected: **\$9,402 to \$11,902.**

Additional cost over Option 3 if Option 2 is selected: **\$3,440 to \$4,160.**

Given that our Reserve Fund can absorb \$14,725, this strikes me as a “no-brainer”, since we also eliminate \$1,500 to \$3,000 of wired alarm system maintenance every year.

Leo

Submitted by: Leo

Date: 1/8/2012

Adopted: 4 Yes, 0 no, 1 abstain

Date: 1/10/2012

EXTRACT FROM CCIOA REGARDING AMENDING DELCARATIONS

§ 38-33.3-217. Amendment of declaration

(1)(a) Except in cases of ...*<<exceptions which do not apply to Snowflake>>*.... **the declaration, including the plats and maps, may be amended only by the affirmative vote or agreement of unit owners of units to which more than fifty percent of the votes in the association are allocated or any larger percentage, not to exceed sixty- seven percent, that the declaration specifies. Any provision in the declaration that purports to specify a percentage larger than sixty-seven percent is hereby declared void as contrary to public policy, and until amended, such provision shall be deemed to specify a percentage of sixty- seven percent. The declaration may specify a smaller percentage than a simple majority only if all of the units are restricted exclusively to nonresidential use.**

Declarations now read:

Article 13: 13.3 Amendments

- (a) Except for provisions in this Declaration for which other amendment requirements are expressly established, and subject to the rights of Mortgagees under Article 14 below and the rights of the lessor under Condominium Leases under section 13.4 below, this Declaration may be amended by a vote of at least 70% of the votes allocated to all Memberships, except that Interest in General Common Elements may not be altered without the approval Of 100% of the votes allocated to all Memberships. If the necessary votes and consent are obtained, the Association shall cause an amendment to the Declaration to be recorded in the Summit County Records.

Proposed amendment:

Article 13.3 (a) is deleted and replaced with the following:

- (a) Except for provisions in this Declaration for which other amendment requirements are expressly established, and subject to the rights of Mortgagees under Article 14 below and the rights of the lessor under Condominium Leases under section 13.4 below, this Declaration, including Interest in General Common Elements, may be amended by a vote of at least 67% of the votes allocated to all Memberships. If the necessary votes and consent are obtained, the Association shall cause an amendment to the Declaration to be recorded in the Summit County Records.

Proposed amendment

Exhibit B is deleted in its entirety and replaced with the following:

(Current table)