

Snowmass Mountain Condominiums Home Owners Association

Board of Directors Newsletter

September 16, 2015

Dear SMC Owners:

The primary focus of this newsletter is to share with Owners the highlights from the 2015 annual HOA meeting and the Board meeting that preceded it. Draft minutes from each of these meetings have been posted to the Owners webpage for review.

Prior to those meetings, the Board forwarded several documents to all Owners – the President’s report which reviewed major Board activity over the past year, the Manager’s report from Jerome Simecek of Snowmass Hospitality, and a Treasurer’s report which included current financials, an analysis of quarterly operating and special assessments for the past nine years, an updated Reserve Study, and a proposed budget for FY 2016 prepared by Snowmass Hospitality.

Of great concern to the Board was the FY16 budget proposal of an increase of 16% in operating assessments (Exhibit D in the financial documents sent to you). The Board rejected this budget and has reduced costs, as follows: landscaping, snow removal, and housekeeping services in the Amenity Building will be outsourced to other companies, starting October 1. Towels will no longer be supplied in the Amenity Building shower and locker rooms, and some services provided by Snowmass Hospitality, such as parking patrols, will be reduced in frequency both in peak and off seasons. As a result, operating assessments for FY 2016 will increase by 6% rather than 16%.

Major maintenance assessments for FY2016 and for the next few years will increase by 15% annually so that the projected shortfall in the major maintenance reserve over the next five years can be gradually decreased. As discussed at the annual meeting, the Reserve Study allows an HOA to anticipate and budget systematically for maintenance needs into the years ahead so that there is less reason for special assessments to handle maintenance projects that arise.

Work on the replacement of flues and fireboxes continues on schedule, and periodic memos have been and will continue to be sent out to owners as the project moves forward this fall. Among the evidence shared with homeowners in attendance that attests to the seriousness of the problem was a piece of charred insulation found in one flue chase. The contractors have also found no insulation whatsoever in some chases, flue pipes blackened by smoke escaping from adjacent flues, and missing firestops – all of which could have led to disastrous consequences for the complex.

Other maintenance projects have been authorized for the fall off-season including the inspection of all original smoke alarms, carbon monoxide detectors, and sprinklers in units; wildfire mitigation in the vegetation adjacent to Buildings A and B as recommended by the Fire Marshall; and repair of weather stripping and known leaks in windows. The Board is moving forward with the process to request proposals for management of the complex from additional management companies, including our current manager, Snowmass Hospitality. A full review of proposals is scheduled for early spring with a goal of signing a new management agreement by the end of April 2016.

Election of Directors for the two open Board seats resulted in the selection of Chris Madigan and Carl Vill. Lori McCool was thanked for her years of service as Treasurer to the HOA.

The new Board met on September 16 to elect the following slate of officers for the coming year: **President**- Mike Mitchell, **Vice President**- Kirk Samsel, **Treasurer**- Chris Madigan, **Secretary**- Greer Fox, **Director**-Carl Vill.

Board members are Owner volunteers with diverse skills and perspectives, elected by the HOA for three-year terms. Individually and as a group, Board members spend countless hours serving in office and attempt always to act with the best interests of the Owners in mind. Owners are encouraged to contact any of the Board members with questions, comments, and concerns.

On behalf of the Board,

Greer Fox, Secretary

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