

BOOMERANG LODGE CONDOMINIUM ASSOCIATION, INC.

MINUTES OF ANNUAL MEMBERSHIP AND BUDGET MEETING

**Telluride Room – Wilkinson Public Library
July 15, 2005
11:00 A.M.**

The annual membership and budget meeting of the members of the Boomerang Lodge Condominium Association, Inc. was held on July 15, 2005, at 11:00 A.M., in the Telluride Room of the Wilkinson Public Library in Telluride, Colorado.

I. Calling of Roll and Certifying of Proxies.

Owner Members Present via Conference Call (#9773819): Sandy Kryle (Unit 5) and Ricki Mikkelson (Unit 10).

Owner Members Present at Meeting: Mike Rich (Unit 8), Janie and Steve Goldberg, Vice President (Unit 4), Charles Jackson (Unit 12).

Owner Members Present by Proxy: Shawn and Cindy Greenwood (Units 1 and 2) and Michael Schoo (Unit 6) by proxy to Steve Goldberg; Christopher and Eva Liu (Unit 7) by proxy to Michael Schoo (proxy void); Jeff Dunaway (Unit 11) by proxy to Steve Patterson and Judi Balkind (HOA manager). [Judi: If this should be just "Steve Patterson," should it also say "(proxy void)"? I don't see Steve Patterson listed as present.]

Absent: Clay Fry (Unit 3).

Also Present: Judi Balkind, HOA Property Manager.

Judi Balkind stated that a quorum was present. The meeting was called to order by Steve Goldberg.

II/III. Proof of Notice of Meeting or Waiver of Notice; Reading and Approval of the Minutes of the Annual Membership Meeting held on May 19, 2004.

Motion was made by Mike Rich to approve notice of the meeting. Sandy asked why less than 24 hours' notice was given of postponement of the meeting until July 15, 2005. Steve said there was a medical emergency. Judi apologized and said she thought she had called people in time, but she did not. The motion was seconded by Charlie Jackson. Sandy Kryle opposed the motion. The motion passed.

Steve Goldberg moved the Minutes of last year's annual meeting be accepted as presented. Charles Jackson seconded the motion. Motion passed unanimously.

IV/V. Reports of Officers/Committees.

There were no officer or committee reports.

VI. Election of Directors.

Steve Goldberg stated that Jim Gallagher has sold his unit and moved out of the building. Jim had two years remaining on his term and he needs to be replaced. Michael Schoo's unit is for sale and will stay on until his unit sells, if needed. Steve Goldberg's term has expired.

Judi stated that the Goldbergs, Shawn Greenwood and Michael Schoo nominated Steve Goldberg (two-year term). The nomination of Steve was seconded by Ricki Mikkelsen. Sandy was nominated by Rikki and seconded by Steve Goldberg (one-year term). Steve Goldberg nominated Michael Schoo. Charles Jackson seconded the nomination of Michael Schoo for a one-year term. The Directors named the following officers:

President	Steve Goldberg
Vice President	Sandy Kryle
Secretary/Treasurer	Michael Schoo

If Michael's unit sells and he resigns, he will be replaced at that time in accordance with the instructions in the Declarations.

VII. Unfinished Business

a. Financial Statement Review – FYE 2004-2005. Judi said everyone's packet should contain a one-page financial review. For fiscal year ending March 2005, there was a loss of approximately \$14,000.00, comprised of:

- A bad debt expense from John Yankee that had to be written off (\$6,100.00)
- Ending of legal expense with Scott Erickson (\$1,205.00)
- Interior painting expense (\$6,043.00) – Even though the painting expense was on the Income Statement, it is reflected in the Balance Sheet. The money was taken from the Painting Reserve Fund.

Judi said some other items that were over budget were:

- After a failed attempt to repair the old garage door heater, a new garage door heater was installed in the garage.
- Repairs were made to the garage door after it was knocked off its hinges.
- A sensor on the hot tub kept tripping off the electrical meter. This was repaired. Some parts were covered by warranty, some were not. No major expenses are foreseen for this year.
- Lawn care maintenance was over budget.
- Snow removal (ground and roof) was over budget. Judi said there was a significant amount of snowfall this year. Even though there are heating systems, snow and ice still need to be removed when they build up.
- General maintenance (interior) – A new chandelier was purchased for the interior to replace a broken chandelier.

Minutes of Annual Meeting of
Boomerang Lodge Condominium Association
July 15, 2005

- There was a water leak in Unit 13. The HOA paid the expense (\$785.00) because it was not enough to file an insurance claim.

Judi said the HOA was under budget in the following items:

- Alarm system and repair
- Carpet cleaning – Leo Brennis, who is the common area cleaner, also does the carpets and gives the HOA a great rate.
- Insurance – under budget due to timing.
- Electric, gas and water – under budget even though gas prices have gone up. Judi said they have been diligent to shut off the heat melt system in March.

Discussion followed concerning the following items:

- The insurance deductible is \$2,500.00. Judi indicated insurance companies are changing; she said State Farm's lowest deductible for HOA's is now \$10,000.00.
- There were two repairs to the garage door. One cost \$315.00 and the other \$106.00. Someone hit the track on one; and on the other, a part broke on the garage door opener. Suggestion was made by Steve Goldberg that: where the garage door opens, there is probably enough clearance to take a piece of 2" galvanized pipe, drill a hole into the concrete and flange it off to the side about 4' up to protect the tracks (like a bollard, but attached). Mike agreed the suggestion might work. Steve Goldberg will ask Marcel (works for San Miguel Building and Spa and is a handyman/maintenance person) to give the HOA a price for the work on both doors.

- b. Completed Project Review – Painting of Atrium. Judi said the Atrium was painted light beige. The first painter did not finish the job; however, a second painter was hired and completed the job in August last year for the same cost bid by the first painter.
- c. New Lobby Furniture – Remodel of Atrium with New Furniture and Accessories. Judi said this has not been accomplished because there was not enough money in the reserve to fulfill the planned project. Suggestion was made that the HOA needs to be careful that the furniture remains in the Atrium and is not stolen or placed elsewhere. Request should be made of the cleaning person that they notify management immediately if anything is missing from the Atrium. Judi said Janie Goldberg has done a quick sketch that the owners might want to review. Her plan would cost about \$8,000.00. Part of the plan would be to remove the larger couches and put in smaller tables and club chairs to allow more usage. Couches might be placed at the other end where people could sit and read and look at the gas fireplaces. Discussion followed. Judi asked whether the owners want to pursue this – acquire a plan, a budget and dollar figures. There was agreement that this is a good idea, but maybe it could be done in phases. Suggestion was made that a price be acquired for recarpeting the Atrium also. The lobby furniture matter will be tabled until more information is available for cost, etc. A letter will be sent to the membership regarding whether they want to do this. Concern was raised about borrowing money for this project. Judi said that if the owners want to include this expense in the present operating budget, the quarterly dues would need to increase. It could also be paid for through special assessment. Judi said the Reserve Fund is not large and should

not be depleted for this project. Judi suggested a time frame of three months to get a packet together, then send the packet to the members for their input.

New Business

- a. Proposed Budget & Dues Review – FYE 2005-2006. Judi reviewed the dues schedule, noting a slight increase. Judi said she's tried to be conservative, yet tried to be sure all services needed would be provided for. Judi said:
- The landscapers do a good job and are within the HOA budget.
 - The common area cleaner has done a good job (on a contract basis).
 - The hot tub maintenance people have done a good job.
 - There was a lot of snow removal required last year, and Judi said she allocated for the same amount this year.
 - Insurance costs are stabilizing, so there was not a large increase.

Judi said the budget is close to last year's with a slight increase. Comment was made by Steve Goldberg that Judi is doing a good job with respect to the budget, as other HOA's of which he is aware are also increasing dues. Steve Goldberg moved to approve the budget for 2005-2006. The motion passed unanimously.

- b. Proposed Project Review – FYE 2004-2005. Judi said there is a new roof, there is a new hot tub, the exterior of the building might need to be painted in the next year or two, locks have been put on the doors, and the Atrium has been painted. The following projects were discussed:
- Lobby furniture was discussed above.
 - Steve Goldberg said Shawn Greenwood asked him to look into what it would take to get approval for decks and gas fireplaces. Steve said he will check with the Town on this. Mike Rich said he agreed with the idea of decks and fireplaces, but does not agree with Shawn's plans for such. He said he thought they should be stand-alone decks. Mike Rich said he thought fireplaces had been discussed previously and some members were reluctant because they didn't want someone having a gas fireplace above or below them. He stated there are gas fireplaces that are completely enclosed, so that people can't burn things in them. There are also direct fireplace vents that go straight out of the building and don't affect roofs or anything else other than that owner's individual space. Steve Goldberg said he will pursue this with the Town and require that the fireplaces be totally enclosed and direct vented with approved venting mechanisms on the outside. Steve said there would be a requirement that the decks be approved also. Concern was raised about Town control over the fireplaces. It was noted that the fumes from gas fireplaces dissipate almost immediately and would not be a problem.
 - Charles Jackson asked (with regard to decks) about the option of putting dormers on the roof. Steve Goldberg said it would be an option only if someone wanted to do it. It would involve the Town and they would have to indemnify the HOA if they touch the roof. Discussion followed. Comment was made that it would be important that the HOA have control over dormers. The HOA should approve both the design and the contracting work. This matter was tabled until such time as an owner wants to add a dormer.

Minutes of Annual Meeting of
Boomerang Lodge Condominium Association
July 15, 2005

- c. Tax – Resolution for the Association’s Excess Income. Judi said the minutes of each annual meeting must reflect a resolution concerning where to apply any overage in income. She said most associations retain the overage in their operating accounts. If the overage is put into a reserve account, it must be designated for a specific purpose. Judi asked for such a motion just in case she has reclassified anything incorrectly and an overage results when any mistake is rectified. Steve Goldberg moved to retain any overage in the operating account. The motion was seconded by Charles Jackson. The motion passed unanimously.
- d. Sale of Adjacent Lot. Steve Goldberg said this sale has been consummated and approved by Planning and Zoning. They have been given a density increase of three units, so it is now up to nine units including one unit of affordable housing. It will probably be a modular building and will go up quickly. The concern at this point is access to parking spaces below the hot tub deck.
- e. Other – Loss of Parking Spaces Due to New Building. Mike Rich commented that at present the property line on the south side of the building is 10’ off Boomerang’s building. Their building could be right on the property line; and if not, they will put some barrier there to protect their own property lines. Note was made that the south side of Boomerang will probably be in the shade, including the hot tub. Boomerang owners/tenants are not going to be able to turn in to the deck or back out from underneath the back deck as at present. Discussion followed. Mike said he watched a woman back her small car from under the deck and marked the spot where her car ended up. He said there is no way she could have done it without backing onto the adjacent property. Discussion ensued about whether or not parking spaces could be added (and whether or not the Town would approve same):
- At the end of the building
 - On the grass area (as a last resort)
 - Along the north side of the transformer via a driveway east along the north side of the transformer to drive under the deck to parking 90° from where it is now

Suggestion was made to put a post in the middle of Boomerang’s right-of-way (in the middle of the driveway) so a vehicle could be driven off the street **but not as far as the electric box**. The HOA could see what happens this year, and then it would know whether there was a possibility for one or two parking spaces there. Discussion continued. Note was made that with the increased building and fewer parking spaces available, Boomerang is going to need to protect its parking.

Steve was asked to acquire a feeling from the Town about what it will allow. Steve said he may approach it from the point that the Town has given the other lot so much density that it will impact Boomerang’s parking. He will then ask the Town for suggestions and/or thoughts on the suggestions made hereinabove for additional parking spaces at Boomerang. Discussion continued.

Ricki Mikkelson said when “they” were at Boomerang in February, very few people were staying in the building, but they could not get a parking space in the garage. She said she

Minutes of Annual Meeting of
Boomerang Lodge Condominium Association
July 15, 2005

knows there are passes to display on cars, but there didn't seem to be anyone who had them. Charles Jackson said he had the same problem in March. Discussion followed. Steve Goldberg said short of putting in a card or code system, he didn't know what else could be done. He said he thought the tenants in Gallagher's unit have more than the allotted number of cars in the garage. Suggestions will be appreciated. Judi suggested stickers on the cars of those who belong in the garage. Mike Rich suggested stickers that are really hard to remove for cars that are not authorized to be in the garage. Judi said they will try their best not to sticker owners' cars but find out who the cars belong to first. The HOA has the authority to tow cars; however, it is "next to impossible" to tow a car out of the garage. Hang tags can be used for owners. ResortQuest, Accommodations, Mountain Management and Telluride property managers present a problem and need to be made aware that they can only use one space. If there is a problem, call Judi first. Rikki Mikkelson said no matter what else is done, there should be a way to identify the vehicles that belong in the garage (tag, etc.).

Other Business

Rikki Mikkelson said there is a padlocked storage area below the stairs. It is unknown who owns the property inside the storage area. Judi will have the lock cut off and find out what is inside. Rikki Mikkelson said some of such space could be used for storage for the rental agencies.

Rikki Mikkelson asked that more notice be given before a meeting. She said she doesn't need a full agenda, just notice so she can arrange her schedule to plan for the meeting. Steve Goldberg said an attempt would be made to give more like the 30-day notice.

Upon motion, the meeting was adjourned.

Respectfully submitted,

Judi Balkind, Property Manager