

Snowcrest Condominium Unit Owner Association, Inc.
November 13, 2014

Dear Snowcrest Homeowners:

The Snowcrest Executive Board held its regular meeting on November 1, 2014. The Minutes of that meeting are attached. They along with the Financial Report will be posted on the website soon. The highlights of that meeting follow. **PLEASE NOTE THAT THERE HAS BEEN A SIGNIFICANT CHANGE IN THE FIREPLACE SITUATION. (SEE BELOW)**

Meeting highlights:

- Allan McVey, our insurance broker, attended the meeting and reviewed our insurance situation. We had an onsite inspection by the Risk Control Consultant for Travelers Insurance, and he made several recommendations. At the time of that inspection, he did not state that capping the fireplaces was mandatory, but suggested that we continue to encourage Homeowners to do so. However, several weeks later we received a notice that our insurance policy was not being renewed. Allan discussed this with the insurance company and was told that it was due to the deteriorating fireplace situation. He placed our policy out for bids and did not receive any quotes from other insurance companies. He told the Board that this was not surprising, as the trend in the industry is to not insure complexes that have wood burning fireplaces, or to increase the premiums anywhere from 30 to 200 per cent. This could cost us anywhere from about \$8,000 to \$54,000 in additional premiums. Refer to the attached Minutes for more details. After discussion with the insurance company, they agreed to renew our policy with the assurance that all chimneys would be capped and burning of materials would be prohibited. As our policy expires on November 13, 2014 and we are required to provide insurance, the Board took the following actions:

Rescinded the action taken at the Electronic Board Meeting of September 10, 2014 which stated:

Effective immediately, wood or other materials may not be burned in the fireplaces.

Homeowners have the following options;

1. Make necessary repairs to the fireplace. Said work must be performed by a certified chimney sweep. The Homeowner shall be responsible for all costs.
2. Cap the fireplace and not use it.
3. Install an electric fireplace. The Homeowner shall be responsible for all costs.

Unanimously passed the following motion:

Effective immediately, wood or other materials may not be burned in the fireplaces

Homeowners have the following options:

1. Cap the fireplace and not use it. **(NOTE: As required by the insurance company, all fireplaces have been capped. Homeowners do not need to take action.)**
2. Install an electric fireplace. The Homeowner shall be responsible for all costs.

Please understand that none of us wanted to end the ability to burn wood in the fireplaces. The Board considered all options, but due to the deterioration of the chimneys, the costs of repairs and the position of our insurance company we really had no choice. Before this situation occurred, over half of the Homeowners had already changed over to electric inserts and apparently have been quite satisfied with the results.

- We will be changing our internet service and expect to see SIGNIFICANT improvement. Also, we will be changing our telephone service which will now include unlimited long distance and other features. We are also improving our TV service which will include more channel choices (in about 8 weeks). There will be increased costs for these improvements, but they will be offset by the savings in firewood and the costs of chimney inspection and sweeping.
- There will be no increase in Association Fees for 2015.
- As Marc and Kandy Ramos sold one of their units, Marc was required to resign from the Board. Lisa Dandeleit was elected Vice President of Operations and Terri Shelton was elected Secretary. The Board decided to not appoint someone to fill Marc's position, as his term expires in three meetings, and it was the consensus of the Board that the Homeowners should be able to elect the new member.
- The Board contracted with Marc Ramos to provide consultant services regarding operations at a cost of \$1.00 per year.

Finally, **MARK YOUR CALENDARS!** Homeowners Weekend will be the weekend of August 1, 2015 to coincide with Snowshoe's Blues, Brews and Barbeque. There will be an Executive Board Meeting on July 31st at 7:30 PM. The Homeowners Meeting will be on August 1st at 9:00AM with an Executive Board Meeting to follow. The cookout and entertainment will be in the early evening with more details to follow.

David Roach, President
Snowcrest HOA