

Lake Dillon Condominiums
Board of Directors
Meeting Minutes
November 17th 2007

The meeting was called to order by President Forrest Scruggs at 2:00pm. Additional Board members present were Dave Love, Jim Swift, Lynn Bergren, Marilyn Yeager and Carl Botti by phone. A quorum was present. Peter Schutz and Sandy Greenhut were present of behalf of Summit Resort Group. Wilda Swift was present as a guest.

1. The minutes of the August 10th, 2007 Board Meeting were distributed and reviewed. A motion was made by Carl Botti, 2nd Jim Swift to approve the minutes as written. The motion passed.
2. Dave Love gave the financial report. He summarized the association's cash position as well as income/expenses for the year through October 2007. The total cash position is good and on target with the current reserve plan. Operating net income is approximately \$4,000 behind budget due to overruns on repairs and maintenance, insurance (increased building values) utilities, (higher natural gas expenses), and rec room expense. Snow removal, water and sewer, and landscaping were under budget. Discussion followed including the presentation of the 2008 proposed operation budget. Dave reviewed expense items line by line and what the anticipated amount for next year would be. It was agreed that due to increases in several categories, especially natural gas, a dues increase would be necessary. A motion was made by Lynn Berggren, 2nd Jim Swift to approve the 2008 operating budget with a 3.6% increase in dues. New dues amounts to be \$345 for a one bedroom and \$570 for the two bedrooms. As part of the budget discussion the management contract extension was brought up and deferred until the management company report.
3. Peter then gave the management company report. He advised that on site manager Bernie Romero had completed a number of fall winterization projects and there were no pending major projects. Under the rental report, Sandy advised that a number of units have been rented on a monthly base at market rents of \$1,500-\$2,000 depending on the length of lease. Peter commented that business for the ski season was ok but that the lack of snow has slowed down booking activity considerably. He also reported that SRG will add on line booking and owner calendar features to its software package in the next month. The next item discussed was owner remodel projects. It was agreed that any owner who intends to remodel must notify the Board and the management company and complete the proper form for Board approval. Licensed contractors must be used along with proof of insurance from and contractor working at the complex. Lynn strongly recommended that an individual water shut off be required as part of any plumbing remodel. SRG will pursue creating the remodel form, posting in on the web site, and notifying owners. The next item discussed was the extension of the property management agreement between Summit Resort Group and Lake Dillon Condominiums. Dave Love advised that Peter (SRG) agreed to hold the monthly management fees the same as part of the 2008 budget. He proposed a 3 year contract renewal with a 3% increase beginning in the second year for two years. And a 1% increase in the

short term rental commission also beginning in the 2nd year. After discussion, a motion was made by Carl Botti, 2nd Marilyn Yeager to extend the management agreement between the two entities for a period of three years with the terms as stated. The motion passed unanimously.

4. Under old business, Forrest reported on his discussions with Bill Pritchett, the president of the Point Dillon HOA about acquiring the land in front of the complex from the Town of Dillon. After some discussion all agreed this was not a prudent use of present or future association funds.
5. Under new business. The status of the long range planning committee was discussed. Dave advised that comments and feed back had been received from a few members but the group had made minimal progress. Jim Swift stated the need for a chairperson to get things moving. The following action items were taken:

- Dave Love will assume the chairperson role.
- “wish lists” of priorities will be sought from committee members
- consideration to be given to using an architect to assist in recommendations and developing a plan. Cost not to exceed \$2,000.
- a conference call will be scheduled after the holidays to discuss all of the above.

Also under new business the proposed maintenance agreement for the front lawn requested by the Town was reviewed. The consensus was no one was in favor with the agreement as presented. Peter will meet with the town planner and town manager, express the Boards concerns and try to get them to agree to simpler agreement which the Board can evaluate in the future.

6. The next Board meeting was scheduled for April 18th, at 2:00pm. with no further business, the meeting adjourned at 4:15pm.