

## **Lake Forest Condominium Association Annual Association Meeting Saturday, July 2, 2011**

The Annual Meeting of the Lake Forest Condominium Association was held at the Summit County Commons in Frisco. Present were 34 owners attending the meeting representing 22 units and 11 proxies were received for a quorum. President Dave Haraway called the meeting to order at 3:03 PM. The Board of Directors was introduced and attending owners introduced themselves.

**Minutes.** *The minutes from the July 3, 2010 Annual Meeting were approved (unanimous).*

### **Property Management Report.**

Dave Haraway introduced Mike Castaldo from Premier Property Management. Premier is the site management company at Lake Forest. The contact number is (970) 513-9257. Mike indicated the painting project was underway. The project had a later start due to weather. Building F is nearing completion and work will be started shortly on Building E. Dave indicated the quality of the current painting project was intended to be better than the last one as up to three coats of paint were being applied to saturate the siding. This application method was intended to treat the dryness of the existing siding to defer as long as possible the next paint job. The lower boards on the lakeside of Buildings A to D were replaced with a synthetic product last year. Replacement of the siding of the buildings will continue to be evaluated in the future. The exterior light fixtures were being replaced as part of the work. The new lights conform to current down lighting code standards. While good intention is understood, owner "self-painting" of deck and railing areas is not allowed to maintain a consistent quality throughout the property.

Bob Bruyn reminded owners that a laminated summary of the Rules and Regulations was provided in each unit. Owners who rent their unit are responsible for the tenants and their rental company complying with the rules. The rules are available on the website [www.lakeforestfrisco.com](http://www.lakeforestfrisco.com). There was a discussion regarding enforcement of the pet rule and potential modifications to the current policy. The ownership encouraged the Board to review the pet policy.

An owners list was passed around for those attending to update address, phone and email contacts. Updating the contact information is important for timely owner notification. Most information from the Association is distributed via email. The documents of the Association required owners to provide an access key for maintenance and emergency purposes.

Dave summarized the work at the Association to prevent water intrusion into the building foundations from cracks and seams. The work includes water proofing, and the directing of ground and drainage water around the buildings. The repairs are expensive and it remains to be determined if all of the problems have been found or the repair work done is a permanent solution. There was a discussion regarding if insurance would cover any of the problems. The Lake Forest master insurance policy provides additional coverage for unit damage from foundation leaks, but not the repair of the source of the leak. The access to correct the foundation water intrusion problem in Building A resulted in a decision to move two large spruce trees for access rather than cutting them down.

The ownership was reminded that all owners should have individual insurance, referred to as HO6, to cover their individual contents, the master policy deductible, unit improvements, and personal liability that is not covered by the master insurance policy of the Association.

There was an owner question regarding the increased noise from the Interstate caused by the removal of trees by CDOT on their property. The Board was requested to pursue the issue of increased noise with CDOT caused by the expansion of the highway entry ramp and the removal of the trees.

The spas were operating satisfactorily with nominal maintenance. The expectation at this time is a major replacement of tubs and the components will be necessary in the next three to five years.

The subject of roof ice falling and damaging gas meters was discussed. The problem has been reviewed by the Board. There is no easy solution as some of the buildings have windows in locations that would not allow for a cover to be installed.

The replacement of windows and the screens is the responsibility of the owner. There was a request to obtain a cost to repair the window screens and screen door screens as a group and allow owners to participate if desired.

Owners are responsible for the replacement of sliding glass doors with the replacement subject to architectural approval. Two doors, the Marvin Infinity Series (\$4,750) and the Quaker Contemporary Series (\$1,500), have been approved by the Board. Information on the doors can be provided by the Association upon request.

**Financial Report.** Treasurer Gary Cushner presented the financial report. The 2011 budget is currently projected to have a loss of \$5,600. The painting project should be within the budgeted amount of \$150,000. The foundation leak repairs may adversely affect the budget. 45% of the operating budget is for property management with 22% for Premier and 12% for snow removal. Other categories were 7% for financial and legal, 38% for utilities, and 8% for insurance. The total cash held by the Association as of the end of May was \$95,562. The receivables from owners were a high of \$20,500 in 2008 (including the deferred roof assessment) and currently are at \$2,100. The Association has a line of credit secured by the unit owned that currently has a zero balance.

The assessments for 2012 would be determined based on the pending projects and the future reserves necessary. Funding for future reserves was discussed at prior owner meetings and the schedule is available on the website. The correction of the foundation water intrusion was currently not part of the reserve fund schedule.

The 2011 property tax valuation for Lake Forest decreased in total by 14.7%. The average decrease in Summit County was 20%.

**Bylaws.** A modification of the bylaws to reduce the number of members on the Board of Directors from seven to five was included in the meeting notice and the meeting agenda. *A motion was made and seconded to amend the Bylaws reducing the number of members to five. (Unanimous).*

**Board of Directors Election.** There was one position available on the Board. The term of Jude Kirk, Unit 304-A, was ending. Jude had been previously appointed to fill a vacancy. Jude was nominated to continue on the Board. There were no other nominations. Jude Kirk was elected by acclamation.

**Other.** There was a discussion regarding the use of pea gravel mulch compared to bark mulch on the lakeside of Buildings A to D and drainage improvements from the lower decks. Some owners continue to experience hot water heater blowout problems. Various corrections have been tested and none have been successful. The use of a reignitor has been successful for some units, but may be subject to burnout and is expensive to replace. Some plumbing companies do not feel they are safe. A suggestion was made for all owners to install a collection pan under their water heater to protect the unit below for any water heater failure. A survey at the meeting indicated most owners did not have a pan installed. A strong recommendation was made for all owners to consider the pan installation as a prudent safety device. Installation of washing machine hoses with auto shut offs is another owner installed item that can minimize damage to other units. The option of "tankless" water heaters was discussed. There are varying opinions regarding if the "tankless" heaters can provide sufficient water as a retro fit to handle multiple hot water uses. Some of the deck support posts on Buildings A and B were rotting and would need to be replaced. There is a problem with cement cracking on the lower decks. Replacement of the deck boards with synthetic material was a future reserve project. The Association has used resident phone lines to connect the building fire system controls for cost savings. The connection normally does not affect the resident, but the number of owners with hard wired phone lines was decreasing. An owner expressed his dissatisfaction with problems caused by the fire system tap in.

The meeting was adjourned at 4:30 PM. All owners were invited to attend the BBQ potluck following the meeting at the Spa Area. The hamburgers and brats will be provided by the Association. Premier is providing beer and soft drinks.