

**CINNAMON RIDGE III CONDOMINIUM ASSOCIATION  
ANNUAL MEETING  
JULY 7, 2007**

**I. CALL TO ORDER**

The Cinnamon Ridge III Condominium Association Annual Meeting was called to order by Mike Black at 9:05 a.m. on Saturday, July 7, 2007 in the Oro Grande Meeting Room.

Board Members Present Were:

Mike Black, President, D222

Mike Pederson, Treasurer, B101

Fred Davison, Director, B302/C312

Larry Glover, Director, B104

Kevin Donofrio, Director, C112

Owners Present Were:

Lee Johnson, B103

Kathy Glover, B104

Ramana Bruce, B202

Patrick Quinlan, B204

Michael Preble, C212

Cindy Shaw, C313

Grant Hogarth, D221

With twelve units represented in person and seven proxies received a quorum was reached.

Representing Summit Resort Group was Kevin Lovett. Erika Krainz of Summit Management Resources transcribed the minutes from tape.

**II. PROOF OF NOTICE**

Notice of the meeting was sent June 7, 2007 in accordance with the Bylaws of the Association.

**III. APPROVE PREVIOUS MEETING MINUTES**

Fred Davison made a motion to approve the minutes of the July 8, 2006 Homeowner Meeting as presented. The motion was seconded and carried unanimously.

**IV. FINANCIAL REPORTS**

Kevin Lovett mentioned the Association operates on a calendar fiscal year.

*A. 2006 Year-End Review*

As of December 31, 2006 the Association had an Operating balance of \$18,442, with \$19,027 in the Reserve money market account and \$49,646 in the Reserve account.

The December 2006 Profit and Loss statement reflected that the Association ended the year \$3,123 under budget in the Operating account. The variance was mainly due to savings in common area cleaning, utilities, the Contingency fund, landscape labor and landscaping contracts.

**B. 2007 Year-to-Date Review**

As of May 31, 2007 the Association had an Operating balance of \$21,305, with \$19,417 in the Reserve money market account and \$62,058 in the Reserve account.

The May Profit and Loss statement reflected that the Association was \$8,504 under budget in the Operating account. This variance was mainly due to savings in legal fees, utilities, snow removal and the Contingency fund.

**C. 2006 vs. 2007 Balance Comparison**

Kevin Lovett provided a comparison of the financial position as reported at last year's versus this year's Annual Meetings:

2006 Annual Meeting Report for 2005 Fiscal Year-End	2007 Annual Meeting Report for 2006 Fiscal Year-End
1. Operating - \$21,459	1. Operating - \$18,422
2. Res. Money Market - \$18,181	2. Res. Money Market - \$19,027
3. Reserve - \$55,613	3. Reserve - \$49,646
4. Overall - \$7,013 under budget	4. Overall - \$3,123 under budget
Year-to-Date as of May 31, 2006	Year-to-Date as of May 31, 2007
1. Operating - \$7,267	1. Operating - \$21,305
2. Res. Money Market - \$18,490	2. Res. Money Market - \$19,417
3. Reserve - \$50,201	3. Reserve - \$62,058
4. Overall - \$7,545 over budget	4. Overall - \$8,504 under budget

In summary, the financial position has improved as a result of the dues increase and increased Reserve contribution with balances growing and the Association operating under budget.

An owner asked if there was a Capital Project Plan going out ten years. Kevin said a copy was included in the packet. It is reviewed and updated at every Board Meeting. The balance at the end of this year, after all projects are completed, is projected to be \$48,402. Next year it grows to \$52,962, at which point there will be a large expense for repainting, and the balance will drop to about \$6,000.

Kevin mentioned that owners could check the financial reports online at the Association website [www.SummitResortGroup.com](http://www.SummitResortGroup.com).

**V. PRESIDENT'S REPORT**

Mike Black said over the past year there has been uniformly positive reaction to the internet service. The Board strives to keep the value of the property up through capital improvements and ongoing maintenance. Recent sales indicate the property represents a great value in a great location.

Last year the financial future was not looking good. Since that time, all account balances have improved significantly. The Capital Project Plan had many negative numbers in it last

year. The increased contribution has improved the situation. He thanked the owners for supporting the Board's recommendations.

Next year Kevin will send the meeting packet to all owners prior to the meeting to give them an opportunity to review the information in advance.

Mike said the Association was completing the second year of management with Summit Resort Group. He is very pleased with the appearance of the property overall; the curb appeal has been much improved over past two years ago. Fred Davison encouraged the owners to thank the on-site management staff for their efforts.

## **VI. MANAGING AGENT'S REPORT**

### *A. Completed Projects*

1. Repaired subfloor, built new support wall and waterproofed and recarpeted hot tub area.
2. Replaced B Building boiler room concrete floor.
3. Boiler was inspected and flushed the hot water heater.
4. Sprayed the trees against pine beetles.
5. Cleaned unit dryer vent duct.
6. Cleaned and inspected unit fireplaces and chimneys.
7. Repaired and painted EFIS.
8. Worked on drainage and asphalt in parking lot.
9. Installed high speed internet.
10. Replaced hot water heater in D Building.
11. Repaired B Building steps.

### *B. Pending/Planned Capital Projects for 2007*

1. Repair subfloor, waterproofing and carpet replacement on front of B Building hallways and B Building back decks. The tear out will be done on July 9, the subfloor and waterproofing work will be done July 10 – 13 and carpet will be installed July 16 – 20. Notice of the schedule will be sent to all owners. Owners were asked to clear their decks if possible.
2. Stain unit back decks on C and D Buildings. Mike Black said two different types of stain were tested on two decks. The Board was not satisfied with either stain and would like to try a third product with more pigment on another deck. Grant Hogarth volunteered his deck for the test. The stain will be applied in the next week or so and allowed to sit for a few weeks.
3. Improvements to B Building front walkway to parking lot.
4. Replace siding and touch up painting as needed.

## **VII. NEW BUSINESS**

### *A. Pet Policy*

Mike Black reported that pets had not been a problem in the past but recently a question was raised regarding renters having pets. Kevin Lovett sent a recap of the statement in the Declarations pertaining to pets. Owners are permitted to have pets

with notification to the Association. Renters are not permitted to have pets. An owner apologized; he said he was not aware of the policy and had rented to a guest with a pet for one week over Christmas vacation. Owners were asked to email Kevin Lovett with a description of their pet before they arrive. An owner suggested providing local kennel information on the website. Fred Davison reminded owners to be considerate of the other owners, especially regarding picking up after pets.

**B. Noise Transmission Through Floors**

Larry Glover reported a situation had arisen with a unit that replaced the carpet with tile, creating a noise issue for the unit below. Mike Black advised that the Declarations do not regulate the replacement of flooring. Mike said, however that the STC (Sound Transmission Coefficient) rating between floors should be maintained. Stone and tile flooring obviously transmit more sound, but there are products that can be used to underlay those surfaces to improve soundproofing. He encouraged owners to use such a product if they install a hard floor surface. The Declarations specify that the Association must be notified of interior renovations. This mainly pertains to general building systems such as heating, plumbing and the structure, but any action that will affect neighbouring units, such as turning off the water or electricity, requires notification of the Association and the management company.

Larry Glover said something needed to be done for the unit with the existing tile floor, such as adding signage reminding occupants to “walk softly” or adding area rugs. Owners who are experiencing problems with noise should contact management.

**C. Bike Storage**

An owner mentioned there were numerous bikes around the property and wondered if a storage area could be created. Mike Black said he had been looking for a space for years but had not identified any suitable location. Larry Glover mentioned there might be space under the deck of the B Building on the ground level. Fred Davison suggested extending the bathroom area by the hot tub to create a separate structure. Kevin Lovett was asked to research this proposal further.

**VIII. ELECTION OF DIRECTORS**

Mike Black’s term expired this year. The ballots were sent to all owners prior to the meeting. A motion was made and seconded to open and tally the mail-in ballots. The ballots were tallied and Mike Black was re-elected unanimously.

**IX. SET NEXT MEETING DATE**

The next Annual Meeting will be held on Saturday, June 28, 2008 at 9:00 a.m. The Board and owners recognized the management team for their efforts.

**X. ADJOURNMENT**

With no further business, the meeting was adjourned at 10:25 a.m.

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_

**Board Member Approval**