

CINNAMON RIDGE II CONDOMINIUM ASSOCIATION
ANNUAL HOMEOWNERS MEETING MINUTES
OCTOBER 1, 2014

The meeting was called to order at 9:00am. Owners present were Eugene Ford, Jud McDonald, Ward Rikala, Jonathan Barr and Mary and Jim Cramer. Units A2, A4, A9, and A 10 were represented by proxy. A quorum was present. Kevin Lovett was present on behalf of Summit Resort Group Property Management and Peter Schutz attended by phone.

I. The minutes of the 2013 annual home owners meeting were reviewed. Mary Cramer made a motion to approve; Ward seconded and the motion passed.

II. Financial Report

Kevin Lovett of Summit Resort Group reported on the following:

August 31, 2014 close financials Balance Sheet reports that we have \$565.29 in operating and \$2,571.95 in Reserves.

August 31, 2014 close Profit and Loss Statement reports that we are \$1045 under budget in operating expenses. However, \$2016 of the “underage” is due to delay of reserve contributions.

Areas of major expense variance were reviewed to include:

Landscape \$726 over

Reserve contribution - \$2016 under

The Board and Owners discussed the cash position of the association.

Historically, dues have been kept low and special assessments have been carried out to build cash and complete major projects. It was noted that currently, there is only \$565 in operating cash with nearly \$3000 in outstanding accounts payable and another \$2016 that is owed to the reserve fund. It was noted that SRG has been carrying the HOA financially for the past few quarters. Owners present recognized the need for additional monies to be collected to pay owed accounts payable and make up the monies owed to the reserve fund. Gene Ford presented multiple funding options to include plans for special assessment as well as an increase to regular dues. Upon review, Ward moved to approve a funding option to include a \$600 per unit special assessment due November 1st and a \$50 per quarter increase to operating dues to begin January 1, 2015; Jonathan Barr seconds and the motion passed.

The proposed Operating Budget for 2015 was reviewed. Individual expense line items were reviewed; expense changes from 2014 to 2015 included:

504 Insurance – decrease, \$109 annual

505 Management fees – no change

507 Postage – decrease, \$12 annual

510 Water and Sewer – increase, \$96 annual

511 Snow Removal – decrease, \$100 annual

513 Cable TV - increase, \$27 annual

535 Reserve contribution – decrease, \$492 annual

Gene Ford moved to approve the 2015 budget with revisions discussed to include the increase to dues and the balance of the additional revenues collected to be allocated to the reserve contribution.

The capital plan was also reviewed. It was noted that siding repairs and exterior painting of the mountain side of the building is the next major project.

III. Managing Agents Report- Kevin Lovett reported on the following completed items:

- Roof inspection and repairs
- Fireplace inspect and cleaning (last Fall; the 2014 annual inspection is planned to take place within the next 2 weeks)
- Winterization including blow out of irrigation system and securing of snow plow contractor for winter 2014 (same contractor as last few years)
- Annual Security systems test and inspection
- Touch up painting; painted all steps, misc touch up
- Restriped parking lot
- Parking lot crack seal
- Tree spray

IV. Old Business

There were no old business items to discuss.

V. New Business

Dryer vent cleaning – the owners agreed to have all unit dryer vents cleaned; SRG will coordinate.

Unit decks – Owners are reminded that individual unit owners are responsible for their own unit deck surfaces and to please maintain them in good condition. Remember, unit deck surfaces act as a “roof” for the unit deck below. SRG will complete an inspection of all of the unit decks and report any repair needs to the individual unit owners. SRG will also work to tighten all unit deck soffits that are loose.

Property Management Agreement – the Cinnamon Ridge 2 / Summit Resort Group property management agreement is up for renewal this October 2014. SRG proposed a 2 year agreement running October 1, 2014 through September 30, 2016 with management fees remaining at \$1100 per month through December 31, 2015 then increasing to \$1150 per month January 1, 2016 through the remainder of the term. It was noted that the management fees have held constant at \$1100 per month for a number of years; SRG recognizes the cash flow issue the association is working to

correct and in efforts to assist cash recovery, postponed the increase to the management fee until 2016.

- VI. Election of Directors
Gene Ford, Jud McDonald and Ward Rikala all agreed to serve on the Board of Directors. Owners presented agreed to reelect the slate.
- VII. The 2015 annual meeting was set to be held on either the first or second Saturday in October 2015 at 9:00 am at the Summit Resort Group office.

With no further business the meeting adjourned at 10:20 am.