

**LAKE DILLON CONDOMINIUMS
ANNUAL HOMEOWNER MEETING**

**August 11, 2007
Dillon, Colorado**



I. TOWN OF DILLON PRESENTATION

Mayor Barbara Davis and Town Manager Devon Granbery were present to provide an update on Town events and to answer questions.

Events for the remainder of the summer include the BBQ today, the Dillon Bike Criterium next week, an end of summer concert and fireworks on September 1st and the Marina Mutt Contest on September 3rd.

The Town is considering a sales tax increase for next year. A number of streets require some level of reconstruction. The Town is looking at a temporary sales tax increase which would be put on the April 2008 ballot. It would sunset after projects are completed and the debt is paid. With the current revenue stream, it would take 35 – 40 years to complete the projects. An increased sales tax could shorten that timeframe to 10 – 15 years. The current tax rate is 7.75%, the same as Silverthorne and Frisco. A 0.5% increase would bring it to the same level as Breckenridge. Anything larger increase would make it the highest tax rate in the County. The Town needs to find a middle ground in order to accomplish the projects but not chase businesses away. The Town will work on this through the end of the year and bring a proposal to the Town Council so they can decide how to move forward. Four Council seats will be up for election in April.

Peter Schutz emphasized the importance of a conservative approach from a lodging business perspective.

An owner asked about the Lodgepole sidewalk. Devon Granbery said it was still budgeted and would be discussed at Town Council later this month. The water main on that street is undersized and does not provide adequate fire flow so it will need to be improved. Those funds are budgeted as a separate project.

Dave Love asked about improvements to the downtown and marina areas. He asked what the mood of the people was. Mayor Davis said there have been efforts to create a pedestrian zone in the town center but it has been difficult. Whatever is done will have to be spectacular and unique. A marina consultant has been hired to develop a waterfront master plan, possibly including underground parking, an expanded wharf and a full time restaurant.

The Town took out a \$1 million loan for projects. There is a balance of about \$630,000 remaining. Of that amount, \$400,000 has been committed for immediate improvements to the marina which should happen next year, \$130,000 for the amphitheater, and \$100,000 to match funds for marina park improvements including playground equipment and the pavilion. Peter Schutz said his committee was very close to presenting a revitalization plan to Town Council. They will be recommending formation of an Urban Renewal Committee.

Devon Granbery said the Town will develop a reforestation plan for the lake front. They hope to start implementing it next year.

Peter Schutz said the Town was approached by Point Dillon about purchasing property in front of their building. He thought it was clearly dedicated as park land and an election would be required to change that designation. Devon Granbery said there had been informal discussions with Point Dillon, but any type of disposition of the property other than recreational open space would require a town-wide election. They are looking at a lease, license or complete purchase of a portion of the property. It would be a prolonged process involving an election, subdivision, discussion between the town and Association(s) regarding the process for determining the fair value of the property and legal work. He estimated it would take at least a year to get the questions answered so there is no realistic possibility of getting it on the April 2008 ballot. In summary, the Council cannot do anything without the results of an election. Brenda Dee asked what the plan was for Point Dillon. Devon said they would like to have an additional access point for their building for safety reasons. They have talked about shared use with private and public access.

An owner commented that he would rather have the view of the lake than have the area reforested.

Lynn Berggren thought the Town should reevaluate the usage fee for the lawn at Lake Dillon Condominiums. He felt the fee might be considered excessive. Devon Granbery said the fee could be discounted if users patronize the local businesses.

II. CALL TO ORDER

The meeting was called to order at 10:45 a.m.

Board members present were:

Forrest Scruggs, President, Unit 209
Stan Moore, Member, Unit 211
Brenda Dee, Member, Unit 208

Dave Love, Treasurer, Unit 302
Lynn Berggren, Member, Unit 108

Owners present were:

Chris & Tonnie Ansay, 102
Carne & Margery Cunningham, 106
Jim Swift, 201
Patti Zenk Beacom, 203

Carl Botti, 104
Shirley Malkin, 111
Walt Spring, 202
Steven Roper, 207

Bill & Blanche Barlow, Unit 210 Diane Love, Unit 302
Walter, Diane & Felix Wittowski, Unit 212 Suzanne Donalson, 304
Patricia Degner, 305

Proxies were received for Units 101, 103, 105, 109, 110, 204 and 306.

Representing Summit Resort Group were Peter Schutz, Sandy Greenhut and Bernie Romero. Erika Krainz of Summit Management Resources was recording secretary.

III. PROOF OF NOTICE

Notice of the meeting was provided in accordance with the Bylaws. A copy was included in the meeting packet.

IV. ROLL CALL

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

V. APPROVE PREVIOUS MEETING MINUTES

Patti Beacom noted her husband's name should be listed as David, not Dick.

Patti Beacom made a motion to approve the minutes of the August 12, 2006 Annual Meeting as amended. Tonnie Ansay seconded and the motion carried.

VI. TREASURER'S REPORT

As of July 31, 2007 the Association was operating \$1,016 (1%) over budget. Significant variances to budget included:

1. Repair and Maintenance - \$1,206 over budget.
2. Utilities - \$1,185 over budget.
3. Rec Room Expense (Hot Tub) – \$871 over budget.
4. Water and Sewer - \$1,339 under budget.
5. Landscaping – \$1,068 under budget.

The Capital Reserve balance was \$81,491, on track with the Long Term Capital Reserve Study.

VII. PRESIDENT'S REPORT

Forrest Scruggs asked Peter Schutz to speak about the elevator. Peter said two surveys were done. There was good response to the first, which addressed the question of how to fund an elevator if it was approved. The second survey contained two specific questions about funding and proposed no financial participation from the first floor owners. Response to the second survey was minimal. The Board recognized it could not approach a capital improvement in this fashion because it would be in violation of the Declarations and Bylaws. In addition, there does not appear to be a consensus in favor. Peter suggested making this improvement part of an overall modernization of the complex to include an elevator, redoing the pavers on the patio, and replacing railings, siding and carpet. This type of renovation is now occurring in complexes in many

surrounding towns. He recommended forming a committee of Board members and owners to develop a "wish list" with approximate costs. In a show of hands, the majority of the owners were in favor of this concept. Scott Roper, Walt Spring, Diane Wittowski, Lynn Berggren, Dave Love and Pat Degner volunteered to serve on the committee.

Forrest Scruggs and the membership recognized Summit Resort Group for an outstanding rental year.

VIII. MANAGEMENT REPORT

Peter Schutz introduced the new Property Manager Bernie Romero. The backup Manager is John Cushwa. Kevin Lovett handles administrative matters and Maxine Britton is in the Accounting office. Sandy Greenhut is on site running the rental program and she was recognized for her watchdog efforts regarding political issues.

Scott Roper asked for an explanation of the Property Manager's responsibilities under the contract and which tasks result in an extra charge to owners. Peter Schutz said he would provide a checklist and job description on the website.

Chris Ansay said the Board Meeting minutes should be posted on the website. He suggested adding the rental revenue figures in the password protected area.

An owner asked if the "No Smoking" signs mentioned in the minutes last year would be installed on the balconies. Peter said the House Rules were amended and he will work with Bernie on the signage.

Chris Ansay said the Manager's parking spot sign should be moved to the middle of the assigned space instead of being centered between two spaces. Peter said the Board decided not to allow the Manager to park in the upper lot during the busy periods. Chris Ansay suggested creating a loading zone at the end of the lot by the staircase near Unit 101 and a dedicated Manager's spot in the upper lot. The majority of the owners agreed.

Peter said there were two rental units in the program that are below standard; they are pulling the other units down. These units will be removed from the rental inventory until the owners agree to make the improvements suggested by management. Owners were encouraged to contact Sandy Greenhut regarding updates that might be needed in their units. Guest feedback can be encouraged by putting a guest book in the rental units.

Peter said he was considering a new reservation system, Property Plus, which is Windows-based. It would allow owners to book their units online, would interface with the website and would allow for email with the guests. It is quite expensive and he is not sure he can implement it before ski season. It would also have extranet capabilities, i.e. provide live inventory on major travel websites such as Travelocity.

Walt Spring suggested emailing owner statements to save postage. Peter agreed it was a good idea. This will be considered once he has made the decision on the new software, which he hopes will occur within the next two weeks.

IX. NEW BUSINESS

A. Wireless Internet

Scott Roper said he was working with Peter Schutz on improving the wireless connectivity in the building. Sandy Greenhut said it was working better since improvements were made on the second floor.

X. ELECTION OF OFFICERS

The terms of Brenda Dee and Lynn Berggren expired this year. Jay Budnick resigned earlier in the year so there were three Board seats up for election. There were six candidates: Lynn Berggren, Brenda Dee, Walt Spring, Scott Roper, Jim Swift and Carl Botti. The candidates provided biographical information.

A motion was made to close nominations. The motion was seconded.

Ballots were tallied and Lynn Berggren, Jim Swift and Carl Botti were elected.

The Board convened briefly following the adjournment and elected the following Officers:

Forrest Scruggs, President
Marilyn Yeager, Secretary
Stan Moore, Member
Carl Botti, Member

Dave Love, Treasurer
Lynn Berggren, Member
Jim Swift, Member

XI. SET NEXT MEETING DATE

The next Annual Meeting was set for Saturday, August 9, 2008 at 10:00 a.m. in the Lake Dillon Condominiums Meeting Room. The Board will meet Friday, November 16, 2007 at 3:00 p.m. to review the 2008 Budget.

XII. ADJOURNMENT

With no further business, a motion was made and seconded to adjourn the meeting at 12:00 p.m.

Approved By: _____

Board Member Signature

Date: _____