

CEDAR LODGE CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
November 10, 2012

I. Call to Order

The meeting was called to order at 10:03 am. Board members present via Skype were Steve Konecny, Angela Burdick and Catherine Shenk. Mel Walden was in attendance in person. Representing SRG were Kevin Lovett, Peter Schutz, Deb Borel and site manager Chris Trettel.

II. Roll Call/Quorum- A quorum was present.

III. Owners Forum- Notice of the meeting was posted on the website.

IV. Approval of Minutes - The next item of business was the review September 15, 2012 Board meeting minutes. **Mel made a motion to approve the meeting minutes as written. Catherine seconded and with all in favor, the motion carried.**

V. Financial Report – Kevin reported on the September 2012 close financials as follows:

- ❑ September 2012 Balance sheet reports \$3,430.41 in operating, \$48,703.63 in the reserve account and \$2,951.51 in the hot tub account. Project to close the year with \$49,000 in reserves and \$3,100 in hot tub account.
- ❑ September 2012 P & L states that Cedar Lodge is \$445 over budget year to date in operating expenses
- ❑ Reserves fund contributions and hot tub reserve fund contributions are current
- ❑ Board and Management discussed operating cash flow. Operating cash is low with \$3400 in the operating account and an average operating expense projection of \$12,000 per month. Operating cash will continue to be monitored.

Mel made a motion to accept the current financials as presented. Catherine seconded and with all in favor, the motion carried.

2013 Budget - The Board and Management reviewed the 2013 budget plans.

- ❑ Areas of change from 2012 to 2013 budget
 - Revenues - Revenue options reviewed include:
 - Option 1-no change (current dues \$241 and \$281)
 - Option 2-1% increase to dues (\$244 and \$283)
 - Option 3-3% increase to dues (\$248 and \$289)
 - Expenses - Expense projections for 2013 were reviewed to include:
 - 501-Common Utilities-decrease 9% totaling \$1,655 annual
 - Steve expressed concern about decreasing utilities this much.
 - 503-Water/Sewer-increase \$40 annual
 - 508-Cable TV-increase \$585 annual
 - 518-Insurance-increase \$2,234 annual (budget allowance for 20% increase)
 - SRG is aggressively shopping for competitive insurance proposals
 - 530-Trash Removal-increase \$102 annual
 - 535-Contingency - the following contingency expense projection options correspond with revenue options above:
 - Option 1-decrease \$1,335 annual
 - Option 2-no change

- Option 3-increase \$2,423 annual
- Thoughts from members:
 - Mel-Roof life span has been shortened. Approx. year 2018 replacement. Price to replace will be \$75,000
 - Peter-CL has good loss history, so hopefully this will positively affect insurance rates.
 - Mel-As we progress, given new input with the roof, option 3 is his choice to improve cash flow.
 - Angela-was not on Skype when she was asked for her thoughts
- Update on roof
 - Roof replacement in Projected Capital Reserve and Expenditures plan; the Board reviewed submitted bids to replace.
 - Roof currently in good condition; maintenance repairs completed this past summer
 - Option from Turner Morris to do a coating over PVC and essentially buy a 10-year warranty for \$37,500 on a \$75,000 ten-year roof. Gives new life to PVC rubber. With the warranty, you receive repairs. No interior coverage.
 - If roof were replaced today, a different product would be used. Probably Duralast roof. Warranty with this roof covers repairs and damage to the interior as well.
 - Board reviewed a spreadsheet with options of coating now or replacing in 2018.
 - Steve pointed out that the prices they are reviewing were today's prices, without inflation.
 - Could have catastrophic failure with current roof with the UV in the mountains.
 - Mel stated when it comes to the roof, there may be other options available in several years that is not available now. There are also other options for flat roofs that are currently available, but the board has not discussed. Waiting could be a benefit.
 - Peter fearful of the coating, since there are no proven results.
 - No board member is in favor of investing the \$37,500 in coating of the roof next year, but waiting until the roof needs to be replaced.
 - Small special assessment may be necessary to replenish reserve account the year the roof is replaced.
- Board reverted back to reviewing the options for 2013 budget-Board comments:
 - Angela-\$1,800 per unit to replace the roof. Let people know now that an assessment will be necessary. Keep owners informed.
 - Mel-does not want to do an assessment. Keep reserve at a level where it will be paid for from reserves instead of a special assessment. Recommended collecting enough money now to have the money available when needed.
 - Catherine-tell people that there will be an assessment in the year of the roof replacement and let owners be prepared.
 - Steve-increase current dues by 4% now and place 1% into reserves.

- Board reviewed dues comparison sheet that compared to other associations, and concluded that current dues are not out of line.
- Steve proposed to add option 4 of doing a 4% increase for 1% being a reserves contribution.
- Catherine is not comfortable with a 4% increase, but is in favor with letting owners help make the decision.
- Angela-put owners on notice.
- Discuss this at annual meeting with the owners.

Mel made a motion to increase dues 4% in 2013 placing 1% in reserves. There was no second so the motion died. Catherine made a motion to increase dues 3% in 2013 placing 1% into reserves. Angela seconded and with all in favor, the motion carried.

VI. Managing Agents Report -Kevin gave the following Manager's Report:

Completed Items

- ❑ Posted updated Rules and Regulations to website
- ❑ Contacted owners of 2nd floor alley units regarding bay windows
- ❑ Confirmed Amendment to Cedar Lodge Condominium Association from Condotel
- ❑ Placed Wi-Fi sign on clubhouse door
- ❑ Installed new hot tub cover
- ❑ Posted Window Replacement Policy on website-contacted interested owner regarding this information
- ❑ Winterization - irrigation system blown out, retained Bobby Cat snow plow contractor, heat tapes checked

Report Items

- ❑ Discussed HB 1237 – begins January 1, 2013 –
 - Deemed the “records bill”, HB 1237 is new legislation, which addresses association record keeping and opens up board member communication that may be reviewed by all owners. HB 1237 goes into effect January 1, 2013.
 - For the most part, HB 1237 requirements are currently being fulfilled posted on the website and make available for all owners:
 - Association Governing Documents (Declaration, Bylaws, Amendments, Policies, House Rules, etc.
 - Meeting Minutes
 - Financials
 - Owner/Board lists
 - Written Owner Communication
 - Board member emails with respect to votes and action items
 - On the board meeting agenda is a new agenda item entitled “Ratify Board Actions via email”; we will ratify any decisions made via email here to include disclosures of individual votes.
 - Additionally, the bill states that individual owner information to include phone numbers and email addresses may not be published or given out without prior written approval from the owner. Published Owner lists must state name, mailing addresses and number of votes each unit has.
 - Board member lists must include mailing address and email addresses
 - Board decided to do as little email as possible
- ❑ 311 Tenants – vacated
- ❑ CO detectors – there are 3 total CO detectors in the Cedar Lodge Garage. Two detectors were replaced in Cedar Lodge Garage - \$1,350 each for CO detectors plus \$125 to install.

The actual detectors were replaced. They are highly sensitive computer piece with life expectancy of 5-6 years (they were last replaced in 2007)

- Mailer to owners will be sent with the following information:
 - Dues increase
 - Inform owners of the roof replacement necessity in the near future and an assessment may be possible at the time of replacement. This will be addressed at the annual meeting.
 - HB1237-permission from owners to publish email address and phone numbers will also be included in mailer.

Mailer will be sent to the board for approval before mailing.

VII. Old Business

- A. Storage Locker Report - no lockers rented
- B. Bay Windows Survey – **Tabled until next meeting**
- C. Roof – discussed above
- D. Board Actions via Email
 - a. Snow removal-Catherine moved to ratify the email decision to hire Bobby Cat for snow removal for the 2012-2013 season. Mel seconded and with all in favor, the motion carried.

VIII. New Business

- A. 2013 budget
 - a. Paint west side of building
 - b. Audit

Mel made a motion to remove the audit from the reserve account. Catherine seconded. All were in favor, and the motion carried. If there is a change of management companies or the board feels the audit is necessary, one can be done.

X. Next meeting date – The next Cedar Lodge Board of Directors meeting will be held Saturday, January 19, 2013 at 10:00 am.

XI. Adjournment- With no further business, the meeting was adjourned at 12:01 pm. Motion by Mel. Catherine seconded.

Approved By: _____
Board Member Signature

Date: _____