**CINNAMON RIDGE III CONDOMINIUM ASSOCIATION**
**BOARD OF DIRECTORS MEETING**
**October 21, 2012**

## I. CALL TO ORDER

Mike Black called the meeting to order at 9:00 am.

Board members Kevin Donofrio and Max Mardick attended in person. members Fred Davison, Mike Black and Mike Pederson attended via Skype. Kevin Lovett was present on behalf of Summit Resort Group.

## II. OWNERS FORUM

The meeting notice was posted on the website. Aside from Board members, there were no owners participating in the meeting.

## III. APPROVE PREVIOUS MEETING MINUTES

The minutes from the April 14, 2012 Board meeting were reviewed. Kevin Donofrio made a motion to approve the minutes of the April 14, 2012 Board Meeting; Max Mardick seconded with all in favor, the motion carried.

## IV. FINANCIAL REVIEW

Kevin Lovett gave the following financial summary:

<u>September 2012 Close Financials</u>

September 2012 close financials report $37,723.87 in operating, $19,995.11 in the Money Market reserve account and $19,305.87 in the Alpine Bank reserve account.

September 2012 close P &L reports that we are $6,799.61 under budget in operating expenses.

Areas of major variance were reviewed to include:

- 6090 Legal Fee $1000 under
- 6230 Electric $1708 under
- 6235 Spa Electric $1060 over
- 6240 Gas $3038 under
- 6360 Snow Removal $1336 under
- 6650 Fire Protection $1393 over; it was noted that inspection funds are budgeted for October 2012
- 6660 Fireplace and Dryer vent cleaning $1520 under
- 6670 R & M $1128 over; items contributing to the overage in R & M include:
  - D bldg flow switch $407
  - Repair bottom board dumpster enclosure and back side boards, $245
  - B bldg roof flashing repair $227
  - Spigot replacement $223
- 6740 Upper Spa R & M $1217 under

2012 Projected year end
Kevin Lovett presented 2012 projected year end operating expenses to be $8272 under budget.

Proposed 2013 budget
The Board and Management reviewed the preliminary 2013 operating budget. Upon review of each line item, discussed areas of change from 2012 budget to preliminary 2013 budget include:
Revenues:

No change to dues
Increase to reserve funding, as of September 1, 2012

Expenses:

6215 Internet 3.6%, $272 increase per current fee
6210 Cable TV - note, no change, allowance exists for increase
6230 Common Electric - $894 decrease, still allows for 8% increase over 2012 actuals
6235 Upper spa electric - $438 increase, adjusted per operation schedule
6240 Gas - decrease, $1808 based on actuals
6400 Trash removal - increase, $28 annual
6830 Insurance - increase $1502, 17%
6740 Upper Spa Maintenance - decrease, $1000 based on operation schedule
6745 Lower Spa Maintenance - increase, $1000 based on operation schedule
8010 Reserve contribution - increase $5488

Updated capital reserve plan - The updated capital reserve plan was reviewed. SRG will complete the following:

-Boilers- update the life expectancies of the boilers with assessment completed by mechanical contractor
-Fire backflows - add to plan
-Domestic backflows - add to plan
-Glycol - add to plan
-Adjust reserve contribution to $26,676 for 2013

Upon review of each expense line item, there were further discussions of funding future large expenses such as the siding replacement. Funding options include regular increases to reserve funding and special assessments. At this time, a special assessment of $600 per unit remains to be planned for early 2013. Board and Management will continue to monitor the plan.

## V. MANAGING AGENTS REPORT

Kevin Lovett presented the following manager's report:
Completed items were discussed to include:

- Thoroseal application, B building front stem wall

- Carpet clean of common area exterior carpets
- B bldg boiler room floor repairs
- Dumpster enclosure repairs
- Hot tub black metal fence painting
- Fire systems inspections (alarm / sprinkler)
- Siding replacement project at upper roof areas.
- EFIS inspection and repairs
- Major touch up painting
- Asphalt work
- Sliding glass door painting, cleaning
- Hot tub cover replacement of the upper hot tub
- Unit deck railing painting
- Repaired damaged roof flashing, B building; damaged is believed to have been caused by an ice dam

Report Items were discussed to include:

- HDTV - program is in place.
- HB 1237 - Board and Management discussed the new HB 1237, the records bill. Overall, current record keeping policies comply with new HB 1237. Processes for email communication was discussed; SRG will continue to investigate. Any necessary modifications will be put in place by early December. Owner contact information such as email addresses and phone numbers published on owner lists was also discussed. Despite being password protected on the association website, owner's must give permission for owner email addresses and phone numbers to be shared amongst all owners. A permission form will be included in the next owner info request update.
- Fire systems inspections- SRG reported that inspections were complete and that the C building backflow check valve failed the inspection. SRG will have it replaced.

Pending Items were discussed to include:

- B building top floor deck replacement project - the replacement of the top 4 decks of the B building will take place in Spring 2013
- Fire extinguisher inspection - the inspection of the common area fire extinguishers will take place this Fall.
- Plumbing repairs - SRG reported that the pressure flow switch was replaced on the D building boiler
- Fire sprinkler repairs - SRG reported that a leak was repaired on the main fire line in the B building crawl space

## VI. RATIFY BOARD ACTIONS VIA EMAIL

Discussions were held that a procedure will be put in place to ratify, at the next scheduled board meeting, any Board actions that were voted on via email since the previous regular board meeting as provided by the HB 1237

## VII. OLD BUSINESS

Hot water heater replacement D Building - The Board agreed to complete the scheduled replacement of the D Building hot water heater. SRG will see that the work is completed to include the organizing the water heater control wiring on a good workmanship manner.

## VIII. NEW BUSINESS

Officer Appointments - The following officer appointments were suggested:

Mike Pedersen - Vice President
Kevin Donofrio - Secretary / Treasurer

Kevin Donofrio moved to appoint officers to above positions; Max Mardick seconds and the motion passed.

The following positions remain unchanged:

Mike Black – President
Fred Davison - Director
Max Mardick - Director

C Building Stairwells - SRG will check the C Building stair tower monitoring points for any possible movement. No movement was detected when last checked in June.

Vents on back of buildings - SRG will work to straighten the vents on the back of the buildings.

## IX. SET NEXT MEETING DATE

The next Board of Directors meeting will be the January 26, 2013 at 9:00 am.
SRG will send the Board a financial update in early December to include November close financials and a projected 2012 year end update. The 2013 budget will be reviewed at this time and a HB 1237 update will be given.

## X. ADJOURNMENT

With no further business, Kevin Donofrio made a motion to adjourn at 11:35 am. Max Mardick seconded and the motion carried.

Approved By: _____ Date: _____
Board Member Signature