

**LAKE DILLON CONDOMINIUMS ASSOCIATION
BOARD OF DIRECTORS MEETING
February 9, 2012**

I. CALL TO ORDER

The meeting was called to order at 3:10 pm.

Board members in attendance were:

Sue Donalson, Member

Board members in attendance via telephone were:

Forrest Scruggs, President

Walt Spring, Treasurer

Chris Ansay, Member

Representing Summit Resort Group were Peter Schutz, Kevin Lovett and Deb Borel.
A quorum was present.

II. OWNERS FORUM

Notice of the meeting was posted on the website. No owners, other than board members, were present

III. APPROVE PREVIOUS MEETING MINUTES

Sue made a motion to approve the minutes from the January 12, 2012 board meeting.
Chris seconded and the motion carried.

IV. FINANCIAL REPORT

- Peter gave the January 31, 2012 Financial report. He noted that all proceeds of the sale of unit 107 are in the T-Bill account. The reserve transfer was made in January. Peter is working with the phone company to confirm the monthly rate of the phone bill. Elevator over budget is for the quarterly service and annual inspection fee. Peter will follow up with the board regarding the monthly snow plow budget number. Kevin is working with the natural gas companies to extend the rates for an additional 18 months. Will follow up with the board when an amount is determined.

The financial report was reviewed and accepted.

VI. OLD BUSINESS

A. Distribution of Refund

- a. Forrest and Peter spoke with Kim Hitchcock. A CPA with McNurlin and Associates PC. Peter reported the following:
 - i. Because an existing owner purchased the unit, the proceeds can be counted as Member Income and not subject to tax.
 - ii. This income from the gain less the amount put into reserves would be credited to owners against dues.
 - iii. Recommended that Kim's firm complete 2011 tax returns, and she can take care of the balance sheet due to/due from the operating account to the reserve account as part of her work.

- b. The earlier guidance from John Holtman stated that LDC could only use the funds to “reduce” the reserve dues contribution. The new guidance from Kim Hitchcock is that the funds can be used to “reduce” only the operating contribution.
- c. Chris recommended that John Holtman and Kim Hitchcock talk and get an agreement between parties that this is the correct plan to move forward. They need to agree upon which “dues contribution” LDC can reduce. It was confirmed that individual owners can use the sale of proceeds as a credit on monthly dues. Peter will call John Holtman and discuss with him what Kim Hitchcock advised.
- d. An email will be sent to the board with response by February 13, 2012. In the email affirmation for Kim Hitchcock to do 2011 taxes will also be documented based on a fee of no more than \$800.
- e. If parties do not agree, a third opinion will be obtained.
- f. Letter will be sent to homeowners by February 15, 2012.
- g. If the above is approved, the dues credit will start March 1, 2012.

VII. NEW BUSINESS

No new business

VIII. NEXT MEETING DATE

The next Board of Directors meeting will be on Friday, April 20, 2012 at the office of Summit Resort Group.

IX. ADJOURNMENT

With no further business, Sue made a motion to adjourn the meeting at 3:40 pm. Chris seconded and the motion carried.

Approved By: _____

Board Member Signature

Date: _____