

Lake Dillon Condominiums Association

Board of Directors Meeting Minutes

4/23/2012

The meeting was called to order at 1:15 pm. Board members present via telephone- Forrest Scruggs, Walt Spring, Sue Donalson, Chris Ansay and Scott Roper. A quorum was present. Peter Schutz was present on behalf of Summit Resort Group.

- 1) The minutes of the February 9th board meeting were distributed & reviewed. Chris Ansay made a motion to approve the minutes with one change per Walt Spring, 2nd Sue Donalson. The motion passed.
- 2) The 1st quarter financial report was the next item of business. The association is very close to budget on income and operating expenses through March 31st. After questions Peter advised that Jolene Reddell, the CPA doing the association tax returns will be doing the necessary adjustments to the balance to report the sale of the unit, removal of the phone system and forgiving the loan from the reserve fund to the operating fund. Peter referred to the A/R report as of April 1st showing which owners were paid cash and those that chose a dues credit on the distribution of the proceeds on #107. It was noted that for owners who got a credit the amount was offset against dues and reserves. Peter will check with Jolene on this as well to make sure the credit can be used for both. Peter followed up with Jolene and she confirmed that the credit to either dues or reserves was OK. The financial report was accepted.
- 3) The Board reviewed and unanimously approved a resolution allowing for any excess membership income over membership expenses for the year ending December 31st 2011, shall be applied against subsequent tax year member income (copy attached).
- 4) Peter then gave the building report.
 - The roof inspection done by Turner Morris was the first item discussed. Peter pointed out the amount to replace the roof is \$74,200 excluding new insulation (\$35,250). It is important that the roof is inspected at least annually and that recommended preventive maintenance be done. He further advised that this years recommended work has already been done (cost \$1250).
 - The seven parking lot curb blocks have been installed. Peter then brought up paving the lower lot at an estimated cost of \$17,000. He suggested the board consider the work this year and do the upper lot in a year or two. Discussion followed. Chris raised concerns about doing the work in phases. From a value standpoint it would be better to do it all at once. Peter will ask the contractor to submit a bid for the whole project including the driveway and ask for appropriate discounts for doing all the work at once. It was also noted that the revised costs and potential changes in the timing to do the projects should be revised in the associations long range plan.
 - With the record early spring Bernie has completed power raking and aerating the lawn.

- 5) Under new business consideration of changing the on-site wireless set-up from Century Link to Cobia Net was brought up. Peter provided background on problems with the current system in the last six months. The cost for Cobia Net service is \$10/unit/month with no contract and 30 day cancellation. Currently the association spends just under \$3/month. Peter also advised that SRG has another association that has accepted a proposal from Cobia Net so this will be a good test case. Also a hard wired system from Comcast would be about \$22/unit/month. Discussion followed. It was agreed that the association could absorb the additional operating expense for the rest of the year without a dues increase. Scott Roper moved to accept the proposal from Cobia Net subject to acceptable performance of the system installed at Snow Dance Condominiums. Sue Donalson seconded, the motion passed.

Also under new business Chris asked SRG to prepare year to year rental statistics for the boards review prior to the annual meeting.

- 6) The next board meeting will be June 22nd, 3:00 pm at SRG office.

With no further business the meeting adjourned at 2:30 pm.

RESOLUTION OF THE LAKE DILLON CONDOMINIUM ASSOCIATION, INC.

RE: EXCESS INCOME APPLIED TO THE FOLLOWING YEAR'S ASSESSMENTS
REVENUE RULING 70-604

WHEREAS, Lake Dillon Condominium Association, Inc. is a Colorado corporation duly organized and existing under the laws of the State of Colorado;

and

WHEREAS, the members desire that the corporation shall act in full accordance with the rulings and regulations of the Internal Revenue Service:

NOW, THEREFORE, the members hereby adopt the following resolution by and on behalf of Lake Dillon Condominium Association, Inc.:

RESOLVED, that any excess of membership income over membership expenses for the year ended December 31, 2011, shall be applied against the subsequent tax year member assessments as provided by IRS Revenue Ruling 70-604.

The resolution is adopted and made part of the minutes of the meeting of

4/23/12

BY: 
President

ATTESTED: 
Secretary