

**LAKE DILLON CONDOMINIUMS  
ANNUAL HOMEOWNER MEETING  
August 14, 2010  
Dillon, Colorado**

**I. CALL TO ORDER**

The meeting was called to order at 10:05 a.m.

Board members present were:

Forrest Scruggs, President, Unit 209  
Marilyn Yeager, Secretary, Unit 105  
Scott Roper, Member, Unit 207

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

Owners present were:

Chris & Tonnie Ansay, Unit 102  
Jean Berggren, Unit 108  
Julie & Bill Hummel, Unit 110  
Jim & Wilda Swift, Unit 201  
Peter Keuttner, Unit 204  
Ann Moore, Unit 211  
Diane Love, Unit 302  
Suzanne Donalson, Unit 304  
Dick and Dona Padmos, Unit 306

Carne Cunningham, Unit 106  
Dave & Gail Gilbert, Unit 109  
Shirley Malkin, Unit 111  
Walt & Wendy Spring, Unit 202/301  
Bill & Blanch Barlow, Unit 210  
Walter & Diane Wittowski, Unit 212  
Richard & Bessie Braesch, Unit 303  
Patricia Degner, Unit 305

Proxies were received from Units 103, 104, 105, 205 and 208.

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

**II. PROOF OF NOTICE**

Notice of the meeting was sent July 12, 2010 in accordance with the Bylaws. A copy was included in the meeting packet.

**III. ROLL CALL**

With 21 units represented in person and five proxies received a quorum was reached.

**IV. APPROVE PREVIOUS MEETING MINUTES**

Chris Ansay made a motion to approve the minutes of the August 15, 2009 Annual Meeting as presented. Walter Witkowski seconded and the motion carried.

**V. TREASURER'S REPORT**

Dave Love reported that as of July 31, 2010 the cash balance was \$3,922 and the Reserve balance was \$28,696. The Reserve balance should be about \$40,000 at year-end before expenses.

As of July 31, 2010 the Association was operating \$289 over budget mainly due to Utilities for the construction project and a 10 – 15% rate increase from Xcel. Other significant variances to budget included:

1. Maintenance was \$455 over budget.
2. Manager's Apartment Expense was \$633 over budget due to installation of laminate floors. The Association paid for the materials and the Manager did the installation.

A question was raised on the cost for operating the elevator. Dave Love said based on the elevator specifications, the energy usage estimate is 500 – 1,000 kilowatts/month, which equates to an expense of \$55 – 100/month.

## **VI. PRESIDENT'S REPORT**

Forrest Scruggs thanked the Board, Committees and management for their work over the past year. He and the owners recognized Dave Love for his service on the Board.

He announced that the Board voted yesterday to renew the Summit Resort Group contract for three years.

## **VII. MANAGEMENT REPORT**

Peter Schutz said this was his 17<sup>th</sup> Annual Meeting. Peter thanked the Board for the contract renewal. He also thanked Sandy Greenhut and Bernie Romero for the efforts at the property and all the staff at his office including Kevin Lovett and Maxine Britton.

### *A. Operational Comments*

1. Pets – Pets are the most challenging operational issue. Peter said only owners are allowed to have pets, not their children or relatives. The Board has mandated fining owners for any of their guests who bring pets. Rental guests who bring pets will be asked to bring the pet to a kennel or to leave the property. Owners were encouraged to inform management if they see unauthorized pets.
2. Boat Storage – Summer boat storage is permitted on the property. Owners were asked to store boats off property during the peak times in summer. The Board will be looking at building a storage facility for kayaks and canoes.
3. Parking – An owner noted that there was a parking issue over the July 4<sup>th</sup> weekend. Peter said temporary signs could put up next year. An owner proposed a permanent sign warning of towing of unauthorized vehicles.
4. Owners' Storage Closet – Owners were asked to look at what they have stored in the closet. Notice will be sent to owners regarding unclaimed or abandoned items and after two weeks to a month the items will be donated to charity.

### *B. Rental Business*

Rentals were up 12% in June and 14% in July. The business volume is up but the rates are down about \$10/night. August so far is behind last year but there have

been a lot of last minute bookings. For the coming winter Peter Schutz anticipated there would need to be discounting to compete with properties that are closer to the ski areas. He is working on longer stays of one to four months with owner permission. He welcomed feedback from the rental owners.

There was general discussion about long term rentals. The maximum stay was changed to nine months and the utility surcharge was eliminated.

An owner commented that there were deteriorated pavers in front of Units 109 and 110. He thought this was supposed to be addressed by the Association. Peter said he would look at it and arrange for the repair.

## VIII. OLD BUSINESS

### A. *Final Improvement Project Report*

Dave Love reviewed the project report. He thanked Lynn Berggren and the members of the Color Committee.

The original proposal at the 2008 Annual Meeting totaled \$455,175. The actual cost ended up at \$461,472. The main reason for the overage was the requirement for a larger elevator due to code changes. The project was paid through a Special Assessment (\$12,500 for one bedrooms and \$25,000 for two bedrooms), \$20,000 from the Reserve Fund and an extra \$3,972 from the Reserve Fund.

Additional major projects paid out of the Reserve Fund in 2009/2010 included exterior painting (\$12,400), aluminum wire replacement (\$14,000), exterior light fixtures (\$4,583) and exterior carpet (\$31,498).

One other open issue is the \$12,000 transformer, which was an unforeseen cost that was paid by the contractor. The Board agreed to split the cost with him and to pay the \$6,000 from the Reserve Fund. The benefits of the transformer include plenty of power and having all the lines buried. There are some power lines running up the building that will be addressed.

There are several owners who have benefited from the elevator who have volunteered to donate some funds to help offset the cost. So far \$2,000 has been collected.

A bid of \$850 was received to stripe the parking lot next spring. No work will be done on the lower lot until a 2" overlay is done, which is planned within the next three years. The cracks will be filled on the upper lot before striping.

### B. *Reserve Fund*

Dave Love said the Reserve Fund balance should be about \$25,000 at year-end. The projected cost for roof replacement has come down \$25,000 and the cost for the asphalt also came down. The new costs have been entered in the Reserve

Study. The projected annual contribution needs to be \$23,392 and the actual annual contribution is currently \$25,200. If all projects are done as forecasted, there will be significant expenditures in 2013. There should be a sufficient balance in the Reserve Fund to cover the projects but the balance will go below \$25,000 for that year. The assumption is that the Reserve Fund contribution will stay the same 2011 but some of the other Operating expenses will likely increase.

## **IX. NEW BUSINESS**

### *A. Board Meeting Minutes*

Chris Ansay requested that the Board Meeting minutes be emailed to all owners once approved. Peter Schutz said this could be done if owners make sure their contact information, including their email address, is correct and updated. Chris suggested approving Board minutes by email instead of waiting for the next meeting.

### *B. Smoking Outside Units*

Diane Love said there were ongoing problems with renters smoking underneath her window. Peter Schutz said renters are provided with the House Rules in the check-in packets and that she should contact management about any problems.

## **X. ELECTION OF OFFICERS**

There were four Board seats up for election. The terms of Marilyn Yeager, Scott Roper and Dave Love expired this year and there was one unfilled seat from last year. Marilyn Yeager and Scott Roper agreed to run again but Dave Love is retiring. Bill Hummel nominated Marilyn Yeager and Scott Roper. Wendy Spring nominated Brenda Dee. The nominations were seconded. Dave Love nominated Chris Ansay. The nomination was seconded. Dave Love made a motion to close nominations. The motion was seconded and carried. Jim Swift made a motion to elect the candidates by acclamation. Dave Love seconded and the motion carried.

## **XI. SET NEXT MEETING DATE**

The next Annual Meeting was set for Saturday, August 13, 2011 at 10:00 a.m. in the Lake Dillon Condominiums Meeting Room.

## **XII. ADJOURNMENT**

With no further business Tonnie Ansay made a motion to adjourn the meeting at 11:34 a.m.

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
Board Member Signature