

**Lake Forest
Board of Directors Meeting
October 2, 2017**

Thane De Puey, Bob Seibert, and Sue Sorensen were present in person. Josh Chebul, Marshall Blaney, Hub Helm and Dennis Burke attended by phone. A quorum was present. Representing Summit Resort Group was Kevin Lovett. Keith McBrearty was present representing Summit Property Maintenance.

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I. Call to Order

The meeting was called to order at 6:00 pm.

II. Owners' Forum

Notice of the meeting was posted on the website. No Owners other than Board members were present.

III. Minutes

Thane moved to approve the minutes from the August 28, 2017 Board meeting; Marshall seconds and the motion passed.

V. Financial Update

Kevin Lovett presented the following financial report:

Year to Date Financials:

August 31, 2017 close financials report that we have \$93,885 in Operating and \$38,750 in the Reserve Account.

August 31, 2017 Profit and Loss reports \$214,398 of actual expenditures vs. \$206,597 of budgeted expenditures.

Main area of expense variance is snow removal.

Heloc renewal:

The Heloc (Home Equity Line of Credit) renewal documents are ready for signature. Thane will sign.

Operating Budget 2018

The 2018 proposed operating budget was reviewed.

Expense line items were discussed as follows:

674- Landscaping – increase \$1000, at \$8000 annual (5 yr avg \$9295)

677- Hot tub/ Spa maint – no change, at \$7200 annual

671- Bldg R & M – decrease \$2000 to \$11,000 annual

NEW- EDC; the Board agreed to add a new expense line item “EDC” and place \$2000 in the budget line

607- Management Fees – no change, at \$55,200 annual

600- Financial Review – decrease, \$750 to \$3000 annual

601- Administration – increase \$468, per proposed SRG agreement (3%)
602- Office supplies – no change
604- Bank charges – no change, no bank charges
605- Legal – no change
669-Common electric – no change, at \$21,000 (actuals plus allow for 5% increase)
663 – Cable TV – decrease, \$1384 annual
665 -Trash removal – increase, \$100 per month; SRG was instructed to obtain a proposal for either additional recycling bins or increased pick ups.
670- Fire Sprinkler System – increase \$1499, at \$8730 annual (phone lines, monitoring, annual inspection, 4 service calls and misc repairs)
662- Sanitation – increase, \$2356 annual, per actual
661- Water – increase, \$1624 annual, per actual
621- Insurance – no change, (actual premium plus allow 4% increase, plus rental unit premium plus D & O)
681- Interest expense – decrease, \$1200 to \$0 (no interest as no active loan)
680- Discount on assessments –decrease to \$0, the board moved to discontinue the discount on assessments.
676- Miscellaneous – no change
511- To Reserves – no change, at \$98,064 annual contribution to reserves

Highlighted Items to note from the above expense review include:

- “EDC” (Exterior Design Committee) Expense line item addition; the Board agreed to add a new expense line item carrying a \$2000 annual budget line item for the EDC

- Trash/ Recycling; SRG was instructed to contact the trash removal company and obtain a cost for either an additional weekly recycling pick up or additional toters.

- Discount on Assessments; The Board discussed whether or not to continue the offer for the “discount” off annual dues for owners that pay the full year in advance. Upon discussion, Josh moved to discontinue the discount on dues assessments for prepaying; Sue Seconds and the motion passed with 7 in favor and 1 opposed. It was noted that as a convenience, the HOA will continue to welcome annual payments so that only one check needs to be written.

2018 Revenues, Dues Increase; The Board discussed increasing the monthly dues 10% per unit per month. Thoughts behind the increase included:

- Increased funds would all go towards the Capital Reserve Fund and would help to offset future anticipated Capital Reserve expenses
- With the increased value of all units at Lake Forest, upkeep of the buildings and common area is important
- Strong recent swell from Owners to improve the Buildings and common areas and increase the maintenance schedule
- It was noted that dues have not increased in 3 years

Bob moved to increase dues 10% for 2018 with all increased funds being contributed to the Reserve Fund; Sue seconds and the motion passed.

VI. Ratify Actions Via Email

Thane moved to ratify the following action via email:

9-28-17 B 302 window replace request; approved

Marshall seconds and motion passed.

Follow up on the B 203 kitchen remodel was discussed further; SRG will ask the Owner of B 203, “when you removed the wall in the kitchen, did you move any electrical, plumbing or venting?”

VII. Managing Agents Report

Summit Resort Group Report:

Kevin Lovett reported on the following;

Reserve Study Proposals; Proposals from engineering firms to prepare Reserve Studies were presented. Sue moved to accept the proposal from Criterium; Bob seconds and the motion passed.

Drainage Study Proposals; Proposals received to have a drainage study completed were presented. Thane will contact Criterium to discuss the proposal, ensure Board desired items are included and request an updated proposal.

F 204, Two Dog Request; The potential new owners of F 204 sent request to have 2 dogs. Upon review, the Board approved this request subject to the house rules concerning pets being followed properly.

Summit Property Maintenance Report:

Keith McBrearty reported on the following:

B Building Drainage. Per on site meetings with various Board members and Apeak Asphalt, it was determined that the concrete in front of B bldg is beyond repair and concrete pans are recommended to be replaced. It was noted that Drainage correction is part of the overall Drainage investigation and no action will be taken until the drainage study is complete. Keith presented a proposal from Apeak Asphalt as well as a Concrete repair proposal to complete repairs in front of f bldg and e bldg caused from recent rains. The repairs will be reviewed in conjunction with the drainage work.

EDC/ plans. Keith obtained and presented plans to the EDC in preparation for their committee meeting.

Snow removal 2017-18. Keith presented snow removal proposals from Emore as well as AAA. Keith has solicited bids from additional companies, but these were the only two submittals thus far. The Board asked that the AAA work scope be revised per discussions. Keith will work to obtain revised snow plow proposal from AAA and the Board will review and vote on contractor selection via email.

Heat tape and gutters. Keith presented proposal for gutter and heat tape work. Upon review, Sue moved to accept the proposal minus the addition of a section of roof snow bar; Bob seconds and the motion passed.

Mechanical Room “heat” Inspections. Keith has completed inspection of all mechanical rooms heating systems to ensure the systems are working to prevent water supply lines from working.

Lawn Irrigation System Winterization. Winterization of the irrigation system is complete.

Asphalt Striping. Proposal pending from Mt Striping to complete the striping of the parking lot. This will be discussed in Spring 2018.

Pest control. Pest control efforts continue and are ongoing.

Unit Deck Project Update.

Bldg D, E and F are 100% complete.

C bldg 1 and 2 stack complete

Fire Sprinkler System inspection. The fire sprinkler system and back flow inspection has been completed for this year. A review of the initial reports was completed. It was noted that within units, many sprinkler heads have been “painted over” and the fire sprinkler company is requiring them to be replaced. The Board agreed that the HOA would coordinate replacement of the painted over sprinkler heads and that the individual units with heads needing replaced would be rebilled the expense. An email notification will be sent to those Owners needing head replacement. The Board agreed that even if the current Owner states that they purchased the unit with painted over heads, that the current unit owner is responsible for the cost.

Building E “west wall” painting. This has been completed.

Window Cleaning. Common Windows have been cleaned.

Concrete floors ABCD buildings. The concrete floor resurfacing of the A B C and D buildings has been completed.

Lower unit window exterior caulking and painting ABCD Buildings. Keith will caulk and paint the flashing area of the lower windows on the ABCD Buildings this year to ensure no water intrusion.

VIII. Old Business

The following old business item was discussed:

Survey of Owners; A survey of Owners is still planned. Survey will be sent once information has been gathered and questions posed.

IX. New Business

The following new business item was discussed:

EDC update; Thane talked with EDC Chair and reported on the following:

EDC overall plan is to repair siding, update those items needing attention and address painting. The EDC is also very interested in reviewing the reserve study once completed.

Garage Doors; As discussed at prior meeting, unit garage doors are the responsibility of the individual unit Owners; it is the responsibility of the unit Owner to ensure that any replacement is done by a licensed contractor. Necessary repairs in order to protect the overall look of the complex have been noted. Keith will inspect garage doors and prioritize which garage doors needs to be fixed. An updated cost estimate to address repairs will be obtained. Due to the unique nature of the garage doors, additional angled bottom garage door panel sections will be purchased by the HOA and stored; Owners then needing garage door angled bottom panels will be able to purchase them from the HOA.

Bob moved to send notice to Owners with needed garage door repairs stating that all garage door repairs must be completed by the 2018 Annual Owner meeting along with cost estimate for the HOA to complete; Owners can complete on their own or Owners can have the HOA coordinate and bill back the individual unit Owner; if repairs are not made by the 2018 Annual Owner Meeting, the HOA will complete the repairs and then bill back the individual unit Owner; Sue seconds and the motion passed.

Rental Unit Carpet; It was noted that the carpet in the rental unit is in need of replacing.

Update letter to Owners; An update letter to Owners is planned.

Summit Property Maintenance Management Agreement; Thane and Keith will work together to further define services included in the monthly management fee.

X. Next Meeting Date

The next meeting will be a Board work session on December 4, 2017 at 6:00 pm (pending the reserve study has been received).

XI. Adjournment

At 8:13 pm, with no further business, the meeting was adjourned.

Approved: Approved via email Date: 10-14-17