

**Lake Forest Condominium Association**  
**Board of Directors Meeting**  
**Saturday, November 6, 2010**  
**County Commons**

<b>Board Members</b>	Dave Haraway	305F	Bob Bruyn	205F
	Marshall Blaney	103C	Gary Cushner	101A
	Jude Kirk	304A		
<b>Others</b>	Bob Polich	Mountain Systems, Inc.		

The meeting was called to order at 2:15 PM by President Dave Haraway.

**Minutes.** *The minutes from the August 28, 2010 meeting were approved as written. (Cushner/Haraway,5-0)*

**Owner Comments.** No owners were present at the meeting.

**Property Managers Report.** Mike Castaldo of Premier Property Services was unable to attend the meeting. Dave Haraway provided a summary of the property maintenance since the August meeting. The holiday lighting has been installed using a lift truck. About 30 light strings were purchased to replace strings that failed last year. The amount of lighting was reduced per the Board discussion at the last meeting. Helton Excavating had completed the rebuilding of the rock wall approved at the last meeting. The job was completed as expected and should provide a permanent solution to the wall that had previously failed due to drainage problems. The unit owned by the Association has been rented for six months starting in November.

**Financial Report.** Bob Polich of Mountain Systems provided a financial summary through September 2010 with a proposed 2011 budget via email to the Board. Bob and Treasurer Gary Cushner had met to review the budget and an alternate budget from the Treasurer was also emailed to the Board. Overall the operations of the Association have a loss of approximately \$5,000 for the nine months to date. The recent \$13,000 expense for the rock wall work absorbed the prior savings from snow removal. The Association had approximately \$80,000 in the bank with a projection of \$60,000 in reserves at year end. Accounts receivable were at \$2,000 with the majority of that collected in November.

The budget presented had a monthly dues increase of \$13 for two bedroom units and \$14 for the larger units to cover increased operating costs. The 2011 building painting project would be partially funded by the line of credit to spread the cost over more years. The alternate budget from Gary retained the existing dues through reductions to the snow removal, spa, management contract, and financial review expenses. The alternate budget lowered the amount of borrowing by reducing the budget on building work associated with the painting and the allocation for lakeside unit landscaping updates. The Board had a lengthy discussion regarding the expense categories where there were differences in the two budget presentations. The rate to Premier Property Services has been the same for three years. *A motion was approved by the Board for an increase in 2011 by \$2,800 which is 5.6%. (Blaney/Bruyn,4-1).* A compromise budget was agreed to that would have an \$8 per month increase in the dues. *The Board approved the 2011 budget with dues of \$335 for two bedroom units and \$362 for the larger units and continued the policy of offering a 5% discount for annual dues paid by the end of January 2011. (Haraway/Blaney,4-1).*

Gary Cushner left the meeting at 4:15 due to a prior commitment.

**Reserve Projects.** The reserve projects were discussed as part of the budget consideration. The Board had previously contracted for a complete painting of the building in 2011. There was discussion regarding the proposals for improvements to the garden areas in front of the lakeside units. The proposed work ranged from upgrading of the mulch to altering the slope to drain away from the building and using gravel as a more permanent mulch material. Helton Excavating would be contacted regarding an opinion of how to move the drainage away from the building.

Solar options previously presented by Gary and an alternated presentation by Turner Morris Roofing had been received by the Association. As much of the cost benefits from solar were from tax credits and the Association did not pay any tax, the overall benefits to owners were not well defined.

The fire sprinkler system in four of the buildings that replacement parts are no longer available for, did not reflect any leaks during the recent inspection of the system.

**Next Meeting.** The next Board of Directors meeting is scheduled for Saturday, January 8, 2011 at 12 PM. The following meeting will be March 12, 2011 at 12 PM.

The meeting was adjourned at 4:23 PM.