

Lake Forest Condominium Association
Board of Directors Meeting
Saturday, November 2, 2013
County Commons

Board Members	Dave Haraway	305F	Marshall Blaney	103C
	Ben Duhl (phone)	201E	Doris McFeeters	204A
Others	Bob Polich	Mountain Systems, Inc.		
	Mike Castaldo	Back Country Property Maintenance		

The meeting was called to order at 12:41 PM by President Dave Haraway.

Minutes. *The minutes from the August 17, 2013 meeting were approved as written. (McFeeters/Blaney,4-0).*

Owner Comments. No owners were present.

Election of Officers. The officers for 2013/2014 were set as Dave Haraway, President; Marshall Blaney, Vice President/Secretary; and Doris McFeeters, Treasurer. (*unanimous*).

Property Manager Report. Mike Castaldo of Back Country Property Maintenance presented the property report. Mike reported scale has been found on the spruce trees at Lake Forest and three trees were treated this fall. The scale has affected spruce trees throughout Frisco and without treatment it is likely many affected trees will die. Mike indicated the total cost of fertilization done in prior years and the addition of scale treatment will be \$5,000 in 2014.

There was a discussion regarding the general satisfaction with the two (of five) barbeque grills replaced this summer. The old grills were deteriorating and a few complaints had been received regarding them. Mike was directed to replace the other three grills this fall if a favorable cost was available or next spring prior to the grilling season. Mike will keep open the two new grills for the winter season.

Mike obtained a proposal from Helton Backhoe Services for \$3,665 for grading work next summer in the drainage channel area between Buildings B and C. The work would install a rock drainage system that would help prevent erosion in the future.

A proposal was obtained to replace both remaining old hot tubs at a cost of \$33,640.67. One spa was replaced, and the preliminary electrical and plumbing work was completed in 2013. The original plan was to replace one unit per year, but there is a cost savings to complete the two units in one year. Moving up the replacement does not affect the owner assessment amount, but extends the repayment of the line of credit. For an off season spring installation, the spas should be ordered in February with a down payment of \$20,185. Mike recommended the wood deck surface of the spa area be redone at the same time the area was closed for the spa replacement. The proposed cost was \$2,500 including removal of the screws, sanding and refinishing of the surface, and replacement of the screws. The cost includes the spa area and wood walkways. Any wood requiring replacement would be extra. *A motion was approved to replace two spas in 2014 at a projected cost of \$33,640.67 and refinish the spa deck wood surface at a projected cost of \$2,500. (Blaney/McFeeters,4-0).* The foam insulation under the spas previously approved by the Board had been completed including the venting.

Mike suggested the side entry doors on the stair enclosure at Building A and Building B should be replaced with fiberglass doors estimated to cost \$700 to \$800 each. The Board would consider the replacement when a formal proposal was obtained.

The Building D 2012 excavation project needs to be finished in the spring of 2014. There have been no water problems, the sump pump was installed, and any settling was corrected. The spring work would install a weed barrier and landscape rock. No cost has been provided yet.

Mike noted the window trim would need to be addressed in the future pending a decision on window replacement. The 2014 budget includes \$11,000 for touch up work and decks. The projected 2015 budget has \$55,000 budgeted. Mike felt the window trim boards should be replaced with synthetic wood when next painted.

The common fire extinguishers have not yet been inspected. The inspection is required by the fire department and our insurance. It was expected to cost more this time as the extinguishers were at the time frame that they needed to be refilled or replaced.

The work in the unit owned by the Association had been completed including remodeling of the bathrooms and replacement of the sliding glass doors. The tenant indicated he was interested in replacing the carpet with wood floors. Mike was having the contractor investigate costs of wood floor installation appropriate for the ground floor. A garage door opener had been installed.

A potential solution to the shower water line freezing problem in Unit B-201 has been to add a grate from the utility room into the problem area to circulate warm air. If not successful, other options were heat tape or adding an extension of the heat system into the area.

There was a problem approximately six weeks ago with a grease substance in the hot tub water. The tubs were closed and bleached to clean. The cleaning process took three days. The sand in the new tub filter may need to be replaced. The source of the problem or the substance was not determined.

Financial Report. Bob Polich provided a financial summary for the nine months through September 2013. The summary included a projected year-end and the proposed 2014 budget. The 2014 budget included a 2% increase in the operating assessments and retained the existing reserve fund assessment. The \$6 per month increase to each owner was approximately 1.6%. The increase is to maintain operating assessments to cover projected annual costs. Operations were projected to end the year approximately \$3,000 better than budgeted. Reserve expenditures were \$19,000 more than budgeted reflecting increased costs for the spa replacement, upgrades of the unit owned by the Association, and replacement of the riding lawnmower. The 2014 budget included \$53,000 in reserve projects including the replacement of the two remaining spas approved at this meeting. The reserve funding is supplemented by a line of credit loan against the unit that is repaid in a manner to retain consistent reserve assessments. The financial summary and 2014 budget was discussed line by line. *The 2014 budget was approved as presented and a 4% discount would be allowed for the prepayment of 2014 assessments by the end of January 2014. (Haraway/Duhl,4-0).* The assessment discount does not apply to the monthly internet cost approved by the owners in July and installed in September.

Other. Bob Polich reported he had completed the education requirements for the new Colorado Statute on property management licensing. The licensing law does not become effective until July 2015 and there remain some outstanding issues to clarify regarding how it would apply. Bob attended recent seminars regarding the effect on associations of the new Colorado marijuana laws. Common areas in associations are public areas. The law applies to private living areas. The issue with private growing inside units is a concern. The smoking of any legal substance on decks can be a nuisance to other owners. The Board felt the subject should be discussed at a future annual meeting.

Mike will arrange for a contractor to attend the January meeting to review window replacement options and cost.

Meeting Dates. The next meeting of the Board will be January 11, 2014 at 12:30 PM.

The meeting was adjourned at 3:13 PM.