

**THE POINTE AT LAKE DILLON  
BOARD OF DIRECTORS MEETING  
NOVEMBER 9, 2007**

**MINUTES**

1. **Called to Order.** The meeting was called to order at 4:45 p.m.
2. **Attendance and Quorum.**
  - A. Board members in attendance were Mike Gradassi and Art Ballah.  
  
A quorum was established
  - B. Also in attendance was Blaise Colt, owner of 104-B
  - C. Representing Mountain Managers were Eric Gill and Susan Witkowski.
3. **Appointment of Board Member.**

A new Board member was needed to fill the remainder of Marc Lumpkin's term. After discussion, Blaise Colt was appointed to serve on the Board for the 7 months remaining on Marc Lumpkin's term.
4. **Owner Forum.** No owners outside of the listed Board members were in attendance.
5. **Minutes from the 5/25/07 Board Meeting** were approved as written on a motion by Art Ballah, seconded by Blaise Colt.
6. **Repair and Maintenance Report** was reviewed by Eric Gill with a total of 15 items completed.
  - A. It was noted that there was an error on #10 on the Repair and Maintenance Report. This should read pest control for rock squirrels, not chipmunks.
  - B. The sprinkler / fire protection system and expenses incurred this year were discussed.
  - C. There is a dead tree between 101 and 103. Mountain Managers will look at this in the spring.
7. **Financials.** Eric reviewed the October financials, the 2008 Operational Budget and Reserve Study.
  - A. October Financials were discussed and Eric noted where the Association was either over or under budget. Insurance showed as being under budget but will actually be over due to an annual premium payment paid on 11/1 of each year. This will be further discussed when the proposed 2008 budget is reviewed.  
  
Repair and Maintenance was under budget; the security system was over. Last year Mountain Managers was asked to break out the security system and sprinkler system into two separate line items. Eric explained that "security" includes essentially everything in the panel, pumps, and similar items. "Sprinkler" includes sprinkler head repair, drywall repair from leaks, draining the system to effect repairs, start up, etc. Both security and sprinkler were over budget.

The balance in the checking account was \$6,662.47 and the money market account balance was \$26,305.31.

Two delinquencies were noted, neither one is seriously late at this time.

- B. The 2008 budget was reviews line by line. Eric explained that he likes to be pretty thorough on the explanation sections so that everyone understands how the numbers were arrived at. He also noted that the amount currently budgeted will not suffice without a dues increase. Therefore, the 2008 budget was prepared with a \$20 dues increase. This results in \$82,000 on the income side and \$81,500 going out in expenses. These numbers are strictly for day to day operations and do not take funding of the MCR into account.

Areas of the budget where increases occurred over last year were pointed out. These included an 8.5% increase in utilities, 3% increase in management fee, 6% increase in cable expenses and 10% increase in trash removal.

Insurance appears to be way over budget with a little over \$15,000 spent. This is due to the change in premium payments. When insurance was re-negotiated last year, payments went from monthly to a once per year lump sum payment due 11/1 of each year. Next year insurance will be at roughly \$9,000 which is close to a 15% savings.

Repair and maintenance, security, and sprinkler were all budgeted at last year's actual amount spent. There was some discussion about changing the security and sprinkler amounts. As the buildings get older, expenses probably will not decrease and may in fact go up. It was decided to leave both line items as budgeted.

- C. MCR: How to fund the reserves was discussed. All agreed that day to day operations need to come out of monthly dues and the MCR should be funded through special assessment each year. Last year there was a \$600 per unit assessment and the same amount is projected from here on out to adequately fund the MCR.

The MCR currently lists roofing as composite shingles only. Since there are a few flat roof sections, the words "composite shingles" will be removed. Simply stating "roofs" will cover all roofs.

Painting is currently on a 7 year cycle. The Board feels this is too long and changed this to a 6 year cycle. This will move painting from 2010 to 2009 which will change the MCR numbers substantially.

- D. Several issues were discussed under financials because they could have a significant impact on budget numbers.
- (1) The decks behind 103 were talked about and whether or not they are structurally sound. Eric obtained bids for stripping the decks at a cost of \$30,000. Replacement would cost about the same. The Board asked if the decks could be painted the same color as others around the complex so uniformity wouldn't be an issue. The Board feels that stripping and painting would be the best idea but they want to make sure the decks are structurally sound. This will be further discussed at the annual meeting.

- (2) Mike Gradassi did a lot of research on the Declaration regarding where the HOA's responsibility starts and stops on common elements. Currently, the Association has been saying that deck rails and spindles are the responsibility of the HOA and the flat deck surface is the owner's responsibility. Mike says that's not true. All common elements are the HOA's responsibility and limited common elements (areas that are solely used by the unit owner) are still part of the common elements. The Decs clearly state that maintenance of common elements is an HOA responsibility. The Association will therefore be going back to the normal practice on deck maintenance. All deck maintenance is an HOA expense and not the responsibility of the individual unit owner. The MCR needs to be adjusted to correctly budget for this.
- (3) Replacement of 4 doors was discussed. These doors are not sheltered and are continually exposed to the elements. As a result, they are showing severe signs of wear and look pretty bad. The Board wants to look into replacing these this year and if a style change is going to be made, the Board will need to approve a different style so uniformity will be preserved throughout the complex.
- (4) Art asked about whose responsibility it is to clean dryer vents and the power vents on furnaces. After discussion, the Board agreed that dryer vents are an owner responsibility. It was pointed out that some owners are rarely in residence and do not use their dryers. Others live in their units full time and use their dryers on a regular basis. It is also the owner's responsibility to clean out the power vents that essentially suck air that vents outside from the furnace. Due to their outside location, rust and weathering will naturally occur. You can tell when the blades are going bad when they start making a very loud noise. Owners need to be aware of this and be proactive on replacement. If they don't take appropriate action, their furnace will stop working. This will be brought up at the annual meeting.

- E. Mike Gradassi noted that the heat tape on 101A was on all summer and he couldn't turn it off. Mountain Managers will check on this in the spring and make sure it can be turned off. They will also label everything correctly to make turning the tape off easier.
- F. The Board noted that there will need to be a meeting scheduled for the special assessment as noted above. (This was subsequently scheduled for 12/29/07.)
- G. The Board unanimously approved a \$20 dues increase effective 1/1/08.
- H. A motion was made, seconded and passed to approve the 2008 budget.

8. **Old Business.**

- A. The back decks on building 103 were discussed under financials.
- B. Approved storm door type/information is needed for the Rules and Regulations. The Board believes this information is already included. (The Rules were checked after the meeting and they currently state: "No make and model has been officially approved but it is recommended by the Board that homeowners wishing to install a storm door should follow the similar model currently installed on units on building 104. If another type of door is selected, Board approval is required prior to installation.")

C. The new management agreement was signed by Mike Gradassi.

9. **New Business** - None

10. **The Next Board Meeting** will be held 1 ½ hours prior to the spring Semi Annual HOA Meeting (5/23/08 – 4:30 p.m. Board meeting; 6:00 p.m. annual meeting).

8. **Adjournment**. There being no further business, the meeting was adjourned at 5:50 p.m.

Signed

Approved via e-mail

11-25-07

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Mike Gradassi, President

Date

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Eric Gill, Recording Secretary

Date