

**THE POINTE AT LAKE DILLON
SEMI-ANNUAL HOMEOWNERS MEETING
NOVEMBER 10, 2006**

MINUTES

1. **Call to Order.** The meeting was called to order by President Marc Lumpkin at 6:12 p.m.
2. **Affirmation of Attendance and Quorum.**
 - A. 6 owners representing 5 units were in attendance. In addition, 12 proxies were received. Attendance sheets and proxies are filed with the permanent minutes.

A quorum was established.
 - B. Representing Mountain Managers was Eric Gill.
3. **Minutes from the 5/26/06 Semi-Annual Homeowners Meeting** were approved as written.
4. **Repair and Maintenance Report** was reviewed by Eric Gill with 23 items completed.
 - A. Homeowners requested that Eric talk to the snowplow company and ask them not to stack snow in front of the sign.
 - B. The Board will have the roofs inspected each year to make sure water leaks are detected before damage can occur.
 - C. Marc explained the management agreement between The Pointe and Mountain Managers so owners will know what services are provided and what they are paying for.
5. **Financial Report**
 - A. October financials were reviewed by Eric Gill. It was noted that Repair & Maintenance was over budget as was Heavy Equipment Snow Removal. Explanations were given to the membership.
 - B. The checking account balance was \$6,431.64 and the money market was at \$23,679.86.
 - C. No delinquencies were noted – Good job, Homeowners.
 - D. The owner of 104A asked Mountain Managers to make sure they have his alarm code in case emergency access is needed.

- E. The 2007 budget was discussed line by line and Art explained how the MCR is funded. Mike handed out a separate spreadsheet showing the same numbers Eric put together but Mike's sheet shows the years that money is going to be spent. He also explained this document will be reviewed every year and revised as needed. To fund the MCR, a \$600 per unit assessment was approved for 2007 with all monies to go into the MRC. (Please see the enclosed newsletter for a more detailed explanation.) There will be a special assessment meeting on December 29, 2006 at 4:00 p.m. to approve and vote on the assessment. (Letter and Proxy are enclosed with these minutes.) A motion was also made to raise the dues \$5.00 per unit per month for operational needs. The increase will be effective January 1, 2007. Motion passed.

7. **Old Business.**

- A. Marc explained that the Board is continuing to test Wi-Fi at the complex but this is not working out as the Board expected. The Board will continue to work on other ways to bring high-speed wireless into the complex.
- B. Legislative policies mandated by SB100 and SB89: Art explained the changes that need to be made to be in compliance with both bills. He handed out a copy of these changes and noted that the Board had already approved them at their meeting prior to the annual meeting. The Board wanted to make sure everyone had a copy and Mountain Managers will put this on-line with the Rules and Regulations so owners will have access to the information. The Board thanked Art for all his hard work on this.

8. **New Business.**

- A. Sprinkler heads in units were discussed. Mike explained what happened in his unit a month ago. Two out of the four buildings have PVC piping for the sprinkler system and when installed, the contractor tightened the heads a little too tight. Over time, these have been leaking in random locations. Mike's unit cost approximately \$5,000 to repair and the Board is looking into other ways of solving this problem. Cutting out drywall and replacing the heads is one solution the Board has a bid for but they are trying to get better pricing. This is a major concern and the Board will continue to work to find an acceptable solution.

- B. One homeowner asked how proxies are sent out and how homeowners vote. The homeowner would like to see more information on the proxy form. The Board explained that it is impossible to know everything that is going to be voted on prior to the meeting due to discussions/decisions made under Old and New Business.

9. **Meeting Schedule:**

- 12/29/06 Special Assessment Meeting – 12/29/06 at 4:00 p.m. Notices should stress the importance of attending the meeting or sending proxy.
- 5/25/07 Board Meeting at 4:30 p.m.
- 5/25/07 Semi-Annual Meeting at 6:00 p.m.
- 6/30 and Clean Up Days
7/7/07 These dates were proposed by the Landscaping Committee. Kathy thanked everyone for all their help last summer.

10. **Adjournment.** They're being no further business; the meeting was adjourned at 9:00 p.m.

Signed:

Approved via e-mail

11/18/06

Marc Lumpkin, President

Date

Eric Gill, Recording Secretary

Date

NOTE: A LETTER/PROXY FOR THE 12/29/06 SPECIAL ASSESSMENT IS ATTACHED TO THESE MINUTES. ALSO ATTACHED IS A NEWSLETTER PREPARED BY YOUR BOARD WHICH COVERS MANY ITEMS DISCUSSED AT THE MEETING.

The Pointe at Lake Dillon

Written Nov. 11, 2006

Subject: Meeting for the Special Assessment for 2007 of \$600

Date: Dec. 29, 2006, 4 p.m.

Location: Mountain Managers Office in Frisco, 1121 DILLON DAM ROAD

Dear Home Owners,

At the Nov. 10 semi-annual HOA meeting, the board of directors and the majority of the HOA voted to hold a special assessment meeting on Dec. 29, 2006. The only purpose of the meeting is to count the votes on the special assessment, which will help secure adequate funds for the maintenance and repair of major capital projects such as repair and/or replacement of roofing, painting, siding, asphalt, and other major component items necessary to maintain the long term health of our condo complex. The amount decided upon, after careful examination of all outstanding capital projects in the near term and in the future, was \$14,400 which equates to **\$600 per homeowner's unit** to be assessed in quarterly installments or in whole in 2007.

Background: Over the next 30 years of our condo complex, we will incur estimated costs of between \$150,000 to \$250,000 in normal repair, maintenance and replacement of major projects such as roofs, siding, asphalt and exterior painting and staining. As one homeowner said, we don't want our complex to turn into "fixer uppers." We made the first step toward adequately funding our capital reserve funds in November 2005 when the HOA voted at the semi-annual meeting to assess \$800 per unit for a total of \$19,200. By the end this year, our reserve funds for future capital projects will reach approximately \$25,000. At this point, our HOA will have funded 25% of what we should have in reserves at this point in time for ongoing and regularly scheduled repairs or replacement of roofs, asphalt, etc. However, while few, if any HOAs have fully funded reserves [100%], it is recommended that HOAs should have their reserves funded to the extent possible. Few associations are above 75% funded. We should continue to build our reserves now in order to avoid exorbitant special assessments in the future. In fact, under Colorado law and under our own HOA bylaws, the board of directors has a fiduciary responsibility to maintain an adequate reserve fund in an interest-bearing account for such capital projects. By asking each of you to vote in favor of the 2007 special assessment, we will be able to raise our reserve funds for such repairs to 35% of what we should have in reserves, which is a step closer in the right direction.

At the November meeting, The HOA and the board also considered raising monthly dues by \$50 per unit to meet the same goal, but after much discussion it was decided that a special assessment is the better option for funding our reserves. The HOA members stated that the purpose of the monthly dues is solely to fund monthly operating expenditures like snow and trash removal, electricity, cable TV, and overall management. Should the special assessment fail to pass, the board, under the bylaws, has the authority to raise monthly dues by \$50 per month to allocate to the reserve fund. However, the board agreed with the HOA that the best course of action is a special assessment in 2007 of \$600 from each homeowner. The board will continue to evaluate adequate reserve funding levels at each semi-annual meeting.

Noted above is the date, time and location for the assessment meeting. Under the bylaws of the Pointe at Lake Dillon HOA (Article 7.6 Special Assessments), the board of directors can approve the special assessment "with the consent of two-thirds of the votes of Members who are voting in person or by proxy at a meeting duly called for that purpose." So on behalf of the board and the

entire HOA, I ask you to please assign this important proxy to the Board of Directors, which will vote in favor of the special assessment, or you can attend the meeting to cast your vote.

Thank you for your time in this important matter. If you have any questions, don't hesitate to contact your HOA board members MarcLumpkin@msn.com, ArtBallah@aol.com or Mike Gradassi at mgradassi@houston.rr.com.

Sincerely, Marc Lumpkin
President of the Pointe at Lake Dillon HOA Board
303-378-2366

Please detach this portion below and return by mail or Fax to: 970-668-3032

Name (please print) _____ Unit # _____

I plan to attend the meeting: _____ YES _____ No

PROXY

(complete only if you are not planning to attend the meeting)

I, _____ am the person legally entitled to vote for unit # _____ at the Pointe at Lake Dillon Home Owners Association and I do hereby give my proxy to the following: *(CHECK ONE ONLY)*

1.) _____ Board of Directors (as represented at the special assessment meeting by HOA president Marc Lumpkin)

2.) _____ (other unit owner) Name: _____

to cast my vote at the special assessment meeting on Friday, Dec. 29, 2006, at 4 p.m. This proxy shall not be valid if I attend the meeting or execute a subsequently dated proxy.

Signature: _____ Date: _____ Unit# _____

Note: please return this proxy no later than Dec. 21, 2006, in the enclosed envelope to Mountain Managers, Inc., Attn: Pointe at Lake Dillon Assessment, PO Box 647, Frisco, CO 80443, or fax to 970-668-3032.

Newsletter from the Pointe at Lake Dillon Homeowner's Association Board
Nov. 11, 2006

Dear Homeowners,

By now you should be preparing to enjoy your Thanksgiving at your condo. If not, I hope you will soon be able to visit Summit County to enjoy the early snowfall and the early ski season. Below are the updates after our semi-annual HOA meeting.

Landscaping

After years of planning, our entrance sign is complete! Thanks to the tireless efforts of volunteer project managers Art and Kathie and with help from Mike and Diane Gradassi, the sandstone slab, fully engraved, has been installed entrance to our complex. Thanks again to owner Ballow for donating his time to create the for the rock and for working closely with the The town of Frisco required us to move the slightly away from the road (right of way) and Building 102.



Ballah large at the Dan graphic installer. location closer to

Mark your calendars to attend at least one HOA work day: **Saturday, June 30, 2007**, and **Saturday, July 7, 2007**. The Landscaping Committee is recommending work on the horseshoe pit, replace the Morning Star Circle signpost, and plantings.

2007 Special Assessment

The Board was working hard in 2006. Your board members Art Ballah and Mike Gradassi, and separately, Eric Gill from the Mountain Managers, conducted extensive analysis of the reserve funds necessary over the next 30 years in order to replace roofing, siding, painting, etc. Mike Gradassi's study is available for review at Mountain Managers website: www.mtnmanagers.com. (Click on HOA Information, Homeowners, Type in zipcode 80443, enter code - tp13, Budget.) In fact, in 2007, we are scheduled to conduct an asphalt overlay, upkeep on landscaping, and possibly further painting or staining on building 101. As a result, the HOA voted at the semi-annual meeting to hold a special assessment for \$600 in 2007 from each owner to move us closer to having 40% reserve funding of the total cost to fund future capital projects. (See Attached Letter/Proxy.)

The board will continue to prioritize necessary repairs needed each year at our complex, which at 9,200 feet, needs more care than homes at sea level.

Board Actions:

In 2006, the board also increased State Farm insurance protection for the complex and adopted, under the guidance of Art Ballah, adopted eight resolutions adopting policies that are required under new Colorado state laws.

Due to a 26-year snow storm in 2006, our HOA incurred higher costs than normal for snow removal and as a result, our monthly operational budget (paid for by our monthly dues) will be at a deficit of about \$2,000. As a result, the HOA and board voted at the November meeting to raise monthly dues by \$5. Starting in January 2007, our monthly dues will be \$265. This should allow us to break even on our monthly operational expenditures by end of 2007.

The board is also currently reviewing the annual management contract with Mountain Managers. The Mountain Managers recently raised their rate 3%, which is the first rate increase in at least three years. The board finds this rate hike reasonable. Please notify the board if you have comments about the performance of the Mountain Managers.

Repairs

We thought installing expansion tanks would help reduce the number of fire sprinkler head leaks in 2005, but unfortunately, we continue to experience water damage in several units due to leaking sprinkler heads and faulty construction of sprinkler line joints. One unit experienced \$5,000 in damage which required an HOA insurance claim and a \$1,000 deductible. The board is going to seek bids and further advice on this issue.

The board also requested a roof inspection this year. One flat room on building 104 was repaired after a leak. We've asked the Managers to conduct annual roof inspections to help reduce the number of roof leaks.

In 2006, the board approved the staining of the decks behind building 101. The painter/stainer returned to stain decks that were missed in the 2004 painting project, which originally did not include the decks of 101. We now have a consistent color for the decks and are ahead of schedule for staining the back decks of building 101.

The Managers have also started repairing the masonry around the columns in front of Building 101 that deteriorated prior to having gutters installed.

Update on surrounding vacant lots:

As of November 2006, no plans have been submitted to Town of Frisco to build on the vacant lots adjacent to our complex or at the former Country Kitchen. The college that was considering relocating on Dillon Dam Road is now seeking an alternate location on the Frisco peninsula. The board will continue to update you on construction projects.

Broadband internet / Wi-Fi:

Members of the board continue to test Wi-Fi at our complex for those wishing to share in the purchase of wireless broadband (wi-fi), but the technology hasn't worked consistently yet. We'll continue to evaluate. Anyone who hasn't already received instructions for splitting the costs of wi-fi and wishes to participate, please contact marclumpkin@msn.com. At this time, we don't see this as an HOA expenditure.

Reminders:

Please notify the Mountain Managers of any special security alarms in your unit. On occasion, the managers must enter your condo for emergency or security reasons.

Have a wonderful holidays and we'll see you at the annual HOA meeting Friday, May 25, 2007, at 6 p.m. The board will meet at 4:30 p.m. at the Senior Center in Frisco.

Sincerely, Pointe at Lake Dillon Board
Marc Lumpkin, President, marclumpkin@msn.com
Art Ballah, ArtBallah@aol.com
Mike Gradassi, Mgradassi@houston.rr.com