



LODGE AT  
LIONSHEAD

**LODGE AT LIONSHEAD I CONDOMINIUM ASSOCIATION  
BOARD OF DIRECTORS MEETING MINUTES  
July 06, 2018**

Bill Palmer called the Board of Directors meeting to order at 8:06 am on Friday, July 06, 2018, in the Lodge at Lionshead, Unit #405. Board of Directors present were Bill Palmer, Cathy Nigro, Ken Hauck, Will Thompson, and Jim Mueller. Also present were Jeff Bailey and Joy Dunham of Peak Resort Services, Inc. and Paul Backes of McMahan and Associates, CPA/auditors.

Presence of a quorum was established with 100% of Directors in attendance.

Board reviewed proof of meeting notice.

The minutes of the June 30, 2017, Board of Directors meeting were reviewed. **Motion was made by Will Thompson to approve the prior meeting minutes. Motion seconded and passed unanimously.**

**Financial Report.**

Paul Backes of McMahan and Associates reviewed the Financial Statements and stated that it was "clean" review. Paul reviewed with the Board the balance sheet, statement of revenue and expenses, operating and replacement fund budget to actual statements and the financial notes. Bill Palmer and Jeff Bailey explained the laddered CD program and the Board agreed to continue with the 5- year ladder as CD's continue to mature. After discussion, **Motion made by Jim Mueller to approve the Financial Report. Motion was seconded and passed unanimously.**

Paul Backes departed the meeting.

### **Budget Proposal.**

Management presented a Ten-Year Historical Operating Expense report and the Operating Budget Explanation report. The Proposed Operating Budget FYE 4/30/2019 is \$210,930. A 2% increase. Management reviewed the expense line items that changed from the prior year. The primary change being in the new Comcast Triple Play package. After discussion, **a Motion was made by Will Thompson to approve the \$210,930 Operating Budget. Motion was seconded and passed unanimously.** This approved budget is attached to these minutes.

### **Old Business**

Management reviewed with the Board the Capital Replacement Project expenses FYE 4/30/18. Expenses totaled \$86,175. A \$487,678 replacement fund balance will be carried forward in the Association's replacement fund. Attached.

Bill Palmer gave an update on the status of the conceptual planning, that has been undertaken cooperatively with Phase II, on potential improvements for the lower level spaces in both buildings. The conceptual plans and cost estimates provided by Nedbo Construction were reviewed. After discussion, **a Motion was made by Jim Mueller to move forward with the KH Webb conceptual plan "C", in cooperation with Phase II. To approve estimated soft cost of \$10,000 for the further development of architectural/engineering plans and a \$150,000 preliminary project budget, to seek town of Vail approvals and if all goes well, to have the flexibility to commence the project as soon as Spring 2019.** This Motion was seconded and passed unanimously. Will Thompson will present this plan and seek owner approval at the Annual Meeting on Saturday.

### **New Business**

Management reviewed the fire sprinkler system failures experienced this past year and the B2CE Engineering recommendations for mitigating steps to take. A proposal from Western States Fire Protection of \$7,550 was presented. After discussion, **a Motion was made by Will Thompson to approve this project. Motion was seconded and passed unanimously.**

The management contract between Peak Resort Services, Inc. and the Association expires April 30, 2019. Management presented a proposal to the Board to extend the existing contract with a 10% fee increase and a term of either three or five years. After discussion, **a Motion was made by Cathy Nigro to approve the proposed extension with the 10% increase and the five-year term. This Motion was seconded and passed unanimously.**

Ryan Sommers of Peak Resort Services joined the meeting. Ryan presented a proposal to the Board to do an in-unit LED lighting conversion. After discussion, **a Motion was made by Ken Hauck to give Board of Director support to this proposed project and for it to be presented to ownership at the Annual Meeting. This Motion was seconded and passed unanimously.**

Ryan Sommers departed the meeting.

The Board reviewed sections of the updated Capital Replacement Study prepared by Peak Resort Services, Inc. on July 03, 2018.

Management reviewed with the Board the proposed Capital Replacement Projects FYE 4/30/2019 and assessment level. **Motion made by Jim Mueller to approve the projects presented, with an adjustment to the architectural planning line item from \$2,500 to \$10,000. Total project budget of \$76,850. The replacement fund assessment level of \$78,000 to remain same. Motion seconded and passed unanimously.** Attached.

#### **Nomination of Board of Directors for Annual Meeting.**

The Board of Director terms are staggered. Cathy Nigro and Will Thompson's terms are expiring. Both Cathy and Will have notified the Board in writing of their desire to serve another two-year term. No other owners have expressed interest. Cathy and Will are to be nominated at the Annual meeting for the two open positions.

**A Motion was made by Will Thompson to appoint the same slate of officers for this next year. This Motion was seconded and passed unanimously.** Bill Palmer – President, Ken Hauck – VP and Jim Mueller Secretary/Treasurer.

#### **Scheduling of next Board of Directors Meeting.**

The next Board of Director meeting will take place on Friday, July 5, 2019.

Adjournment.

**Motion made by Ken Hauck to adjourn meeting at 11:17 am.  
Motion was seconded and passed unanimously.**

**LODGE AT LIONSHEAD I CONDOMINIUM ASSOCIATION**  
**PROPOSED OPERATING BUDGET**  
**FOR YEAR ENDING APRIL 30, 2019**

	2018	2018	2019
	BUDGET	ACTUAL	PROPOSED
<b>REVENUE</b>			
Assessments	206,217	206,217	210,930
<b>TOTAL REVENUES</b>	<b>206,217</b>	<b>206,217</b>	<b>210,930</b>
<b>EXPENSES</b>			
Trash and Recycle Service	5,000	6,074	6,000
Snow Removal	2,500	1,173	2,500
Landscape	11,000	11,462	11,500
Office Expenses	947	1,239	950
Management Fee	31,824	31,824	31,824
Insurance	16,396	16,200	17,157
Pool Maintenance	6,000	5,435	6,000
Building Maintenance	14,500	14,864	14,500
Water and Sewer	12,250	12,040	12,250
Gas-Pool, Site & Drive	11,500	11,157	11,500
Gas - House	11,600	9,902	10,000
Electricity	14,000	15,117	14,500
Common Area Cleaning	8,000	8,096	8,000
Maintenance Man	29,500	29,559	29,500
Management office Expense C-3	4,200	5,394	5,000
Employee Housing Expense #290	2,500	2,260	2,500
Professional Fees - Accounting	4,100	4,055	4,100
Miscellaneous/ Contingency Expense	100	0	99
Annual Meeting Expense	1,800	2,030	1,800
In-Room Internet	1,750	874	0
Director's Fee	0	461	0
Comcast Cable, Phone & Internet	13,500	15,331	18,000
Professional Fees - Legal	250	0	250
Fire Protection Systems Test and Inspect	3,000	1,957	3,000
<b>TOTAL EXPENSES</b>	<b>206,217</b>	<b>206,504</b>	<b>210,930</b>

**LODGE AT LIONSHEAD I CONDOMINIUM ASSOCIATION**  
**CAPITAL REPLACEMENT PROJECTS COMPLETED**  
**YEAR ENDING APRIL 30, 2018**

	A	B
1	<b>REVENUES</b>	
2	Beginning Balance	\$ 489,954
3	Quarterly Assessments	78,000
4	Interest	5,899
5	<b>TOTAL REVENUES</b>	<b>\$ 573,853</b>
6		
7	<b>EXPENSE CATEGORIES</b>	
8	Fire Alarm System (Final)	27,594
9	Mechanical Systems	21,112
10	Firesprinkler System	8,107
11	Fitness Center	5,684
12	Exterior Doors	4,620
13	Pool/ Spa Systems	4,499
14	Building Wi-Fi System	1,497
15	Fence/ Perimeter	1,471
16	C-3 Office	1,344
17	Lower Level Planning	1,155
18	Electrical	1,092
19	Landscape Planning	741
20	Misc. Parts & Equipment	3,033
21	Taxes	436
22	Project Mgmt & Supervision Fee	3,790
23		<b>\$ 86,175</b>
24		
25	<b>ENDING FUND BALANCE</b>	<b>\$ 487,678</b>

**LODGE AT LIONSHEAD I CONDOMINIUM ASSOCIATION  
CAPITAL REPLACEMENT PROJECTS PROPOSED  
YEAR ENDING APRIL 30, 2019**

	A	B
1	<b>REVENUE</b>	
2	Beginning Balance	\$ 487,678
3	Quarterly Assessments	78,000
4	Interest	5,000
5	<b>TOTAL REVENUE</b>	<b>\$ 570,678</b>
6		
7	<b>EXPENSES CATEGORIES</b>	<b>COST ESTIMATE</b>
8	Stairwell Carpet & Nosing	\$ 48,000
9	Lower Level Architectural Planning	10,000
10	Fire Sprinkler System	7,550
11	Ski Locker Refinishing	2,500
12	Pool & Spa Gate Hardware	1,300
13	Mechanical Systems	2,500
14	Pool & Spa Systems	2,500
15	Contingency	2,500
16	<b>TOTAL ANTICIPATED EXPENSES</b>	<b>\$ 76,850</b>
17		
18	<b>ANTICIPATED ENDING FUND BALANCE</b>	<b>\$ 493,828</b>