



LODGE AT
LIONSHEAD

**LODGE AT LIONSHEAD I CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
July 5, 2019**

Bill Palmer called the Board of Directors meeting to order at 9:00 am on Friday, July 5, 2019, in the Lodge at Lionshead, Unit #207. Board of Directors present were Bill Palmer, Cathy Nigro, Ken Hauck, Will Thompson, and Jim Mueller. Also present were Mike Hauck, an owner of unit #208, 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 July 6, 2018, 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. Paul first explained the independent review report process and then reviewed with the Board the balance sheet, statement of revenue and expenses, operating and replacement fund budget to actual statements and the financial notes. 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 4/30/2020 is \$215,017. A 2% increase. Management reviewed the expense line items that changed from the prior year. After discussion, **a Motion was made by Ken Hauck to approve the \$215,017 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 4/30/19. Expenses totaled \$118,830. Bill Palmer recommended management investigate with our mechanical contractor more proactive replacement of components prior to failure. Bill Palmer directed management to research salt water systems for possible adaption for the hot tubs and pool. Management was also directed to repair/replace the fence gates on the south side of property to bike path. A \$457,339 replacement fund balance will be carried forward in the Association's replacement fund. Attached.

Management gave the Board an update on the lower level improvement projects. Nedbo construction is managing the project well. Major completion is scheduled for end of July. Management reviewed changes received to date total \$6,484.

Civic Area Master Planning process was briefly reviewed. This will be presented in more detail at the Owner's Annual Meeting on July 6th.

Management reviewed the Lionshead Mixed Use (LMU-1) zoning "Density" amendment approved by the Town of Vail.

New Business

The Board reviewed sections of the updated Capital Replacement Study prepared by Peak Resort Services, Inc. on May 23, 2019. Jim Mueller recommended management revise the lower level bathroom component estimated costs for future.

Management reviewed with the Board the proposed Capital Replacement Projects FYE 4/30/2019 and assessment level. Management directed to research with our mechanical contractor devices to monitor leaks/pressure loss on the manifolds being replaced. Management presented a potential layout and cost proposal

for equipment in the expanded fitness center. Management also relayed an offer from an owner in LAL II to split the cost of a new Peloton bike for the fitness room. The Board agreed that the equipment recommendations in the proposal were a good start and that the Peloton bike would be a good addition. Board recommended taking this proposal to the ownership at the Annual Meeting for feedback. **Motion made by Jim Mueller to approve the projects presented. Total project budget of \$161,500. The replacement fund assessment level of \$78,000 to remain same. Motion seconded and passed unanimously.** Attached.

Ken Hauck recommended adding a sign in sheet for the fitness center for liability purposes and better determining usage. Board discussed how to handle LAL III guests and owner's requests to use the fitness center. **A Motion made by Jim Mueller to add a sign in sheet to the fitness center and to allow LAL III to continue with the Fitness Center Use Agreement, if LAL III is willing to continue to contribute their share (26%) of the cost of new equipment purchases. A Motion seconded and passed unanimously.**

Nomination of Board of Directors for Annual Meeting.

The Board of Director terms are staggered. Bill Palmer, Ken Hauck and Jim Mueller's terms are expiring. Bill and Jim have notified the Board in writing of their desire to serve another two-year term. Mike Hauck also sent in written notification of his intent to seek election to the Board. Ken Hauck is not seeking re-election. No other owners have expressed interest. Bill, Jim and Mike are to be nominated at the Annual meeting for the three open positions.

Scheduling of next Board of Directors Meeting.

The next Board of Director meeting will take place on Thursday, July 2, 2020. Board will recommend to ownership that the next Annual meeting be held on Friday July 3, 2020.

Adjournment.

Motion made to adjourn meeting at 11:27 am.

LODGE AT LIONSHEAD I CONDOMINIUM ASSOCIATION
PROPOSED OPERATING BUDGET
FOR YEAR ENDING APRIL 30, 2020

	2019 BUDGET	2019 ACTUAL	2020 PROPOSED
REVENUE			
Assessments	210,930	210,930	215,017
TOTAL REVENUES	210,930	210,930	215,017
EXPENSES			
Trash and Recycle Service	6,000	6,249	4,000
Snow Removal	2,500	1,733	2,500
Landscape	11,500	10,694	11,500
Office Expenses	950	638	950
Management Fee	31,824	31,824	35,006
Insurance	17,157	17,157	18,562
Pool Maintenance	6,000	5,311	6,000
Building Maintenance	14,500	15,729	15,000
Water and Sewer	12,250	12,101	12,250
Gas-Pool, Site & Drive	11,500	11,859	11,500
Gas - House	10,000	9,874	10,000
Electricity	14,500	15,265	15,000
Common Area Cleaning	8,000	9,375	8,500
Maintenance Man	29,500	28,127	29,500
Management office Expense C-3	5,000	4,527	5,000
Employee Housing Expense #290	2,500	1,677	2,500
Professional Fees - Accounting	4,100	4,175	4,100
Miscellaneous/ Contingency Expense	99	0	99
Annual Meeting Expense	1,800	1,499	1,800
In-Room Internet	0	0	0
Director's Fee	0	0	0
Comcast Cable, Phone & Internet	18,000	17,745	18,000
Professional Fees - Legal	250	538	250
Fire Protection Systems Test and	3,000	3,264	3,000
TOTAL EXPENSES	210,930	209,361	215,017

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

REVENUES	
Beginning Balance	\$ 487,678
Quarterly Assessments	78,000
Interest	10,491
TOTAL REVENUES	\$ 576,169
EXPENSE CATEGORIES	
Stairwell Carpet & Nosing	48,336
Lower Level Improvement Project	
- Architectural	9,604
- Construction	15,360
Fire Sprinkler System	15,171
Mechanical Systems	9,445
Electrical Systems	6,446
Pool/ Spa Systems	2,745
Ski Lockers	2,500
Pool Gate Hardware	1,573
Fire Alarm System	1,023
Misc. Parts & Equipment	1,797
Project Mgmt & Supervision Fee	4,097
Income Taxes	733
TOTAL EXPENSES	\$ 118,830
ENDING FUND BALANCE	\$ 457,339

**LODGE AT LIONSHEAD I CONDOMINIUM ASSOCIATION
CAPITAL REPLACEMENT PROJECTS PROPOSED
YEAR ENDING APRIL 30, 2020**

REVENUE	
Beginning Balance	\$ 457,339
Quarterly Assessments	78,000
Interest	5,000
TOTAL REVENUE	\$ 540,339
EXPENSES CATEGORIES	
	COST ESTIMATE
Lower Level Improvement Project	
Construction	\$ 135,000
Architectural	5,000
Fitness Equipment	3,500
Laundry Equipment	1,500
Snowmelt Manifold Replacement	4,000
Mechanical Systems	2,500
Fire Sprinkler System	2,500
Pool & Spa Systems	2,500
Contingency	5,000
TOTAL ANTICIPATED EXPENSES	\$ 161,500
ANTICIPATED ENDING FUND BALANCE	\$ 378,839