



LODGE AT
LIONSHEAD

**LODGE AT LIONSHEAD II CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
JULY 26, 2019**

Bob Lichtenstein called the Board of Directors meeting to order at 4:00 pm, on Friday, July 26, 2019, in unit #360. Directors present were Bob Lichtenstein, Peggy Sciotto, Crys Margolis and Don Werner. Also present were Jeff Bailey and Joy Dunham of Peak Resort Services, Inc. and Paul Backes of McMahan and Associates, auditors.

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

Board reviewed the proof of meeting notice.

The minutes of the January 10, 2019, Board of Directors meeting were reviewed. **Motion made by Peggy Sciotto to approve the minutes as presented. Motion seconded and passed unanimously.**

Financial Report

Paul Backes presented the Financial Reports. Paul reviewed with the Board the steps taken by his firm in the audit process, the balance sheet, statement of revenue and expenses, operating and replacement fund budget to actual statements and the financial notes. Paul stated that the records prepared by management were extremely clean and well organized. After discussion, **Motion made by Peggy Sciotto to approve the Financial Report. Motion was seconded and passed unanimously.**

Bob Lichtenstein requested that management provide the Board with the square footage of the management office for information purposes.

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 \$242,920, which is an increase of \$5,870. Management reviewed with the Board the expense line items that have changed from the prior year. Bob explained that he would seek reimbursement for travel expenses of \$900 for his expense of coming to this meeting. Board agreed to add \$900 to this expense line item. Bob requested that the Operating Budget decision be tabled until the Capital Replacement Fund Study and Capital Replacement projects were reviewed. The Board agreed.

Old Business

Management reviewed with the Board the Capital Replacement Project Expenses FYE 4/30/19 report. Expenses totaled \$142,468. A \$216,266 Replacement Fund Balance was 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 now scheduled for the week of August 19th. Management reviewed changes received to date total \$6,484.

New Business

Civic Area Master Planning process was reviewed. This will also be presented in at the Owner's Annual Meeting on July 26th.

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

The Board reviewed sections of the updated Capital Replacement Study prepared by Peak Resort Services, Inc. on July 19, 2019. Management encouraged the Board to review carefully the recently updated Capital Replacement Study and the major component replacements that are upcoming. This updated study is posted to the web-site.

Management reviewed with the Board the proposed Capital Replacement Projects FYE 4/30/2020. Proposed project expenses are estimated to be \$199,050. Management presented a potential layout prepared by Advanced Exercise Equipment and the cost proposal for new equipment in the expanded fitness center. Management also

relayed an offer from Mike Berland, Owner of unit 100/110, 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 discussed how to handle LAL III guests and owner's requests to use the fitness center. Board agreed with LAL I Ownership to approach LAL III about continuing the cost sharing arrangement that is currently in place.

After discussion:

Motion was made by Bob Lichtenstein to approve a \$100,000 Special Assessment for the Capital Replacement Fund. Motion was seconded and passed unanimously.

Motion was made by Bob Lichtenstein to approve the Operating Budget amount of \$243,820. Motion was seconded and passed unanimously.

Motion was made by Bob Lichtenstein to approve leaving the Quarterly Capital Replacement Fund Assessments at the same level of \$80,980. Motion was seconded and passed unanimously.

Nomination of Board of Managers for Annual Meeting

The Board of Director terms are staggered. Bob Lichtenstein and Peggy Sciotto's terms are expiring. Both have indicated their desire to continue to serve on the Board. No other Owner's expressed interest in serving on the Board by the June 27, 2019 deadline. For this year's election Don Werner, as Nominating Chairperson, will nominate Bob Lichtenstein and Peggy Sciotto for two-year Board seats up for election at the Annual meeting.

Scheduling of next Board of Managers Meeting

The next Board of Manager meeting will take place on Saturday, July 27, 2019, immediately following the owner's meeting.

Meeting was adjourned at 5:39 pm.

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

	2019 BUDGET	2019 ACTUAL	2020 PROPOSED
REVENUE			
Operating Assessment	237,050	237,050	243,820
TOTAL REVENUE	237,050	237,050	242,920
EXPENSES			
Trash Removal	6,000	6,249	4,000
Snow Removal	2,500	1,933	2,500
Landscape	11,500	10,615	11,500
Professional Fees - Accounting	5,200	6,283	5,500
Professional Fees - Legal	200		200
Office	750	750	750
Management Fee	34,267	34,267	37,694
Insurance	20,660	20,660	22,203
Fire Sprinkler: Alarm/ Test/ Inspect	3,000	3,399	3,000
Pool Maintenance	6,000	5,349	6,000
Building Maintenance	16,500	16,514	16,500
Water/ Sewer	19,000	19,604	19,000
Gas: Pool/ Spa/ Driveway/ Site	12,500	14,740	14,000
Electricity	18,000	17,701	18,000
Cable/ Phone/ Internet Service	26,400	26,652	27,000
Common Area Cleaning	12,500	13,202	13,000
Maintenance Man	29,500	28,127	29,500
Elevator	6,000	5,667	6,000
In-Room Internet	0		0
Unit C-3 Expense	4,500	5,253	4,500
Miscellaneous/ Contingency Expense	23		23
Unit 290 Expense	2,000	1,677	2,000
Director's Expense			900
Meeting Expense	50	298	50
TOTAL EXPENSES	237,050	238,940	243,820
VARIANCE		-1,890	

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

REVENUES	
Beginning Balance	\$ 276,121
Quarterly Assessments	80,980
Interest Income	1,633
TOTAL REVENUES	\$ 358,734
EXPENSE CATEGORIES	
Deck Resurfacing	79,152
Lower Level Improvement	
-Architectural	9,604
-Construction	16,280
Electrical Systems	9,410
Mechanical Systems	8,429
Pool/Hot Tub Systems	4,948
Garage	2,113
Deck Posts	1,955
Flower Boxes	1,350
Misc. Tools, Parts & Equipment	1,284
Project Mgmt & Supervision Fee	7,943
TOTAL EXPENSES	\$ 142,468
ENDING FUND BALANCE FYE 4.30.19	\$ 216,266

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

REVENUE	
Beginning Balance	216,266
Quarterly Assessments	80,980
Special Assessment	100,000
Interest	1,000
TOTAL REVENUE	398,246
EXPENSES CATEGORIES	
	COST ESTIMATE
Lower Level Improvement Project	
Construction	135,000
Architectural	7,500
Fitness Equipment	3,500
Laundry Equipment	1,500
Stairwell Carpeting	12,500
Roof Penthouse	20,250
Emergency Lighting	2,300
Snowmelt Manifold Replacement	4,000
Mechanical Systems	2,500
Fire Sprinkler Systems	2,500
Pool & Spa Systems	2,500
Contingency	5,000
TOTAL ANTICIPATED EXPENSES	199,050
ANTICIPATED ENDING FUND BALANCE FYE 4.30.2020	199,196