

**LODGE AT LIONSHEAD II CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
JULY 23, 2018**

Bob Lichtenstein called the Board of Directors meeting to order at 4:35 pm, on Monday, July 23, 2018, in unit #360. Directors present were Bob Lichtenstein and Peggy Sciotto. Katy Lichtenstein, Mike Steele and Crys Margolis attended the meeting via speaker phone. Also present were Don Werner, owner of unit #140, Jeff Bailey and Joy Dunham of Peak Resort Services, Inc. and Mike Shervin 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 25, 2018, Board of Directors meeting were reviewed. **Motion made by Peggy Sciotto to approve the minutes as presented. Motion seconded and passed unanimously.**

Financial Report.

Mike Shervin presented the Financial Reports. Mike 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 Peggy Sciotto to approve the Financial Report. Motion was seconded and passed unanimously.**

Mike Shervin departed the meeting.

Budget Proposal.

Management reviewed with the Board a report on the ten-year operating expense history for the Association and an expense line item explanation report.

Management presented an operating budget proposal of \$237,050, which is an increase of \$7,576 or 3%. Management reviewed with the Board the expense line items that have changed from the prior year. Bob requested that the operating assessment decision be tabled until the 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 4/30/18 report. Expenses totaled \$165,105. A \$276,121 replacement fund balance was carried forward in the Association's Replacement Fund. **Attached.**

Management updated the Board on the status of the in-unit LED light bulb conversion project.

Bob presented the conceptual plans and costs provided by KH Webb Architects for the lower level improvement plans for both Phase I & II. The conceptual cost estimates provided by three Vail general contractors were also reviewed. Bob explained that he had consulted with the President of LAL I Board and both are recommending that the Associations agree to share in the costs equally of the renovation of the lower level spaces of the buildings. Bob also noted that the two associations would seek participation from LAL III as well, based on the current sharing agreement for the fitness facility, but were not optimistic that LAL III would agree to the cost share. Bob recommended that the Board agree to commit \$10,000 to architectural planning with KH Webb, in order to have plans that can be submitted to the Town of Vail for permit review and to acquire accurate contractor pricing. Goal is a Spring or Fall 2019 project. The Board agreed to take this to Ownership at the Annual Meeting for approval. The Board will reconvene in the Fall, after this preliminary process, to determine whether to proceed.

New Business.

Management encouraged the Board to review carefully the recently updated Capital Replacement Study that has been posted to the web-site.

Management reviewed with the Board the proposed Capital Replacement Projects FYE 4/30/2019. After discussion, a **Motion was made by Bob Lichtenstein to accept the proposed Operating Budget of \$237,050 and to increase the Replacement Fund annual assessment by \$5,000. This represents a total assessment increase of \$12,576. Motion was seconded and passed unanimously. Approved Operating Budget and Approved Capital Replacement Projects FYE 4/30/2019 are Attached.**

Nomination of Board of Managers for Annual Meeting.

The Board discussed the nomination procedures currently used by the Association and Bob proposed that things remain the same this year,

but that changes be implemented in 2019. The recommended changes, that comply with CCIOA and the Association By-laws, are as follows:

- Management will send out the meeting notices approximately 50 days prior to annual meeting date. This notice will contain information on the Board seats up for election, Board Members desiring to continue to serve and a request for nominations by any other owners that would like to run for the Board. In that event, all nominations should contain a brief BIO that will be provided to Ownership.
- There will be a deadline for nominations of approximately 30 days prior to the meeting date.
- If more nominations are received than available seats, Ownership will be notified and provided the BIO's and a directed Proxy that they may return prior to the annual meeting date. An election by secret ballot will take place at the Annual Meeting.

For this year's election Peggy Sciotto, as Nominating Chairperson, will nominate Katy Lichtenstein and Crys Margolis for the 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 28, 2018, immediately following the owner's meeting.

Management's contract renewal was discussed.

Meeting moved into executive session at 6:29 pm. Joy Dunham and Jeff Bailey departed the meeting.

Meeting moved out of executive session at 6:55 pm.

Motion to adjourn the meeting at 7:00 pm. Motion was seconded and passed unanimously.

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

REVENUES	
Beginning Balance	\$ 369,091
Quarterly Assessments	65,980
Settlement Proceeds	4,640
Interest Income	1,515
TOTAL REVENUES	\$ 441,226
EXPENSE CATEGORIES	
Driveway Snowmelt System	56,311
Fire Alarm Panel & Device Replacement (final)	42,860
Mechanical Systems	19,604
Common Area Carpet	11,944
Condo Map (final)	6,371
Pool/ Spa	4,316
Electrical	4,455
Fence	3,090
Comcast Conversion	2,642
Flooring	1,678
Common Area Painting	1,443
Linen Room	1,212
Architectural/ Lower Level	1,896
Misc. Tools, Parts & Equipment	1,033
Project Mgmt & Supervision Fee	6,250
TOTAL EXPENSES	\$ 165,105
ENDING FUND BALANCE FYE	\$ 276,121

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

	2018 BUDGET	2018 ACTUAL	2019 PROPOSED
REVENUE			
Operating Assessment	221,787	229,474	237,050
Lease Assessment	7,687		
Interest		128	
TOTAL REVENUE	229,474	229,602	237,050
EXPENSES			
Trash Removal	5,000	6,074	6,000
Snow Removal	2,500	1,670	2,500
Landscape	10,500	11,201	11,500
Professional Fees - Accounting	5,200	5,586	5,200
Professional Fees - Legal	200		200
Office	750	972	750
Management Fee	34,267	34,267	34,267
Insurance	19,457	19,483	20,660
Fire Sprinkler: Alarm/ Test/ Inspect	3,000	2,015	3,000
Pool Maintenance	5,500	5,693	6,000
Building Maintenance	16,000	17,491	16,500
Water/ Sewer	19,000	19,146	19,000
Gas: Pool/ Spa/ Driveway/ Site	12,500	13,485	12,500
Electricity	18,000	17,655	18,000
Cable/ Phone/ Internet Service	26,000	26,122	26,400
Common Area Cleaning	11,500	12,563	12,500
Maintenance Man	29,000	29,559	29,500
Elevator	5,000	5,743	6,000
In-Room Internet	0	634	0
Unit C-3 Expense	4,000	4,497	4,500
Miscellaneous/ Contingency Expense	50		23
Unit 290 Expense	2,000	2,542	2,000
Director's Expense		530	
Meeting Expense	50	7	50
TOTAL EXPENSES	229,474	236,935	237,050
VARIANCE		-7,333	

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

REVENUE	
Beginning Balance	276,121
Quarterly Assessments	80,980
Interest	1,500
TOTAL REVENUE	358,601
EXPENSES CATEGORIES	COST ESTIMATE
Deck Resurfacing	73,700
Architect Planning: Lower Level	10,000
Lighting	7,500
Paint/ Stain Deck Posts	2,900
Mechanical Systems	5,000
Pool & Spa Systems	5,000
Contingency	5,000
TOTAL ANTICIPATED EXPENSES	109,100
ANTICIPATED ENDING FUND BALANCE FYE 4.30.2019	249,501