

**LODGE AT LIONSHEAD III CONDOMINIUM ASSOCIATION  
ANNUAL HOMEOWNERS MEETING  
March 4, 2017**

Call to order and determination of quorum.

President Jeff Bosboom called the meeting to order at 4:06 p.m. in the Lionsquare Lodge & Conference Center, Columbine Room.

Owners present were:

Marilyn and Ken Sandstad (Unit #1)

Gene Hill (Unit #2)

Claudia Cortina (Unit #4)

Mindy Nelkin (Unit #6)

Jeff Bosboom (Unit #10)

Inaki de Abiega (Unit #9 & 12)

Owners attending the meeting via conference line were: Felipe Esteve (Unit #11).

Also present were Jeff Bailey and Joy Dunham, of Peak Resort Services, Inc., Lori Tarpey of McMahan and Associates, Association accountants.

Owners that provided proxy forms were: Luis Diaz Torre (Unit #5) to Inaki de Abiega and DA Mountain Rentals / Don Ertmier (Unit #7) to Attorney, Mark Apelman.

A quorum was established with 84.5% of membership represented in person, calling in or by proxy.

The Notice of Annual Meeting was reviewed and accepted.

The minutes of the March 5, 2016 Annual Meeting of Ownership were reviewed.

**Motion was made by Gene Hill to approve the minutes as presented. Motion seconded and passed unanimously, with one abstention (unit #7).**

Financial Review

Lori Tarpey, accountant with McMahan and Associates, LLC presented the financial report.

**Motion made by Inaki de Abiega to accept the financial review. Motion seconded and passed unanimously, with one abstention (unit #7).**

### Tax Resolutions.

Lori Tarpey presented 2 resolutions that the accountants recommend the Association approve at the Annual Meeting:

1. Resolution on Capital Contributions. That amounts collected or paid to the Association for Capital Replacement purposes for the fiscal year ended October 31, 2016 shall be set aside for future major repairs and replacements and allocated to capital components as provided by the guidelines established by IRC Section 118 and Revenue Rulings 75-370 and 75-371.
2. Resolution on excess income. That excess membership income over membership expense collected by or paid to the Association for the year ended October 31, 2016 shall not be directly refunded to owners, but shall be applied against subsequent tax year member assessments as provided by IRS Ruling 70-604.

**Motion made by Marilyn Sandstad to approve both tax resolutions. Motion seconded and passed unanimously, with one abstention (unit #7).**

Management reviewed with ownership an Operating Budget Explanation Report and the Operating Budget FYE 10/31/2017. The budget had previously been approved by the Board of Managers. The total budget and assessment level remains the same as prior year \$219,712.

Approved budget is attached to these minutes.

### Old Business

Management reviewed with ownership the Capital Replacement projects completed FYE 10/31/2016. Completed projects report is attached to these minutes.

Jeff Bosboom gave a brief update on the status of condominium document modernization process and lawsuit.

Management reviewed with ownership the completed backyard tree removal and re-landscaping project photos and cost breakdowns were discussed.

## New Business

Management provided a report on the Capital Replacement projects proposed FYE 10/31/2017. Total proposed expenditures \$74,450. The main project is the shared II & III driveway snowmelt system replacement. Management reviewed all of the proposed projects with ownership and fielded questions. After review of each project, ownership decided to reduce the landscaping project line item from \$3,500 to \$500 for just a new light fixture by the pool/spa area. Management was also directed to explore the availability of combination keyed/push button coded entry locking hardware for five locations (bike path gate, west entry gate, west entry door and 2 north entry doors) Management is to report back to the Board of Managers with options and estimated costs for this hardware if available. **Motion made by Marilyn Sandstad to accept the revised Capital Replacement projects FYE 10/31/2017, totaling \$71,450. Motion seconded and passed unanimously with 1 abstention (Unit #7 Erftmier).** Approved project list attached to these minutes.

Ownership next discussed the funding method for the approved capital replacement projects and the replacement fund. The usual discussion ensued regarding the Association's past preference to fund Capital Projects via special assessment vs. increasing the amount paid quarterly into the replacement fund. **Motion made by Gene Hill to leave the capital replacement fund assessment level at \$39,840 and to have a special assessment of \$48,000 with the goal of an end of year replacement fund balance of \$85,000. Motion seconded and passed unanimously, with one abstention (unit #7).**

## Ratify Actions of Board of Managers.

**Motion made by Gene Hill to ratify all actions of the Board of Managers for the previous year. Motion seconded and passed unanimously, with one abstention (unit #7).**

## Elections

**Motion made by Gene Hill to nominate the same slate of Board Members for another one year term. Motion seconded and passed unanimously, with one abstention (unit #7).** The Board of Managers FYE 10/31/2017 will be Marilyn Sandstad, Inaki de Abiega, Mindy Nelkin, Jeff Bosboom and John DuPont.

Schedule for the 2017 Annual Meeting.

Next Annual Meeting was scheduled for Saturday, March 3, 2018 at 4:00 pm.

Adjournment.

Jeff Bosboom adjourned the meeting at 5:47 pm.

**LIONSHEAD III CONDOMINIUM ASSOCIATION  
 PROPOSED OPERATING BUDGET  
 FOR YEAR ENDING OCTOBER 31, 2017**

	2016	2016	2017
	BUDGET	ACTUAL	Proposed
<b>REVENUE</b>			
Assessmenets	219,712	219,712	219,712
<b>TOTAL REVENUE</b>	<b>219,712</b>	<b>219,712</b>	
<b>EXPENSES</b>			
Trash Removal	4,900	5,025	4,900
Snow Removal	10,000	6,312	10,000
Landscape Maintenance	13,000	11,882	13,000
Professional Fees - Accounting	3,750	3,750	3,750
Professional Fees - Legal	10,000	4,839	10,000
Office Expense	750	798	750
Management Fee	42,919	40,968	42,919
Insurance	29,000	26,135	29,000
Fire Alarm - Test & Inspect	2,500	2,218	2,500
Pool Maintenance	8,000	7,629	8,000
Building Maintenance	14,000	16,844	14,000
Water and Sewer	10,500	11,840	10,500
Gas - Pool	4,500	3,447	4,500
Gas - Snowmelt System	5,675	5,474	5,675
Electricity	8,500	8,211	8,500
Comcast Bulk Cable	8,900	8,501	8,900
Common Area Cleaning	6,500	7,008	6,500
Maintenance Man	20,000	20,786	20,000
Elevator Expense	9,500	11,708	9,500
Management Office Expense (unit C-3)	3,200	3,610	3,200
Unit 290 Expenses	1,100	1,226	1,100
Miscellaneous/ Contingency Expense	168	0	168
In-Room WI-FI	1,750	1,895	1,750
Meeting Expenses	600	476	600
<b>TOTAL EXPENSES</b>	<b>219,712</b>	<b>210,582</b>	<b>219,712</b>
<b>VARIANCE</b>		9,130	

**LIONSHEAD III CONDOMINIUM ASSOCIATION  
CAPITAL IMPROVEMENT PROJECTS COMPLETED  
FYE 10/31/2016**

<b>BEGINNING BALANCE:</b>		<b>\$ 86,868</b>
Revenues		
Special Assessment		\$ 35,000
Quarterly Assessments		\$ 39,840
Interest Income		\$ 152
<b>TOTAL REVENUE:</b>		<b>\$ 161,860</b>
<b>COMPLETED PROJECTS:</b>		
Exterior Stairs		61,584
Landscape:		
Bike Path Final		3,435
Tree Removal (2)		6,300
Relandscape/ Irrigation		9,959
Mechanical Systems		3,067
Pool/ Spa Component		2,780
Interior Painting		2,065
Garage Door		477
Miscellaneous Equipment		183
Project Planning/ Supervision 2015		3,104
<b>TOTAL EXPENDITURES:</b>		<b>\$ 92,954</b>
<b>ENDING FUND BALANCE:</b>		<b>\$ 68,906</b>

**LIONSHEAD III CONDOMINIUM ASSOCIATION  
CAPITAL IMPROVEMENT PROJECTS PROPOSED  
FYE 10/31/2017**

<b>BEGINNING BALANCE:</b>		<b>\$ 68,906</b>			
Revenues					
Quarterly Assessments		39,840			
Special Assessment		48,000			
<b>TOTAL REVENUE:</b>		<b>\$ 156,746</b>			
<b>PROPOSED PROJECTS:</b>					
Driveway Snowmelt System					
Engineering		2,000			
Replacement Project		49,500			
Roof Detail		4,500			
Building Re-key		3,950			
Landscape Improvements		500			
Electrical Upgrades		3,500			
Pool/ Spa Contingency		2,500			
Contingency		5,000			
<b>TOTAL PROPOSED EXPENDITURES:</b>		<b>\$ 71,450</b>			
<b>ANTICIPATED ENDING FUND BALANCE:</b>		<b>\$ 85,296</b>			
<b>ANNUAL CAPITAL REPLACEMENT FUND ASSESSMENT HISTORY</b>					
Prior to 2004		13,200.00			
2004 - 2013		15,840.00			
2014		27,840.00			
2015, 2016 & 2017		39,840.00			