



LODGE ^{AT}
LIONSHEAD

**LODGE AT LIONSHEAD II CONDOMINIUM ASSOCIATION
ANNUAL MEETING MINUTES
JULY 29, 2017**

Bob Lichtenstein called the Annual meeting to order at 9:38 am on Saturday, July 29, 2017, in the Lodge at Lionshead, Unit #400. Owners present were Peggy Sciotto unit #400, Bob and Sandy Lichtenstein Unit #250 & #360, Katy Lichtenstein Unit #260, Janet and Mike Steele Unit #330, Helen and Bob Howard Unit #280 & #160, Don Werner and Mike Gosline #140 and Christain Lippert Unit #120. Also present were Jeff Bailey and Joy Dunham of Peak Resort Services, Inc. and Paul Backes of McMahan and Associates.

Presence of a quorum was established with 65.56% of ownership represented in person or by Proxy.

Notice of meeting was reviewed.

The minutes of the July 30, 2016 Annual Homeowners meeting were reviewed. **Motion made by Bob Howard to approve the minutes as presented. Motion seconded and passed unanimously.**

Financial Report.

Paul Bakes of McMahan and Associates, P.C. presented the Financial Audit report.

Paul presented to the meeting (2) resolutions:

1. **Capital contributions.** RESOLVED that amounts collected by or paid to the Association for Capital Replacement purposes for the fiscal year ended April 30, 2017, 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. Such amounts shall be deposited into a separate account. Any

amounts so added to replacement funds shall be allocated to the various components at the discretion of the Board of Directors.

2. **Excess income applied towards subsequent year's expenditures.** RESOLVED, that excess membership income over membership expense collected by or paid to the Association for the year ended April 30, 2017, shall not be directly refunded to owners, but shall be applied against subsequent tax year member assessments as provided by IRS Revenue Ruling 70-604.

A Motion was made by Mike Gosline to pass the 2 tax Resolutions. Motion was seconded and passed unanimously.

A Motion was made by Peggy Sciotto to approve the Financial Report; Motion was seconded and passed unanimously.

Paul Backes departed the meeting.

Budget Proposal.

Management provided an Operating Budget Explanation 2017 report for the Association.

Management presented an operating budget proposal of \$229,474 FYE 4/30/2018. This represents a 5% increase over prior year.

Management reviewed with the owners the expense line items that have changed from the prior year. The majority of the budget increase is reflected in the conversion to the Comcast "Triple Play Package" for cable, internet and phone services. The vote on the operating assessment was tabled to coincide with capital replacement projects and assessment decision later in the meeting.

Management provided in the meeting packet a letter from the Denver Agency, outlining the insurance coverage provided in the Association's policy and the coverage that owners are responsible for obtaining in their personal homeowner's insurance policy.

Old Business

Management reviewed with Owners the Capital Replacement Project expenses FYE 4/30/17 report. Expenses totaled \$126,495. A \$369,091 replacement fund balance was carried forward in the Association's Replacement Fund. **Attached.**

Management presented owners with the newly adopted Condominium Map for the Association. This Map and accompanying Declaration Amendment have been successfully completed and filed with the Town of Vail and Eagle County. Management will now confirm whether the long-term leases will need to be formally terminated as a last step in this process. Map will be posted to the Association web-site along with the other updated Association Documents

Management reviewed the Tree Successional Plan and display boards provided by Colorado Land Art Studio. These plans will be used to guide the decision on future landscaping and tree replacement at the property.

Management reviewed a "Letter of Completion" provided by Acme Alarm Company. The fire alarm panel and device replacement project was completed in June 2017.

Management reported on the Association's conversion to the Comcast "Triple Play" package. Upgraded cable TV, phone and internet are now provided in a bulk agreement with Comcast and will be paid for via operating assessments. Conversion was completed in May 2017.

Bob Lichtenstein presented the conceptual plans provided by KH Webb Architects for the lower level improvements being considered for both Phase I & II. Bob reported that the Board will continue to study these areas in cooperation with Phase I with the goal of having specific plans and cost estimates prepared for a vote of ownership in 2018.

New Business.

Management reviewed the provisions in the Association's current Declaration regarding smoking policies. The Board is recommending a "No Smoking" rule be created to prohibit smoking on Association Common elements including the grounds, garage, stairwells, parking and pool/hot tub areas. After discussion, **a Motion was made by Bob Howard to approve a new Association rule, prohibiting smoking in/on Association General Common areas. This Motion was seconded and passed unanimously.**

Management reviewed the proposed Capital Replacement Projects FYE 4/30/2018 and a deck replacement project proposed to be completed in June 2018. Management also encouraged owners to review the updated Capital Replacement Study on the Association's web-site. Bob Lichtenstein explained the Associations need to increase the amount

going into the Replacement Fund in order to meet upcoming Capital Replacement project expenses. **Motion made by Don Werner to approve the \$229,474 Operating Budget proposal and an increase in Capital replacement assessments of \$5,000 per quarter. Motion was seconded and passed unanimously. Approved Operating Budget and Approved Capital Replacement Projects FYE 4/30/2018 are Attached.**

Ratify Board of Director Actions

Motion made by Don Werner to Ratify the actions of the Board of Directors FYE 4/30/2017. Motion seconded and passed unanimously.

Board of Director Elections.

Motion made by Katy Lichtenstein to nominate Bob Lichtenstein, Peggy Sciotto and Mike Steele for two year terms. Motion was seconded and passed unanimously. Board will be comprised of Bob Lichtenstein, Peggy Sciotto, Katy Lichtenstein, Crys Margolis and Mike Steele.

Motion was made by Bob Lichtenstein to adjourn the meeting at 11:35 am. Motion was seconded and passed unanimously.

**LODGE AT LIONSHEAD II CONDOMINIUM ASSOCIATION
PROPOSED OPERATING BUDGET
FOR YEAR ENDING APRIL 30, 2018**

	2017	2017	2018
	BUDGET	ACTUAL	PROPOSED
REVENUE			
Operating Assessment	202,395	202,395	221,787
Lease Assessment	13,022	15,373	7,687
TOTAL REVENUE	215,417	217,768	229,474
EXPENSES			
Trash Removal	5,000	5,342	5,000
Snow Removal	2,500	7,404	2,500
Landscape	9,500	9,535	10,500
Professional Fees - Accounting	4,850	5,161	5,200
Professional Fees - Legal	200	266	200
Office	750	929	750
Management Fee	34,267	34,267	34,267
Insurance	18,369	18,369	19,457
Fire Sprinkler: Alarm/ Test/ Inspect	3,000	2,690	3,000
Pool Maintenance	5,500	5,393	5,500
Building Maintenance	16,000	15,882	16,000
Water/ Sewer	17,500	19,139	19,000
Gas: Pool/ Spa/ Driveway/ Site	12,500	12,020	12,500
Electricity	18,000	17,392	18,000
Cable/ Phone/ Internet Service	18,240	17,670	26,000
Common Area Cleaning	9,500	12,417	11,500
Maintenance Man	29,000	29,630	29,000
Elevator	5,000	5,887	5,000
In-Room Internet	2,000	1,484	0
Unit C-3 Expense	4,000	3,402	4,000
Miscellaneous/ Contingency Expense	50		50
Unit 290 Expense	2,000	1,790	2,000
Meeting Expense	50		50
TOTAL EXPENSES	217,776	226,068	229,474
VARIANCE		-8,300	

**LODGE AT LIONSHEAD II CONDOMINIUM ASSOCIATION
CAPITAL REPLACEMENT PROJECTS COMPLETED
YEAR ENDING APRIL 30, 2017**

REVENUES	
Beginning Balance	\$ 438,056
Quarterly Assessments	55,980
Interest Income	1,550
TOTAL REVENUES	\$ 495,586
EXPENSE CATEGORIES	
Siding & Fascia Replacement/ Final	18,379
Deck Resurfacing	7,625
Common Area Painting	19,248
Condo Map Project	13,335
Tree Removal/ Root Barrier/ Pavers	3,450
Landscape	3,192
Tree Succession Planning	625
Building Re-Key	5,551
Fire Sprinkler System	9,004
Lobby Stairs: Carpet & Nosing	2,309
Pool/ Spa	5,738
Fire Alarm Panel & Device Replacement/ Deposit	23,981
Mechanical Systems	8,014
Elevator	1,391
Garage Door	492
Fitness Center	242
Misc. Tools, Parts & Equipment	2,434
Project Mgmt & Supervision Fee 2016	1,485
TOTAL EXPENSES	\$ 126,495
ENDING FUND BALANCE FYE 4.30.17	\$ 369,091

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

REVENUE	
Beginning Balance	369,091
Quarterly Assessments	55,980
Interest	2,000
TOTAL REVENUE	427,071
EXPENSES CATEGORIES	COST ESTIMATE
Fire Alarm Panel: Devices/ final	43,500
Snowmelt System Replacement	47,500
Common Area Recarpeting	12,500
Deck Resurfacing	7,625
Fence	1,750
Hallway Lighting	1,500
Condo Map final	1,500
Architect Planning: Lower Level	2,500
Tree Succession Planning: final	750
Mechanical Systems	5,000
Pool & Spa Systems	2,500
Contingency	5,000
TOTAL ANTICIPATED EXPENSES	131,625
ANTICIPATED ENDING FUND BALANCE FYE 4.30.2018	295,446
Spring 2018 Project: Deck Resurfacing	72,000