

MOUNTAIN COUNTRY CONDOMINIUMS AT LAKE DILLON, INC.
BOARD OF DIRECTORS MEETING
April 12, 2016

I. CALL TO ORDER AND ROLL CALL

The meeting was called to order by Mark Yeager at 4:40 p.m. in the Basic Property Management Conference Room.

Board members present were:

Mark Yeager, President, A202
Danette Peterson, B201
Jean Hammes, B204

Garrett Regnor, A101
William Crangle, B104

Representing Basic Property Management were Gary Nicholds and Margarita Sherman. Erika Krainz of Summit Management Resources transcribed the minutes from recording.

II. APPROVE PREVIOUS MEETING MINUTES

Mark Yeager made a motion to approve the November 2, 2015 Board Meeting minutes as presented. William Crangle seconded and the motion carried.

III. FINANCIAL REPORT

Margarita Sherman reviewed the financial reports as of March 31, 2016.

A. Balance Sheet

1. Total Checking/Savings - \$112,437
2. Line of Credit - \$133,439

B. Profit & Loss

1. Total Income – on budget.
2. Total Expenses - \$3,526 unfavorable to budget. Legal/Professional was \$2,177 unfavorable to budget due to contract review. Snow Removal was \$6,976 unfavorable to budget because Raven did not bill for the previous year until October 2015.
3. Net Ordinary Income - \$1,263, which was \$3,503 unfavorable to budget.
4. Reserve Income - \$1,465 favorable to budget due to sale of a unit.
5. Reserve Expenses - \$6,836 unfavorable to budget due to unbudgeted asphalt repairs.
6. Total Net Income - \$22,543. Any excess funds at year-end can be transferred to Reserves or used to pay down the line of credit balance.

Mark Yeager made a motion to approve the Financial Report. The motion was seconded and carried.

IV. MANAGEMENT REPORT

A. *RKR – Sewer Line*

Mark Yeager noted that the sewer line to Building B is scheduled for repair or replacement this spring as soon as the ground thaws. The sewer line backed up into the boiler room twice this past year. A camera was run in the line and revealed that roots have grown into the pipe. An herbicide was applied to kill the roots. It may be possible to insert a sleeve into the line as an alternative to complete replacement. This will be an unbudgeted item but can be paid for out of the \$5,000 Contingency line item.

B. *New Outside Lights*

LED bulbs have been installed in all the exterior lights. The total cost for the project was \$3,462. There are a couple of extra wall mount fixtures. Gary Nicholds was asked to purchase some additional ceiling mount fixtures for inventory. Spare bulbs can be stored in the boiler room.

C. *Larry Nelson Balcony (Unit A301)*

Gary Nicholds said Larry Nelson informed him of a leak in his kitchen. Gary determined that it was caused by a build-up of snow on the balcony. Larry will be informed that he is responsible for clearing the snow. Garrett Regnor offered to clear the snow from the balcony in return for permission to park in Larry's spot when the owner is not in town.

D. *Balcony Coverings*

Mark Yeager proposed establishment of a rule prohibiting plastic tarps on barbecues, plastic tarps covering boxes for storage, banners hanging from railings and curtains/drapes of any type on balconies. In addition, he would like to allow sports-themed banners to be hung only on the weekend of the game. After discussion, the Board agreed to allow tarps to cover items on the deck. After review of the existing Rules, it was determined that the Board has the authority to govern the appearance of the balconies. The Board agreed to the following actions:

1. B101 - The resident will be asked to remove the tarp.
2. Sports Banner - The resident with the sports banner will be asked to remove it. Gary Nicholds will also inform this resident that the issue of the Summit Point resident walking her dog on Mountain Country property will be addressed by Mark Yeager and a representative from Animal Control.
3. A203 – The resident will be asked to keep the bamboo curtain rolled up when he is not on the balcony.
4. Owners should be reminded that ashtrays on balconies must be covered to prevent cigarette butts from blowing out.

E. *Pet Pick-Up*

The available Board members will schedule a day to pick up dog waste around the property. A suggestion was made to hold an Owner Workday to clean up the property in the spring.

F. Recreational Vehicle Storage

There is an owner who has two boats stored in his carport, a canoe hanging from the ceiling in the carport and another boat in the back parking lot, which actually belongs to a friend of the owner. Owners are required to obtain a permit to park a vehicle in the back parking lot and the maximum number of permits that can be issued is four. Mark Yeager said there would be a spot for a canoe rack on the northwest side of his building. Owners could be charged a small rental fee. Mark proposed establishing a limit of one recreational item per owner and to limit owners to one permit. The Board agreed to inform the owner with three boats and canoe that he can only store one at the property and to add a statement to the rules that items cannot be hung from the carport ceilings.

G. Storage of Cars

There are two cars that have not been moved all winter. One belongs to a Board member. The Board member will move his car and the other owner will be asked to move his vehicle.

H. Leak in 303 Lock Off

Gary Nicholds said it appears that the building has settled and the pipe has separated, resulting in a leak that runs down the pipe in the chase. The plumber is going to try to locate the damaged section of pipe through the ceiling of the Unit 203 lock off and make repairs. The Board discussed changing the wording in the Declarations to clarify whether the Association or individual owner is responsible for the repair costs. Gary Nicholds noted that amending the Declarations would require an affirmative vote from 67% of all owners and mortgage holders. He estimated the cost would be \$5,000 – 6,000. Gary will provide a template from another Association.

I. Balcony Ceiling

Danette Peterson said her balcony ceiling was bubbling. It appears it was not properly sealed.

V. OLD BUSINESS

A. Glycol

Gary Nicholds said there is still a glycol leak somewhere in the system. There have not been any owner reports of leaks in the units. An email should be sent to owners asking them to inform management if they notice any stains or moisture in their ceilings.

VI. SET NEXT MEETING DATE

The Annual Meeting will be held on May 7, 2016 at 9:00 a.m. at the Dillon Community Church. A suggestion was made to invite renters to attend.

VII. ADJOURNMENT

Mark Yeager made a motion to adjourn at 6:00 p.m.

Approved By: _____

Board Member Signature

Date: _____

MOUNTAIN COUNTRY CONDOMINIUMS AT LAKE DILLON, INC.
BOARD OF DIRECTORS MEETING
April 25, 2016

I. CALL TO ORDER AND ROLL CALL

The meeting was called to order by Mark Yeager at 4:38 p.m. in the Basic Property Management Conference Room.

Board members present were:

Mark Yeager, President, A202
Danette Peterson, B201
Jean Hammes, B204

Garrett Regnor, A101
William Crangle, B104

Representing Basic Property Management was Gary Nicholds. Erika Krainz of Summit Management Resources transcribed the minutes from recording.

II. REVIEW OF SUNDIAL PROPOSAL

Board comments were as follows:

1. It should be confirmed that the cable left behind by Comcast can be used at no cost to the Association.
2. Sundial is offering 1 GB free internet with no downside and no commitment in return for using the property as a reference. The contract would be month-to-month.
3. Sundial is also offering cable for \$19.95/unit/month with two boxes but the ResortInternet contract is still in effect until 2019.
4. The existing cable may need to be upgraded in order to provide 100 mbps internet speed. Sundial will install new CAT5 wiring to each unit.
5. The annual price increase would be 6%.
6. Sundial should be asked if the speed is affected when there are multiple simultaneous users.
7. Sundial should be asked to provide a written agreement.
8. Adding the television cable service while the ResortInternet contract is still in effect should be discussed with the owners at the Annual Meeting since it would result in an increased cost.
9. The Sundial representative should be invited to the Annual Meeting.

Mark Yeager made a motion to accept the internet service portion of the proposal pending receipt of a written agreement that matches the proposal. Jean Hammes seconded and the motion carried.

III. OTHER BUSINESS

A. Unit B101 Tenants

Mark Yeager contacted a representative at Keystone and provided a photo of the stolen Keystone property at the unit. He was contacted by the head of Keystone Security, who indicated they want to recover the property. He said the Board should find a way to make it harder to turn rental units into dormitories by instituting a rule that only two

cars per rental unit are allowed to park overnight with exemptions granted on a case-by-case basis. This rule would not apply to unit owners. Occupants should also be required to park in their assigned spaces.

Jean Hammes will draft a proposal to limit parking for presentation to the membership at the Annual Meeting.

B. Property Line

Garrett Regnor suggested providing information about the property lines for the owners at the Annual Meeting.

IV. ADJOURNMENT

Mark Yeager made a motion to adjourn at 5:32 p.m.

Approved By: _____ Date: _____
Board Member Signature

MOUNTAIN COUNTRY CONDOMINIUMS AT LAKE DILLON, INC.
ANNUAL HOMEOWNER MEETING
May 7, 2016

I. CALL TO ORDER AND ROLL CALL

The meeting was called to order by Mark Yeager at 9:03 a.m. in the Dillon Community Church.

Board members present were:

Mark Yeager, President, A202
Garrett Regner, A101

Danette Peterson, B201
William Crangle, B104

Owners present were:

John & Taunia Livingston, A104
David & Donna Lennon, A302
Tara Goetz, B102
Georgan Dickson, B302

Gary Reuter, A201
Jill Cox, A303
Sue Brown, B204

Representing Basic Property Management were Gary Nicholds and Eric Nicholds. Erika Krainz of Summit Management Resources transcribed the minutes from recording.

II. PROOF OF NOTICE OF MEETING/QUORUM

Notice of the meeting was sent in accordance with the Bylaws. With 11 units represented in person and five proxies received a quorum was confirmed.

III. APPROVE PREVIOUS MEETING MINUTES

Mark Yeager made a motion to approve the May 9, 2015 Annual Meeting minutes as presented. The motion was seconded and carried.

Mark Yeager made a motion to approve the April 25, 2016 Board of Directors Meeting minutes as presented. The motion was seconded and carried.

IV. FINANCIAL REPORT

Gary Nicholds reviewed the financial reports as of March 31, 2016.

The Balance Sheet reflected an Operating cash balance of \$51,373 and a Reserve balance of \$61,064. There was a credit balance of \$799 for dues resulting from prepayments by some owners.

Significant year-to-date Profit & Loss variances as of March 31, 2016 included:

1. Snow Removal - \$6,977 unfavorable to budget in Snow Removal due to the vendor from the 2014/2015 winter not submitting an invoice until October 2015. This expense should have been accrued until the invoices were received.
2. Legal Fee - \$2,177 unfavorable to budget for the review of the ResortInternet contract.
3. Electric - \$1,229 favorable to budget.
4. Gas - \$5,919 favorable to budget.

5. Net Operating Income - \$1,263.
6. Total Reserve Income - \$1,465 favorable to budget due to interest and Working Capital contributions from unit sales.
7. Total Reserve Expenses - \$6,836 unfavorable to budget due to unbudgeted asphalt repairs.
8. Overall Net income - \$22,543, which was \$8,875 unfavorable to budget.

The 2016/2017 Budget as written results in no change to dues. The Reserve contribution will be increased by \$2,000 (5%).

An owner commented that the Reserve Study indicates that at the end of the 2015/2016 fiscal year the Reserve balance will be a deficit of \$51,777. Gary Nicholds explained that the Reserve Study is a guideline for future projects and it is often possible to postpone projects and the associated expenses. Gary will ask Margarita Sherman to provide an explanation for the anticipated deficit.

David Lennon made a motion to accept the Financial Report. Danette Peterson seconded and the motion carried.

V. PRESIDENT'S REPORT

Mark Yeager said the Board was not satisfied with the performance of ResortInternet. They looked into breaking the contract but determined this was not feasible. David Dean of Sundial approached Mark about wiring the complex at no cost and providing free internet for the duration of the ResortInternet contract, which expires June 2019, in return for using the property as a reference.

There will also be an option in the next few years for cable television at a cost of \$19/unit/month including two HD boxes per unit. David Dean is trying to determine if he can offer this service without 100% participation by all owners. The cable service will require a five-year agreement.

David Dean explained that he will run CAT5E wire to each unit with an access point in each unit and provide 15 mbps download speed. The current internet system breaks down due to the shared external access points. The Sundial access points report back every minute and provide notification if there is any disruption in service. The system should be in place by mid-summer. Sundial will need access to all units to install the wiring and access points. The internet contract will be month-to-month.

David Lennon made a motion to accept the internet service immediately and to convert to the cable television service as soon as possible. Jill Cox seconded and the motion carried.

Mark Yeager said the parking lot was crack sealed and sealcoated last year. The cracks need to be sealed again.

The B Building sewer line from the laundry room to the cul de sac is the original clay pipe and has roots growing in to it. RKR anticipates the cost to replace the line will be about \$7,000,

depending on the depth of the pipe and where it connects. RKR believes the replacement can be completed within two days. The project will be done sometime this summer.

RKR also provided an estimate for sloping the carports from back to front so asphalt or concrete could be laid to eliminate the mud. An owner suggested adding gutters. The Board will follow up on this idea. An owner requested removal of the gravel from the carports. Mark Yeager added that the Board was looking at the feasibility of converting the carports to garages at some point in the future and if this could be done without triggering ADA requirements. The drainage will be examined by all buildings.

There was general discussion about unleashed pets, picking up after pets and owners from neighboring properties walking their pets on Mountain Country property. Owners were encouraged to take photos of any violations they witness and to call Animal Control if there are dogs running loose. A suggestion was made to put up “No Trespassing” signs or to erect short sections of fence at the southeast corners of the buildings to discourage foot traffic from other properties.

An owner suggested removing the dumpster enclosure to alleviate the overfilling problem. Mark Yeager will follow up.

There are ongoing parking problems, in particular related to two long-term rental units (B101 and B103) that are using eight parking spaces. Mark Yeager said he was in favor of limiting long-term rental units to two spaces per unit (for overnight parking). Owners would have access to the back lot for parking extra vehicles. Gary Nicholds said he had contacted the owner of one of the units and he indicated he would not renew the lease if there are continuing complaints. Owners were encouraged to contact Gary regarding parking or noise issues.

A comment was made that there is an owner who has been storing multiple boats and a boat that belongs to a friend at the property. Mark Yeager said there should be a rule that owners can only store one recreational item. In addition, items hung from the ceiling in the carport must be contained to the owner’s space.

There was discussion about establishing maximum occupancy limits for rental units. An owner recommended following the County restrictions regarding occupancy.

David Lennon made a motion that long-term rental units may park no more than two cars overnight and any personal sporting equipment hung in the carport must be contained within the owner’s lane and must be approved by the Board. The motion was seconded and carried.

The rental units that are currently in violation of the parking policy will be given two weeks to work out a solution.

VI. ELECTION OF OFFICERS

The Board seats of Mark Yeager, William Crangle and Danette Peterson were up for election. All three incumbents were willing to serve again and there were no nominations from the floor. Diana Sunstrum’s seat was also open with the term expiring next year. Since her term has not expired, the Board can appoint an owner to fill the vacancy.

A motion was made to reelect the three incumbents by acclamation. The motion was seconded and carried.

Mark Yeager made a motion to reappoint Jean Hammes to the Board Alternate seat. The motion was seconded and carried.

VII. NEW BUSINESS

A. Owner Garage Sale

The owner garage sale will be held in the carport of B204 on June 11th.

B. Owner Cleanup Day and Barbecue

The owners present agreed to clean up around the property individually when they have time. The owner barbecue will be scheduled sometime in July.

VIII. ADJOURNMENT

The meeting was adjourned at 10:59 a.m.

Approved By: _____

Board Member Signature

Date: _____