

**Lion's Gate Pines Lodge Condominium Association
Annual Homeowners' Meeting
Saturday, August 14, 2010 – 10:00 a.m.
Littleton United Methodist Church**

BOARD MEMBERS PRESENT: Kay Eiseman (President) Jim Harris (Vice President), Jim Speckmann (Secretary), Bill Robbins (Treasurer)

OTHERS PRESENT: Brian Lence (CMC President), Chip Sisson (interim Property Manager), Cheri Corbin (CMC Housekeeping Manager), Lizbeth Nabhan (CMC Financial Controller), and Jill Sutcliffe (CMC Accounting Assistant).

CALL TO ORDER: President Kay Eiseman called the meeting to order at 10:00 a.m.

WELCOME BY BOARD PRESIDENT:

- Kay Eiseman welcomed the homeowners in attendance.
- Kay introduced the representative from Interval International present at the meeting.

INTRODUCTIONS BY BOARD PRESIDENT:

- Kay Eiseman introduced the current Board of Directors for Lion's Gate:
 - Jim Harris, Vice President
 - Jim Speckmann, Secretary
 - Bill Robbins, Treasurer
 - Jim Hewett, Director at Large (not present)
- Kay thanked the board and praised the hard work and dedication and reiterated the Board's commitment to being fiscally responsible.
- Kay thanked Jim Speckmann and Jim Hewett for being valuable members of the Board and mentioned they would not be seeking reelection.
- Kay Introduced CMC staff in attendance.

QUORUM VERIFICATION:

- 10.13% ownership is required for a quorum.
- Based on the number of proxies received and those present, it was determined a quorum had been met.

APPROVAL OF 2009 ANNUAL MEETING MINUTES:

- President Kay Eiseman asked members present to review the 2009 minutes provided in the meeting packets.
- A motion was made to approve the 2009 meeting minutes. The motion was seconded and all were in favor.
- The August 23, 2009 annual meeting minutes were approved as written.

PROPERTY MANAGEMENT REPORT:

- **Financial Report:**
 - Lizbeth Nabhan presented the Balance Sheet as of 6/30/10:
 - Cash totaled \$711,230.74. The cash was kept at two different banks and \$238,631 was invested in CDARS. Interest rates remained very low.
 - The Board closely monitors the Association's accounts receivable and enforces an aggressive collection policy.
 - Accounts payable are current and are primarily amounts payable to CMC for monthly management fees and service orders.
 - Equity, comprised of prior year surpluses, current year surplus and the internal and common reserve funds totaled \$714,703.35 as of June 30, 2010.
 - Lizbeth presented the income statement for six months ending June 30, 2010:
 - Lizbeth walked attendees through the line items on the income statement.
 - She pointed out that currently the Association's was \$86,000 better than budget.
 - Snow removal expense was under budget due to the light snow year.
 - Many of the other budget to actual variances may be attributed to timing. She gave the example of bad debt expense. Owner balances are written off to bad debt after the unit has been foreclosed on by the Association. While bad debt expense was currently under budget, several

units were scheduled for foreclosure later in the summer and this expense would increase at that time.

- She also explained that legal expenses incurred in collection attempts were rebilled to the delinquent owners. The expense and related income offset each other in accounts 425 and 506.
- She encouraged owners to contact her with any questions.

- **Common Area Maintenance Report:**

- Chip Sisson provided a brief update on building maintenance:
 - Chip has been working with the town of Winter Park to find a solution to reduce noise through the use of a sound barrier. The main recommendation was to plant shrubs as opposed to building a wall.
 - An owner voiced concern about the condition of the pool deck and frequent resurfacing. The owner request the Board evaluate options and move forward with a lasting fix.
 - Owners expressed concern over the condition of the hot tubs. Kay will work closely with CMC to identify and resolve recurring hot tub issues.
 - Chip was pleased with the condition of the grounds and noted that only one additional tree had died.
 - The parking lot was graded and pot holes were filled.
 - The roof was inspected and was in good condition.
 - Exterior touch up painting was on the schedule. Ski lockers were refurbished and the decks were stained.
 - An owner mentioned they did not think the dehumidification unit was working properly.
 - The retaining wall shows signs of damage due to frequent impacts in the winter.
 - Security lights are checked nightly.
 - An owner expressed a concern about the weeds growing between the bricks.
 - Kay stated she was glad to have Chip on site at the property.

- **Housekeeping Report:**

- Cheri Corbin presented a brief housekeeping update:
 - Housekeeping has put bags on the doors as part of the new towel exchange program. The towel exchange procedures were laminated & posted in each unit.
 - New linens were purchased.
 - Carpets and couches were steam cleaned by Bob Bolen. Spring cleaning were completed.
 - The units were inventoried.
 - An owner requested that units be inventoried weekly to identify stolen items. Kay mentioned that typically items end up moving from unit to unit as opposed to theft. Large missing items are identified, however, there is not enough time to complete a complete inventory between guests checking out and guests checking in.
 - The housekeeping and maintenance departments rearranged the furniture.
 - An owner stated that they really like the towels.

LION'S GATE PINES BOARD OF DIRECTORS REPORT:

- Kay mentioned to owners that the Board meets on a regular basis and work when they are at Lion's Gate during their timeshare weeks. They observe the property and document items to be repaired or improved for CMC to complete. They are owners as well as Board members and strive to keep the property in excellent condition.
- Some furniture had been updated.
- The cabinet refacing project would be getting underway with ½ of the units to be completed in the fall and the remaining ½ to be completed in the spring.
- The Comcast conversion was frustrating and difficult and the Board would be looking at alternatives upon the contract expiration.
- The Board continues to monitor delinquencies on a monthly basis and enforces and aggressive collections approach. Lion's Gate owned weeks remained under 10% of total weeks.
- Kay reviewed a list of possible future projects including the pool deck, parking lot, televisions, ceiling fans, etc. The Board would discuss potential projects and prioritize.
- An owner requested the Board consider upgrading the interior doors to six panel doors to modernize the look of the units.

WINTER PARK/GRAND COUNTY UPDATE:

- Brian Lence gave an update on what is going on in Winter Park & Grand County:
 - The ski resort base area village is completed. Due to the economic climate Intrawest has stopped all building. Intrawest was threatened with foreclosure during the Winter Olympics; however, they were able to secure

financing at higher interest rates. Denver continues to own the ski area. There are a few new restaurants at the base, but un-occupied retail/commercial space remained.

- Fraser Crossing & Founder's Point condominiums are complete, adding 210 new units to the base area. They are incredibly competitive on rental rates.
- Rentals were down valley wide about 25-35% last year and he expected the same trend this coming ski season.
- Reservations are up but length of stay is down. Guest are spending less while they are in town and are constantly looking for deals. Central reservations offered a buy one get one free deal that appeared to benefit the ski area more than the town. Business trended down in retail and restaurants.
- Nastar has executed a two year deal with Winter Park that is projected to bring 5,000 guests to the valley.
- The Alpine Nationals will be held in Winter Park this coming ski season.
- The town of Winter Park will again hold the Jazz Fest and Art Affair. Those weekends typically sell out.
- Beetle kill trees remain a problem & changing the face of the landscape in the area. The trees have gone from green to grey. An estimated one million trees have died. Regrowth is estimated to take up to 50 years.

ELECTION OF BOARD OF DIRECTORS:

- All positions on the Board of Directors have 1-year terms.
- Jim Speckmann and Jim Hewett resigned.
- Thomas David expressed interest in serving on the board.
- Since Jim Speckmann resigned from the Board, a motion was made to assign the proxy votes to Thomas David during the Board election. The motion was seconded and approved.
- 2010-2011 elected Board of Directors is as follows:
 - Kay Eiseman
 - Jim Harris
 - Bill Robbins
 - Thomas David
 - Open Position
- Jack Sheets expressed that the ballots & proxies be destroyed.

General Discussion:

- An owner mentioned he was dissatisfied with current ski area bus service.
- Comcast issues were discussed and an owner requested the Board seriously consider changing providers.
- TV upgrades were discussed, but due to significant expense the project was not likely to occur in the coming year.
- The Board reminded homeowners that Lion's Gate is a smoke property and violators will be charged \$250.00
- Pet policy was discussed. The Board will enforce the Association's no pet policy.
- An owner asked at what point with an ageing ownership and an ageing property does it become too expensive to continue. Kay mentioned the Board monitors the Association's financial performance closely and does not feel a decision is imminent.

ADJOURNMENT: Motion was made & seconded to adjourn. The meeting was adjourned at 11:45 a.m.

Minutes recorded by Jill Sutcliffe of CMC & reviewed by the Board of Directors prior to distribution. Minutes are not formally approved until voted on at the next Homeowners Meeting.