

Lake Haus Condominium Association No.1

Quarterly Board of Directors Meeting Minutes

July 13, 2022

Call to Order:

Meeting was called to order at 7:01 p.m. by Gregg Strumberger. In attendance from the Lake Haus Board were Gregg Strumberger, Doris Rigoni, Alex Hock, Scott McDill, Judy Russell, Phil Macey and Milt Panas.

Owners in attendance were Ellen Lake (E-4), JoAnn Leone (F-5)

Prior Meeting's Minutes:

Gregg made a motion to approve the prior meeting minutes from the April 27, 2022 BOD Meeting. Gregg noted that we'll conduct the meeting with an "absence of negatives" approach for voting during this zoom format.

A poll was made for the approval of the meeting minutes to practice for the Annual meeting. Minutes were approved.

Financial Review:

A review of the Association's finances was presented by Milt Panas.

The "Changes in Reserves for Fiscal Year October 1, 2021 – June 30, 2022" document showed the over/under for actual numbers as compared to budget. Milt noted that the budget v. actuals were lining up closely. The majority of line items came in under budget, most notably with a \$10,386 savings in snow removal, due to the managers performing all snow removal. There was a \$32,868 increase in operating reserves from the beginning of the fiscal year through June of 2022, which brings the total operating reserves to \$127,384 as of June 30, 2022. The maintenance reserves balance at the end of June 2022 is \$183,977.

The Statement of Financial Condition was presented and reviewed. The Association currently has \$140,465 in checking, and \$183,977 in maintenance reserves. With the equity in unit D-12, the association has total assets of \$876,691. Alex asked if the operating and maintenance reserves accounts are both in bank accounts? Milt mentioned that operating is in checking account and maintenance reserves are in a savings account. Alex mentioned that we might want to look at moving maintenance reserve to a high interest saving account. Discussion took place to see if that is a viable option for the account. Milt mentioned it takes time to transfer money out of different accounts and that there are limits on the amounts you are able to transfer.

A review of the Statement of Financial Condition took place. Milt will get with Jack Zeller regarding specific questions prior to the Annual meeting. Discussion regarding a Federal tax refund took place, which Jack is looking into. Gregg stated that we currently have roughly \$210K rolling into our maintenance reserves account.

A review of the Profit and Loss budget overview then took place, which shows what is left in the budget for the remainder of the fiscal year. Questions from the Board were addressed. Milt then provided an overview of the proposed 2022/2023 annual budget. Gregg asked if the increases were enough given the high rate of inflation we are seeing. Managers noted cablevision went up 3% plus an additional \$50 a month in tax for public education and government, approximately 6% increase in anticipated cost for utilities, trash service was increased slightly for cost-of-living increase from waste removal company, property taxes were increase anticipating the annual increase, and property insurance was slightly increased going off of historical increases.

Doris asked if with current inflation, will our insurance coverage give us a significant amount of money if there was a total loss. Managers will speak with Lake Haus insurance to make sure our insurance coverage is sufficient. Doris also asked if the Association is Bare walls or walls in. Gregg stated that our insurance coverage is for the buildings themselves and the issuance issues we have seen in the past will need to be corrected by updating the association documents. It can be a very costly exercise that has the chance of not being approved. Maybe sometime in the future we can explore updating association documents.

Gregg suggested that the common area updating/remodel and a small one-time assessment should be built into the budget. Gregg stated that from the polls at last year's annual meeting the ownership was for a small onetime assessment. Phil suggested that we have last fiscal year's budget and the 2022/2023 budget for a side-by-side comparison at the Annual meeting to show where the increases to the budget were made.

Gregg opened discussion for the special assessment. The association Bylaws and Declarations don't require that Board to ask the ownership about a special assessment, but the Board would like to be totally transparent with Lake Haus owners. Gregg stated the HOA's law firm recommends putting the special assessment in the budget ratification process. Gregg asked the managers to show what the cost would be from the estimates collected for the interior remodel. Discussion was had regarding the proposed corridor refresh project. Doris asked if we could put the special assessment in the budget and "ear mark" the funds. Gregg stated that by putting the assessment in the budget it gives us the ability to charge the assessment and the ability to spend the monies from the assessment. By putting it in the budget it does not mean we have to spend the money, but it does give us the ability to do so. Milt asked what are the rules around paying the assessment. Gregg recommended multiple options. One would be to pay up front, one would be quarterly, and one would be monthly spread over the year. Phil mentioned that we should have payment options available for the Annual Meeting. Phil also stated that we should be ready to speak to scope of the interior project at the annual meeting, as well to give the ownership a better idea of where the assessment amount came from. Milt asked, what do you do if the updating cost more than the special assessment? Gregg stated we could ask for more with the assessment or we could pull out of the maintenance reserve. Gregg stated we are in good shape with maintenance reserve, so if we had to pull out \$20k or \$30k we would still be able to perform large maintenance items like a roofs or parking lots without wiping out all of the Lake Haus reserves. Gregg asked what people think the amount should be? Phil suggested the amount of the assessment be \$1,800 for the assessment and that reassure the ownership that if we go over the rest would be covered by pulling from the maintenance reserves. Gregg agreed that given the estimated cost of the interior updating project, \$1,800 was a good number for the assessment and will hopefully keep us from dipping into the maintenance reserves. Scott agreed. Alex asked if it makes since to place the assessment amount on the total for the highest bids, or approximately \$140k. Managers stated that all bids and amounts on the bid worksheet were updated numbers as of April 2022. Gregg stated that going off that amount will help us to account for inflation. Phil asked managers if to maintain budget would it be best to go to the middle amounts/contractors for the bids. Garrett stated that he felt every one of the companies on the list would do a good job even though there are large price discrepancies in the bids and that price does not always determine the quality of the work. Some of the companies on the bid are small and have less overhead and are able to charge less. Milt stated that if there were any extra, it would then go into maintenance reserves. Gregg stated that if that is case the ownership will be made aware. Gregg then asked for a vote on adding the \$1,800 special assessment to the budget. The vote passed unanimously. Gregg stated that we can explain the assessment at the start of the annual meeting and have the membership vote on if they approve it being added to the 2022/2023 annual budget. A vote was then taken for the approval of the 2022/2023 amended budget. Budget was

approved. Gregg mentioned that we do have sufficient funds in maintenance for cushion if we have to spread out payments out past Sept. 30, 2023.

Manager Report:

A review of action items from the previous meeting was discussed. This included the following: managers continue to talk with Post Office for PO Boxes at Lake Haus. At this time the Post Office does not have the staffing to add Lake Haus to the mail route. Roof maintenance has been scheduled. Curb stop repair at the G-building was completed in May and the PRV was also replaced for the G1-G4 quad. Concrete work was completed in May. Inspections: Dryer vents are scheduled for the end of August. Fire extinguishers in the common areas will be inspected in September. Landscaping: Rainfall has helped tremendously this summer. We continue to keep an eye on aphids and spider mites throughout the complex and spray all trees that are recommended by Neils Lunceford. Quarterly owner communications: Will continue as scheduled throughout the year.

Old Business:

RV Policy was discussed by the Board through email. No further discussion took place at this meeting. A Camper Van policy was mentioned for future consideration.

New Business:

The owner of F-12 asked if there was a way to help with the increasing noise from Cove Blvd, in addition to compliance for moving vehicles for snow removal. Managers will continue to do their best in the winter to have owners move cars for the snow plow. A discussion took place on potential ideas to help with the noise. Doris agreed that the traffic noise has increased significantly since she bought her E-02 condo, while Phil suggested a dense planting of Evergreens might help years down the road. Milt suggested window upgrades.

Board member Alex Hock, and the owner of D-04, asked if we could continue the discussion of electric car charging at Lake Haus. Alex asked what could be done in the near term for owners that are charging using the HOA's exterior outlets. Gregg stated that we have to have a policy in place before we can regulate other owners who have been plugging into exterior HOA outlets and running extension cords. Phil mentioned looking into if the J-boxes on the outside of the ski closets are still connected to individual units. If so, you could run a charging cord from this outlet to charge your car. Discussion was had that the liability of having extension cords laying across sidewalks and lawns and the potential for a lawsuit if someone were to trip and fall. Gregg again stated that we need a policy in place before we can consider any owner adding their own charging pedestal or enforce compliance from those who have been running an extension cord to charge vehicles. Further discussion surround the J-boxes took place with Alex asking if they are live. Phil stated that he thought they were. Gregg asked if the infrastructure could handle 80 owners plugging their cars in. Phil did not believe the electrical infrastructure could handle it. Gregg asked if public charging stations can be installed at companies cost and then charge users. Alex stated that might be the best option if we can get a grant to install the charging station. Alex stated, that according to Colorado law we can't stop owners from adding a pedestal we can only regulate it once a policy is in place. Gregg asked if Altitude Law has a templet for EV charging stations. Managers will reach out to Altitude Law for suggested templet. Gregg suggested adding the topic to the Annual Meeting agenda and creating a straw poll.

Annual meeting discussion:

Request was made for Board members to log into Zoom prior to 9 a.m. Gregg noted that hopefully we can move to an in-person meeting for the 2023 Annual Meeting.

Open discussion:

Phil requested that grass seed be spread in the area behind the G-building where the curb stop was replaced. Managers will take care of that this fall.

Schedule Next Meeting:

Managers will send a Doodle poll to the Board to determine a date in Q4 that will be best to hold the next meeting of the Board of Directors.

Adjournment: Gregg called meeting to close at 8:36 p.m.