

**CINNAMON RIDGE III CONDOMINIUM ASSOCIATION  
BOARD OF DIRECTORS MEETING  
October 18, 2008**

**I. CALL TO ORDER**

Mike Black called the meeting to order at 9:05 a.m.

Board members Larry Glover, Mike Pederson and Kevin Donofrio were present; Mike Black and Fred Davison attended via telephone. Kevin Lovett and John Crowell were present on behalf of SRG.

**II. OWNERS FORUM**

The meeting notice was posted on the website. Aside from Board members, there were no owners participating in the meeting.

**III. APPROVE PREVIOUS MEETING MINUTES**

The minutes from the April 5, 2008 Board meeting were reviewed; a revision to section V., Report Items, Window Seals will be made to clarify hermetic seals vs. weather seals. Fred Davison made a motion to approve the minutes of the April 5, 2008 Board Meeting with the discussed change; Kevin Donofrio seconds and the motion passes.

**IV. GENERAL ITEMS**

A. Conference Calls – For future conference calls with only two outside callers and one group at the SRG office, the SRG conference call line will be used where SRG will call each of the two outside callers. If there are three or more outside callers plus the SRG office group, then Mike Pederson's conference call line will be used; callers are entitled to conference call expense reimbursement if they so choose.

B Fred Davison's email address – Fred Davison's email address is [efd@gr.hys-law.com](mailto:efd@gr.hys-law.com)

C. Economy – Mike Black made note of the current state of the economy and asked that this be kept in mind while discussing future budgets and projects.

**V. FINANCIAL REVIEW**

Kevin Lovett and Treasurer Mike Pederson gave the following financial report:

Financial Report as of September 30, 2008

September 30, 2008 close financials report that CR 3 has \$21,529.22 in operating, \$20,164.08 in the Reserve Money Market Account and \$46,281.46 in the Reserve Account.

September 30, 2008 Profit and Loss statement reports that CR3 has \$1,211.98 over budget in operating expenses year to date.

Areas of significant overage include:

6155 Site managers expense	\$5140 over
\$2130 of overage is snow removal (heavy winter)	
\$2067 of overage is hot tub area related	
(it was noted that some of the work completed by site manager Johnny logged in account 6155 was skilled labor that without his expertise would fall into the R & M account and / or the Spa R & M account)	
6240 Gas	\$2663 over
6270 Firewood	\$580 over
6330 Grounds maint	\$406 over
6410 Water	\$3066 over (Timing)
6745 Lower Spa R & M	\$1748 over

Areas of significant underage include:

6060 Board expense	\$463 under
6065 Annual meeting expense	\$666 under
6090 Legal fee	\$1000 under
6250 Administrative hours	\$562.50 under
6255 Contingency	\$2052 under
6360 Snow removal	\$89 under
6420 Sewer	\$757 under
6430 Window Washing	\$1000 under
6670 R & M	\$1748 under
6700 Spa utilities	\$900 under
6730 Spa Supplies	\$651 under
6830 Insurance	\$619 under

Proposed Operating Budget 2009

Projected year end 2008 financials are estimated with a \$2,720 surplus.

Proposed budget plan 2009 projects no increase to dues. Upon review of the proposed budget figures, the Board requested that SRG revise the Gas figure to only include a 5% increase and the balance will be placed in the contingency fund. The Insurance line item was increased; however, if additional insurance premium is realized during the April renewal, the contingency fund dollars can be used to offset the difference as well as the postponement of reserve contributions if necessary.

In mid December, SRG will email the Board the updated actual expense figures along with any other updates to the budget plan. The Board will approve the budget via email; if there are any major sources of a discussion, a conference call will be set up.

Capital Reserve plan

Per 2008 cap plan the projected total expense of \$28,395 for 2008 and a year end balance of \$64,753 in reserves.

Updated projections, October 2008, show projected 2008 YE capital expenses of \$25,531 resulting in a \$3044 surplus over 2008 projected capital expenses; this would bring the reserve balance YE to \$67,797.

It was also noted that the operating plan projects a \$2,720 surplus which would be added to the reserve account Jan 1, 2009; this brings the total projected reserve balance from \$64, 753 on Jan 1 to \$70,517.

The following capital reserve plan changes were noted:

- Stair nosing project - \$1000 placed in 2009
- Upper Hot tub pumps - \$1800 moved from 2008 to 2009
- Upper hot tub filter - \$1000 removed from budget as it is a self contained tub
- Upper hot tub heater - \$4000 removed from budget as it is a self contained tub
- Lower hot tub - \$1800 moved to 2011
- Lower hot tub shell replacement - \$12,000 moved to 2011
- C bldg rusty water work – budget figure reduced from \$4000 to \$1700 in 2010
- Painting exterior – the budget figures in 2009 were reduced from \$17k to \$7k per bldg for back side bldg painting only.
- Signage - \$750 was moved from 2009 to 2012 for front sign work
- Irrigation - \$6000 was placed in 2009 for irrigation install at the complex

## VI. MANAGING AGENT'S REPORT

Completed Items – Kevin Lovett gave the following Managers Report:

### Capital Items

- B bldg water filter installed
- Recycling addition to dumpster enclosure, it was noted that the ballast top needs to be filled with concrete to prevent water from filling it in
- C bldg siding replacement (high area) with cementitious product; SRG will inquire as to whether a blind screw application took place or If face screws were used.
- Stair nosing installed; special thanks noted to Mike Black and Larry for their work in this project. The cost of each nosing piece was \$34.50; with a larger order, the price per nosing piece should be approximately \$28.
- Drain installed in front of the B bldg far right entry (gutter, downspout and heat tape install pending)
- Bike rack installed – for increased visibility and usage, the bike rack will be moved to the front of the C bldg. A 4 x 4 wood post (or similar sized steel pipe) will be placed in the ground and the pet poop bag dispenser (moved from the side of the C bldg) affixed to it; the bike rack will be secured to this post.

### Non-capital

- Window washing complete
- Pet poo bag dispensers installed (the one on the C bldg will be moved to the new 4x4 post discussed above)
- Insurance – Umbrella policy renewal date adjusted to run in line with bldg coverage (April 1, 2009 renewal)
- Touch up painting (thanks Larry and Mike Pederson)

- Complete cleaning of the stainless steel hot tub including removal of the wooden slats, power washing and scrubbing. This will be added to the annual maintenance calendar to be completed each summer.
- Parking lot cracksealed
- No parking signs added

#### Pending items

- B bldg gutters, heat tape and downspout install
- Fireplace cleans and inspections (including gas safety inspections); scheduled for Nov 21
- Iron tips on the top of the railing around the hot tub area

#### Report Items

- Irrigation system bid retrieval
- Parking permits, a note will be placed in the next dues mailer; parking permits will be placed in each unit and a PDF copy of the permit will be placed on the website. The parking permit system will be enforced beginning Thanksgiving weekend.
- Unit 121 window, the window has deteriorated. The cost to replace the deteriorated portion with a new moving sash is \$285; the cost to replace the entire window is \$689 (the new window will match the style of the existing windows). After discussion, SRG was instructed to replace the moving sash.
- Upper hot tub jets; new caps on order which will increase the flow of water around the tub and side jets. SRG is working on additional repairs.
- Bids to paint backside (Mtn side) of buildings vs. paint all of buildings; the project of painting the buildings in their entirety vs. painting only the backsides (Mtn side) of the buildings was discussed. Upon review of the condition of the buildings, it was determined that only the Mtn. Side of the buildings was in need of painting. \$7,000 per bldg will be budgeted for completion in 2009. Bids to reside the buildings with the cementitious product will be gathered to compare to expenses associated with painting.

## **VII. NEW BUSINESS**

- Unit 123 floor – the floor in unit 123 has experienced bowing. Mike Black has reviewed the problem along with Summit Building Solutions ( a skilled local contractor). The planned fix is to jack up and support the floor joists with sistering and supportive blocking to even out the load on the top plate. Upon review, the Board asked to receive a second opinion; SRG will contact Randy (engineer) and another contractor to solicit their input. It was noted that surrounding units were inspected and this problem was not seen anywhere else.
- Unit 114 sliding glass door – it was recently reported that the sliding glass door to unit 114 was not closing properly and. This issue will be inspected further.
- Irrigation system addition – the option of installing a permanent irrigation system was discussed. Upon reviewing the cost estimate of installing the system vs. the costs to hand water, the Board would like to proceed with installing the irrigation system; monies for this project were added to the capital projects plan. SRG will contact the neighboring

Association Frostfire to inform them of the plans to irrigate the front area since the area is technically owned by Frostfire.

D. Officer Elections – Fred Davison moved to re-elect the current slate of officers as follows:

- President – Mike Black
- Treasurer – Mike Pederson
- Director – Larry Glover
- Director – Fred Davison
- Director – Kevin Donofrio

Kevin Donofrio seconded and the motion passed.

**VIII. SET NEXT MEETING DATE**

The next Official Board Meeting is scheduled for January 24<sup>th</sup>. If necessary, a conference call will be set for mid December to discuss the budget plans for 2009.

**IX. ADJOURNMENT**

With no further business, the meeting was adjourned at 12:15 pm

Approved By: \_\_\_\_\_  
Board Member Signature

Date: \_\_\_\_\_