

Spinnaker at Lake Dillon Condominium Association

Board of Managers Meeting

November 19, 2019

MINUTES

Call to Order

The Meeting was called to order on November 19, 2019 at 7:10 p.m. at the Home of Stanley Turner, 2378 Moline Street, Aurora, CO. Sue Pilcher chaired the meeting.

Directors Present:	President:	Sue Pilcher
	Vice President:	David Swenson (via Phone)
	Treasurer:	Sue Bauer
	Secretary:	James "Skip" Spensley
	Member-at-Large:	Mark Stevenson (via Phone)
	Member-at-Large:	Stanley Turner
	Member-at-Large:	David Klaversma

Others Present:	HillStar Management (HSM)	Gwen Ballard, CAM
	HillStar Management (HSM)	Ciera Denton, Assistant CAM
	Olave Bookkeeping	Georgia Olave

Property Owner Forum: There were no owners in attendance to address the Property Owner Forum.

Approval of Agenda: The Board reviewed the agenda of the November 19, 2019 Board of Managers Meeting. ***A motion was made and seconded to approve the agenda as published. The motion carried unanimously.***

Management Report: Management provided a list of items completed since beginning management on November 1, 2019. They are scheduled to meet with Deborah Polich, previous manager, on November 20, 2019 in order to obtain the Association's records and transition missing policy information, in addition to reviewing all real estate transactions currently in process for the timeshare resales. There are many issues that have been discovered with the accounting, which needs to be addressed with Deborah. Sue Pilcher, Georgia and Gwen have created a list of missing and/or incomplete items for Deborah. The Board agreed to compensate Deborah for her time in retrieving information that is outside of the scope of work to be completed during her management.

Financials

Deborah provided a flash drive with financial statements in a proprietary format that could not be opened. Sue Pilcher's husband, James, was able to convert the statements into an Excel format to provide to Georgia.

Georgia Olave reported on various details of the financial statements. She has been working closely with Management on the day-to-day financial operations. Management is responsible for verifying and approving all invoices submitted to Georgia for payment. She learned how Deborah was producing the financial records and our new Quick Books system went live October 1, 2019. Georgia will send out financial statements through November to the Board in the next couple of weeks. She is finding strange entries in the financials that don't make sense and had to write off about \$3,000 to bad debt. Georgia would like to set up the system so Owners can receive invoices electronically and receive one invoice for all units owned by the same entity. The new Resort Data Processing (RDP) software integrates with Quick Books. She reported that there is no revenue entered or record for rentals available in the information provided by Deborah. Sue Pilcher mentioned that we still have some billing issues since some Owners have not received their invoices. Management noted that we are getting a lot of return

mail because of incorrect addresses. Quick Books has a notes section that can be used but cannot be time-stamped or edited. The new software will handle this in the future.

The Board discussed the current state of the reserve fund and noted that it is still underfunded. It was recommended that the Board entertain the idea of increasing assessments in small increments in order to fund the reserve account.

Management requested that a credit card is issued for the Association, so staff can make necessary purchases.

We are working to get good handle on rental income, so we can start marketing and managing it properly. Skip indicated he received a letter about his week in January indicating that 70% is returned to the Owner if it is rented out. Spinnaker units receive 100% of the rental. Georgia asked Management to send her anything that is marked rental revenue. Gwen will reinstate her real estate license but will need a real estate company in the short term to handle our sales. We need the list of transactions that Deborah was working on.

Association Business

- A. Resort Data Processing (RDP): Management has been working with RDP to answer all outstanding questions and concerns about the software. A summary was provided to the Board. The RDP software will take about two months for implementation once the contract is signed. The cost to implement the software and training is \$5,000. ***A motion was made and seconded to contract with RDP for the software installation and training. The motion carried unanimously.*** Sue Pilcher will sign the contract and send the \$5,000 payment to RDP.
- B. Housekeeping Staff: The Association currently employs between 6-10 housekeepers to clean the units on a weekly basis. They are employees of the association but performing contract work. Management obtained proposals from three (3) local cleaning companies and provided them to the Board for comparison. Management recommended that the housekeeping staff move to contract employee status after the first of the year, so we can provide 1099's. Management will draft a memo to this effect and hold a meeting with the housekeeping staff. Sue Pilcher and Gwen will review the current housekeeping rates and make a recommendation to the Board for approval to increase rates. The Board agreed that housekeeping should be paid based on the size of the unit.
- C. Staff Updates:
 - I. Eusebia Mariles: Employed by the Association for the last 17-years and she is retiring, effective December 31, 2019. Management has hired her replacement to begin training on November 18, 2019. In addition to her housekeeping duties, Eusebia is compensated separately to close the pool in the evenings. Management has hired her replacement for the pool closing duties and will be paid as contract labor and issued a 1099 beginning after the first of the year. Jocelyn Perez will be in charge of coordinating the housekeeping staff upon Eusebia's departure.
 - II. Filipe Vazquez: Employed by the Association for the last 4-years. In addition to his maintenance duties, Filipe is compensated separately for snow removal. The snow removal duties will be paid as contract labor and issued a 1099 beginning after the first of the year. Management keeps daily logs of maintenance work completed. These will be provided to the Board upon request.
 - III. Paid Time Off (PTO): Management asked how we should handle PTO for the employees transitioned to HillStar Management. Sue Pilcher suggested we ask employees about how much time they think they have coming. She suggested we pay Eusabia for the time she needs now and tell her that is all the PTO she has. Thereafter, Management will apply the HillStar policy and send a copy of that to the Board.

- D. Roofing Repairs: Management provided a proposal to the Board for roofing repairs totaling \$2,050. The proposal was presented by Turner Morris, the same company that installed the new roof. ***A motion was made and seconded to accept the proposal for roofing repairs in the amount of \$2,050 from Turner Morris. The motion carried unanimously.***
- E. New Office Copy Machine: Management obtained proposals from three (3) local copy machine companies and provided them to the Board for comparison. ***A motion was made and seconded to accept the proposal from Xerox for a lease to own totaling \$4,752. The motion carried unanimously.***
- F. Comcast: Management noted that Comcast completed the installation for the upgraded services during maintenance week. They will need to enter each in order to install the new equipment. Installation is scheduled for December 18 & 19, 2019.
- G. HVAC and Pipe Replacement Project: Prior management obtained one (1) bid for the replacement of the pipes in the garage and to install 21 expansion tanks on the unit water heaters. The bid totaled \$85,590. Current Management is obtaining bids from other contractors for comparison and will present them to the Board upon receipt.
- H. Rental Policies: Management reported that they had some problems with check-in last week. They apologized to the owner and provided a gift card. Management will be revising the procedures for check-in. Sue Pilcher noted that she found an article about how Interval International has structured short-term ownership for 10-years. We have yet to develop and adopt an Exit Strategy.
- I. Security Cameras: Management reported that the camera monitoring system does not work. Mark reported that the cameras were working but Dale was suggesting a different solution. Dale is the one who provided a proposal for a roof camera and did the Frisco cameras. The Board needs to see a copy of his proposal. He proposed using solar to power the system. Gwen asked Mark to send the contact information to her. Comcast has a system that we should look at for a minimal cost. Mark thinks we still need to talk to the City of Dillon about partnering with them for marketing of the area to defray our costs. Mark offered to meet with Gwen and Dale about his proposal.
- J. AT&T Cell Phone: For the 4-6 week period of time while the phones in the office were down, Deborah activated a cell phone with AT&T for the office staff to use. It's been sitting on the shelf in the office, unused since the phone system was fixed. Management called and spoke to AT&T. The contract isn't up until March of 2022 (2-yrs and 4-months away). The current bill to keep it active is around \$60 per month, so for the remainder of the contract we would be looking at a total of \$1,680 on a phone and phone service that literally has no use to us. To cancel the service/contract is \$399.99. ***A motion was made and seconded to cancel the contract with AT&T and return the phone. The motion carried unanimously.***
- K. Social Media & Marketing: Stanley will take a look at the Blue Book and make some notes for Management. He will also provide an update on the website. The Building Improvement Committee is linked to the survey, which hasn't gone out yet. We have scanned all of the building blueprints. The Board is interested in developing a FaceBook page for the Association down the road.

Adjournment: The meeting was adjourned at 9:30 p.m. The next regularly scheduled Meeting of the Board will be on Wednesday, December 18, 2019 at 6:30 p.m. at the Home of Stanley Turner, 2378 Moline Street, Aurora, CO.