

NOTICE
SPINNAKER AT LAKE DILLON CONDOMINIUM ASSOCIATION
ANNUAL MEETING

TUESDAY, June 19, 2018 AT 6:30 PM
Doubletree Hotel Denver Tech Center
7801 East Orchard Road, Greenwood Village
(Directions I-25 to Exit 198 / Orchard Road
Head west and the Doubletree Hotel is on the right)

All owners are encouraged to attend the June 19, 2018 Spinnaker at Lake Dillon Annual Meeting to be held at 6:30 PM. **Should you be unable to attend the meeting, a proxy is attached.** Also attached is the meeting agenda and financial summary.

There will be at least two positions available for election at the meeting. Owners are encouraged to become involved in the oversight of operations and finances of the Association by becoming a member of the Board of Managers. The Board also welcomes interested owners to become involved with committees to help in the analysis of future building improvements and efficient operations. **If you are interested in serving on the Board or a committee, please indicate this at the meeting or contact the Association via email spinnakeratlakedillon.com or phone (970) 468-8001.**

Attached is the financial summary of the Association including the fiscal year April 2018 to March 2019 budget adopted by the Board of Managers. **The assessments remain the same for the third year!** In recent years the Board has set the budget to build and fully fund the completed remodels of the interval units, catch up with deferred maintenance of the units and buildings from recent years, and build adequate replacement reserves to maintain a quality property. Operating expenses in the fiscal year ending March 31, 2018 were higher than budgeted from completing deferred maintenance work on units and the building and emergency repairs to the boiler from a burst fire protection system pipe and elevator maintenance. The operating spending was offset by reduced reserve fund spending resulting in an overall net income better than budgeted of \$10,000. The net income added to the budgeted funding for replacement reserves resulted in a \$109,000 increase to an ending fiscal year reserves of \$291,000. An audit of the Association financial records was conducted for the two fiscal years ending in March 2016 and March 2017. The favorable audit opinion indicated the financial records accurately reflected the financial position of the Association.

During the recent completed fiscal year, the Association completed a bulk foreclosure action against delinquencies resulting in taking over the weeks for resale. The Association currently owns 28 weeks. Legal action continues to collect assessments from any delinquent units including foreclosure and recorded collections liens against all owner property.

The Board of Managers look forward to seeing you at the meeting!

Spinnaker at Lake Dillon
Condominium Association Inc.
2017 Annual Meeting
May 2, 2017, 6:30 PM
DoubleTree Hotel Denver Tech
7801 E. Orchard Rd, Greenwood Village

Agenda

- 6:30-6:40 Introduction of Board of Managers
- 6:40-6:50 Approve Minutes from the May 2, 2017 Meeting
- 6:50-7:00 Property Report
- 7:00-7:10 Collections Report
- 7:10-7:20 Financial Report / Budget Questions
- 7:30-7:40 Election of Board Members
Terms ending: Mark Stevenson
Maureen Grabeklis
- 7:40-8:00 Other Business
- 8:00 Adjournment of Annual Meeting

PROXY for 2018 ANNUAL MEETING of
SPINNAKER AT LAKE DILLON CONDOMINIUM ASSOCIATION, INC.

INSTRUCTIONS

1. Proxies are to be returned if you will not be attending the Annual Meeting.
2. Corporations, partnerships, and joint tenancies, etc. must file a Designation of Representative with the Association prior to, or simultaneously with, filing this Proxy.
3. In order to be eligible to vote, your Association Assessment account through June 19, 2018 must be current.
4. Complete one Proxy and one Designation of Representative (if needed). If you own more than one week, please indicate how many on this line. _____
5. You may designate any Spinnaker owner or any of the following Board members to vote your proxy specifically or undesignated proxies will be divided equally among the Board members (Sue Pilcher, Susan Bauer, Barry Georgoplus, Maureen Grabeklis, Mark Stevenson, David Swenson, and Arthur Hardin).

I/We _____, the current owner(s) (or designated representative) of Interval Week(s) No. _____, in Condominium Unit No. _____, Spinnaker at Lake Dillon Condominiums, do hereby appoint _____, as my true and lawful Attorney-in-fact to vote my interest in the Spinnaker at Lake Dillon Condominium Association, Inc. at its Annual Meeting to be held at 6:30 p.m. on June 19, 2018 at the Doubletree Hotel Denver Tech, I-25 and Orchard Road, Denver or any adjournments thereof, with the power to vote and act for me to the same extent I might were I personally present.

(Signed) _____ Date _____
owner(s) or designated representative

PROXIES MUST BE PROPERLY EXECUTED AND RECEIVED BY 12:00 NOON ON JUNE 19, 2018. Limited Proxy - expires upon the adjournment of the 2018 Annual Meeting and supersedes any past proxies.

Return to: Spinnaker at Lake Dillon
PO Box 2519
Dillon, CO 80435
spinnakeratlakedillon@msn.com
Fax: (970) 262-5786

SPINNAKER - CONDENSED INCOME SUMMARY

12 months ending March 2017

	Prior				Current			2018/2019
	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2017/2018	Variance	
INCOME	Actual	Actual	Actual	Actual	Budget	Actual		Budget
Assessments	445,967	457,166	451,016	454,178	459,304	458,886	(418)	517,862
Other income	13,877	11,223	12,542	24,278	12,500	11,609	(891)	10,100
TOTAL INCOME	459,844	468,390	463,558	478,456	471,804	470,494	(1,310)	527,962
EXPENSES								
Exterior and building	14,503	25,897	16,034	16,284	18,520	18,234	286	19,600
Recreation facility	7,375	2,979	11,854	12,445	14,100	12,742	1,358	12,900
Maintenance & supplies	28,628	25,395	18,680	37,439	24,300	51,658	(27,358)	35,940
Housekeeping & unit maintenance	96,224	103,059	107,073	100,763	108,300	122,891	(14,591)	122,500
Cable TV, phone & internet	25,511	33,261	29,939	31,109	33,470	32,812	658	35,622
Utilities	81,035	93,454	79,980	78,502	84,000	77,312	6,688	84,000
Accounting & legal	12,373	8,686	3,121	18,951	13,900	17,147	(3,247)	12,000
Insurance	11,110	11,649	13,113	12,227	13,233	13,024	209	14,400
Management	119,340	119,350	114,150	114,150	114,150	114,150	0	114,150
Office & supplies	9,495	8,323	6,947	8,573	8,350	7,352	998	23,780
Property taxes	23,872	24,950	23,762	24,740	24,481	28,070	(3,589)	28,070
Bad debt	11,242	5,916	32,557	44,465	15,000	13,320	1,680	25,000
TOTAL EXPENSES	440,709	462,918	457,211	499,647	471,804	508,713	(3,950)	527,962
NET OPERATIONS	19,135	5,472	6,347	(21,191)	0	(38,219)	(38,219)	0
REPLACEMENT RESERVE						0		
Assessment - common	55,000	50,000	50,000	45,007	55,300	55,300	0	34,150
Assessment - interval	135,000	150,000	174,998	195,005	180,000	180,005	5	142,850
TOTAL - Replacement	190,000	200,000	224,998	240,012	235,300	235,305	5	177,000
EXPENDITURES								
Replacement - common	22,087	21,798	7,673	30,759	50,000	24,886	25,114	72,000
Replacement - interval	188,367	172,068	206,324	188,172	87,000	63,173	23,827	61,500
CPA adjust / asset gain/loss	19,837	(21,782)	0	16	0	0	0	0
TOTAL RESERVES EXPENSE	230,291	172,084	213,997	218,946	137,000	88,059	48,941	133,500
CHANGE IN RESERVES	(21,155)	33,388	17,348	(124)	98,300	109,027	10,727	43,500
STARTING FUND BALANCE	152,535	131,380	164,768	182,115	181,991	181,991		291,018
ENDING FUND BALANCE	131,380	164,768	182,115	181,991	280,291	291,018	10,727	334,518

Notable 2017/2018 expenditures

Interval reserves	Carpet	\$31,184	Mattresses	\$27,650		
Common reserves	Plumbing	\$28,015				
Major repairs	Boiler	\$10,848	Fire system	\$3,710	Garage	\$5,813
Maintenance	Equipment	\$4,708	Locks/roof	\$4,163		

Spinnaker at Lake Dillon

Annual Owners Meeting

May 2, 2017

Meeting called to order by President Sue Pilcher at 6:30 PM. Board members in attendance were, Treasurer Maureen Grabeklis, Secretary Barry Georgopoulos, Lou Semin, Barb Hermanson, David Swenson, and Property Manager Deb Polich. Vice President Mark Stevenson absent due to Mother's 90th birthday. Board Members all introduced themselves to the 15 Owners in attendance.

A motion to approve the minutes of the last Annual Owners Meeting on May 17, 2016 meeting was made, seconded, and passed.

Deborah Polich provided the property report indicating she had been involved in the financial administration of the Spinnaker for the last four years and has recently assumed the onsite management of the property. Completed in the last year were the unit remodels, some carpet replacement, pool area repairs, and garage maintenance. In the next fiscal year, more carpeting will be replaced, and all mattresses will be replaced.

Of the 1,050 weeks, 14 were owned by the Association, 10 were in a legal bulk foreclosure action, and approximately \$20,000 was past due from units. While collections are a concern to the Board, overall, they are better than most timeshare properties. Sue Pilcher indicated the Board on an individual basis will negotiate taking back a week, but only if the outstanding assessments are paid.

Treasurer Maureen Grabeklis summarized the financial status of the Spinnaker. She indicated the assessments were unchanged for the new fiscal year. The budget remains in process with efforts to maintain assessments reasonable for the long-term maintenance of the older building and reflecting the completion of the unit remodels. Consistency of financial reporting and planning was important. She addressed the need for modernization of our financial process to maximize use of latest financial technology. Audits for the fiscal years ending in 2013, 2014, and 2015 were completed. The audit resulted in a good report with recommendations for a few adjustments to control procedures. Audits of the fiscal years ending in 2016 and 2017 were planned.

Owners interested in serving on the Board were requested and those interested provided their experience. By motion, nominated and elected for three-year terms were David Swenson, Arthur Hardin and Sue Bauer.

Possibility of changing annual meeting dates discussed. Owners were encouraged to submit comments and recommendations to the Board on any operations topic.

Meeting adjourned at 7:20 PM.

Respectfully Submitted,

Barry Georgopoulos, Secretary