

**BEAVER VILLAGE CONDOMINIUM ASSOCIATION FILING NO. 2
BOARD OF DIRECTORS MEETING
JANUARY 20, 2017**

CALL TO ORDER

Jim Raebiger, President of the Board, called the meeting of the Board of Directors of Beaver Village Condominium Association Filing #2 to order at 6:35 p.m. Board members present were Tom Cummins, Tom Branch and Jim Raebiger. Joanne Gravelle and Elton Thompson were present via phone. Also present were Dick Norman, Eric Mowrey, Chad Griffith and Janet Meinen of Mountain Chalet Property Management (MCPM). Janet Meinen recorded the minutes.

AGENDA APPROVAL

Elton mentioned he would like to address the Board prior to adjournment. Jim asked that basement plan and internet dual band access points be added under old business.

- It was moved and seconded to approve the amended agenda; no discussion; all in favor. Motion carried. The amended agenda was approved.

PREVIOUS MEETING MINUTES

- It was moved and seconded to approve the minutes of the July 22, 2016 meeting and the July 23, 2016 organizational meeting as distributed; no discussion; all in favor. Motion carried unanimously.

PROPERTY MANAGEMENT REPORT

Full report included in meeting packet. Dick Norman provided comments as follows:

- Remote sensor alerts detailed in the report
- Roof snow removal on entry areas and cornices this past week on Building 6 at Fire Department request
- Major maintenance projects were detailed including crawl space cleanouts, dumpster doors, walkway repairs, siding repairs, hand rail repairs, drywall repairs and fire extinguisher and backflow inspections.
- Tom Branch requested that cleaning include wiping off railways so they don't get slippery; he further thanked MCPM for doing a good job.
- Tom Cummins asked about crawlspaces—no immediate concerns per Dick.
- Tom Cummins asked about plumbing issues—Bldg 8 backed up and was snaked. Tested and was OK.
 - It was moved and seconded accept the property management report; no discussion; all in favor. Motion carried unanimously.

FINANCIAL REPORT

Full report included in meeting packet

Janet briefly reviewed the Balance Sheet at September 30, 2016. The Budget vs Actual report for the fiscal year ending September 30, 2016 was reviewed with net operating deficit of \$13,922.09. Variances by line were discussed with the largest variance being in major maintenance—projects completed and contributing to that variance were included in the property manager report.

The Capital Replacement Fund (CRF) began the fiscal year with 79,503.93. \$38,970.28 was transferred into the fund from homeowner assessments. Interest income of \$84.02 was earned. Expenditures of \$80,979.08 were recorded leaving a balance in the CRF account of \$37,579.15.

The December 31, 2016 balance sheet was reviewed. It was noted that the prior fiscal year operating deficit had created a deficit in the operating fund balance. There was discussion as to the appropriate amount to move from the capital funds to re-establish an appropriate operating fund balance.

- It was moved and seconded to move \$7,000 from the capital replacement fund to the operating fund; no further discussion; all in favor. Motion carried unanimously.

The budget vs actual for the quarter showed that the Association income is close to the budgeted amount. Reimbursements have not yet been received for the internet nor have bills been received for road maintenance—it is anticipated that those variances may offset each other.

The Capital Replacement Fund (CRF) began the fiscal year with \$37,579.15. \$9,742.57 was transferred into the fund from homeowner assessments and interest income of \$9.03 was earned. No expenditures were recorded leaving a balance in the CRF account of \$47,330.75.

The excess income motion for tax purposes was passed as follows:

- Motion as stated below, to apply excess income to the following year's assessment was moved and seconded; no further discussion; all in favor. Motion carried unanimously

Resolved, that any excess of membership income over membership expenses as Defined by IRS Reg. 1.277-1 for the year ended September 30, 2016 shall be applied against the subsequent year member assessments as provided by IRS Revenue Ruling 70-604.

The Capital Replacement Fund spreadsheet was reviewed and there were no changes to the schedule as distributed.

- It was moved and seconded to approve the financial report; no discussion; all in favor. Motion carried unanimously.

RECREATION BOARD REPORT

Tom Cummins and Jim Raebiger highlighted the information from the Recreation Board earlier in the day as follows:

- Budget was approved with no increase in fees to the filings.
- Pool lift deferred

- 2% fee—still looking at alternatives and increasing efforts to gain compliance. Almost all revenue is coming from one management company. Recreation Association will send letter urging compliance if owners are identified.
- Finances are healthy
- Not much major maintenance in past year
- Divider wall still postponed due to cost of \$18,000.
- Upgrading of old TV in an effort to get more rentals to use the conference room is in discussion and pricing is being obtained. Video conferencing not viable unless internet speed is increased—which may be a possibility if Filing 1 goes to fiber optic.
- Some meeting room rentals were lost during flooring upgrade. Trying to advertise—get more revenue with the updated kitchen.
- Summer meetings will be July 22nd weekend. Filing 2 will host and determine where the picnic will be held.

OLD BUSINESS

- Delinquent owner has been in contact with MCPM and is making payments—no official agreement in place but payments are being received in accordance with owner's correspondence.
- Building 8 is back up and all was good with inspections etc. All OK with basement at this time and work is still part of long term plan.
- High speed internet—approved in October to upgrade access from single to dual band and make omni-directional. Half has been paid and equipment has been purchased. Dan Madigan had prepared a report for the Board and Jim Raebiger reviewed it with the Board. Anticipation is that all equipment will be installed within the next two weeks—devices will be moved from back to front when weather allows. There was additional discussion that Filing 3 has gone to fiber optic which allows much higher speeds. This required a transmitter and some trenching. Filing 1 is considering. Filing 2 could share in transmitter cost and possibly see some cost savings if trenching were done at same time as Filing 1. Money not currently budgeted—Board will continue to discuss.

EXECUTIVE SESSION—NOT NEEDED

NEW BUSINESS

A fire was reported in Building 6 at about 5 pm on Thursday, January 12, 2017. It was under control by 9 pm but not fully extinguished until around midnight. A claim has been filed with Farmers Insurance. Dick Norman will provide the Board of Directors a list of all of the individuals/entities that are involved in the process at this time. The investigation will be re-started on January 25, 2017 if things are thawed out enough to do so. All owners in Building 6 have been personally notified by Mountain Chalet. Current status of the affected units was discussed. Dick Norman stated that the agent and adjusters have all been good to work with.

Elton Thompson informed the Board that his unit is under contract, so this may be his final meeting. Tom Cummins thanked Elton for his many years of service to the Board. Elton also stated that his health is improving.

ADJOURNMENT

- It was moved and seconded to adjourn; no further discussion; all in favor. Motion carried. Meeting adjourned at 7:30 p.m.

Approved: July 21, 2017