

**BLACK DIAMOND LODGE CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
MONDAY, MARCH 13, 2017 – 2:00 P.M.
TOAD PROPERTY MANAGEMENT, INC.
318 ELK AVENUE, CRESTED BUTTE, CO 81224**

Present: Rob Harper, Toad Property Management

By Phone: Bill Fredericks
Doug DeMoro
Jim Bertelsmeyer

Rob called the meeting to order at 2:06 pm. Rob explained the purpose of the meeting was to discuss insurance, snow removal and how to spread expenses to help with cash flow. Rob said a new budget template had been distributed prior to the meeting which included a reserve line item which mortgage lenders liked to see and operating expenses based on actual operating expenses over the past few years.

Jim said in the past the association had attempted to keep dues and reserves to a minimum with special assessments when necessary. Rob said the \$8,000 reserve had been depleted and his new draft budget included a reserve of 10% of operating expenses as operating expenses were continuing to grow and the dues needed to keep pace with expenses. Rob said Doug had suggested the association consider removing the hot tub or making TV expenses an individual owner expense instead of having the expense as part of the association budget.

Bill questioned why the expenses of hot tub maintenance had increased over the past couple of years. Rob explained several parts had been replaced on the hot tub and Toad checked the hot tub every day (twice a day during Spring Break). Toad also cleaned common areas, replaced light bulbs, landscape maintenance, some snow removal including the snow removal of the parking lot, some building maintenance including staining. Other work, such as roof snow removal, was performed by other contractors. Rob explained the proposed management fee was higher but was probably still low compared to other companies. Jim said the management fee had been the same for a long time and putting it out to bid would probably be a good test of the market.

After a long discussion about the proposed line item expenses and income shown in the draft budget it was unanimously agreed to adjust the management fee to \$300 per month, remove the elevator service plan, attempt to reduce the cost of the TV package and maintenance line expenses and adjust the reserve line item to reflect 10% of the revised figures. Dues would be adjusted to \$525 per month and the \$2,000 special assessment recently sent out would allow \$10,000 to be placed in the reserve account.

Rob agreed to revise the draft budget and circulate the budget to the Board for final approval.

Meeting adjourned at 3:12 pm.

Prepared by Rob Harper
Toad Property Management, Inc