

**LAKE FOREST RESORT & CLUB CONDOMINIUM ASSOCIATION**  
**BOARD OF DIRECTORS' MEETING**  
**December 5, 2020**

Dan Krueger called the meeting to order at 9:11 am. Those present were Laurie McWard, George Swierczynski, Dennis Breidenbach, Michael Schultz, Curt Knapp, and Resort Manager Sue Couture. Tim Mikel participated via Zoom. Once the quorum was established, Curt moved to approve the agenda. Mike seconded and the motion passed unanimously. With no visitors in attendance, the agenda proceeded.

**SECRETARY**

The minutes from the September 2020 board meeting were reviewed. Tim suggested one change which helped to clarify that the board would ask the owners to vote on rolling over \$50,000 of positive cash to the 2021 operating budget. George moved to approve the minutes. Curt seconded and the motion passed unanimously.

Minutes of the December 2019 Annual Owner's Meeting were reviewed. They will be approved at the owner's meeting this afternoon.

Discussion took place on procedures for the virtual owner's meeting which will start at 1:00pm. Owner's will be able to ask questions, via chat, on a specific agenda topic and there will be a general question and answer period towards the end of the meeting. Owner's will be asked to vote via the chat feature. Once the meeting is adjourned the raffle will take place and prizes will be mailed.

There was no correspondence to review.

**PRESIDENT**

The Annual Owner's Meeting Agenda and Procedures were reviewed.

George Swierczynski was appointed meeting parliamentarian.

Dan reviewed the President's Report he will be giving to the owners and there were no suggested additions.

**RESORT MANAGER**

The vinyl replacement flooring project is expected to be done by the end of the year.

We are still sending people to Eagle River Inn to use their swimming pool, but we tell them in advance that the property is not exactly kept up to our standards. It was decided that George would reach out to the owner to discuss that.

We will pre-buy courtesy passes from Tone Zone Fitness and make them available to guests. Passes can only be used when the facility is staffed, their sauna and locker rooms and lounge are closed due to Covid and guests will have to bring their own towels.

An update was given on the current number of resales and deedbacks so far this year which Dan will report on at the owner's meeting.

We budgeted to end 2020 at 21% uncollected fees and we are trending towards 21.55%.

Rental revenue for the year was reviewed. It shows a downturn for weeks 1-18 and 19-24 due to Covid but then an upturn for weeks 25-32 and 33-38. Holiday rentals will be dependent on snow conditions.

Legal correspondence from the resort attorney was shared and reviewed.

**ASSET REPLACEMENT / RESERVE**

A review of completed asset replacements for 2020 was given by committee chair Tim. Projects completed / items purchased were asphalt repair and patching, new u-dock next to the bridge, replacement of all 3 family room doors, replacement of 101-108 and 117-124 family room windows, new fireplace screens, all new shower heads, cover for the housekeeping golf cart, a power sewer router and a new (used) maintenance vehicle. A few projects were delayed due to

Covid and hopefully will be completed in 2021. Those projects include washing and staining of the 117-124 building and 109-116 guest bedroom windowpane replacement. The point-to-point system for increased bandwidth is in progress and we are waiting for the contractor to get a climbing crew for their tower. Twenty-five thousand dollars was put in the Asset Reserve Fund and approximately \$9,000 of 2020 replacement funds will be rolled over to 2021.

Also reviewed were the proposed asset replacements for 2021 which will be reported on at the afternoon owner's meeting.

### **PERSONNEL**

Committee Chair Laurie reported that the approved changes to the policy manuals were now in effect and available to view on the website. She also shared the fact that we were fully staffed this past summer for the first time since Sue has been manager. Sue has been manager for six years and with the resort for 19 years. Mary Jo has been with us 6 years and Al 3 years. Continuity of core staff is essential in keeping the resort running smoothly.

### **FINANCE**

Committee chair Dennis reviewed all account balances as of October 31<sup>st</sup>.

Operating Checking Account \$31,122

Operating Money Market \$100,010

Rental Trust Checking \$50,322

Asset Replacement Checking \$17,778

Pre-Paid Maintenance Fee's \$45,394

Asset Reserve CD #1 \$76,039

Asset Reserve CD #2 \$63,200

Asset Reserve Money Market \$2,501

The current budget status through October 2020 was reviewed and income and expenses are similar to 2019.

The proposed budget for 2021 was reviewed and will be presented at the annual meeting.

The check register was reviewed, and the approval form was signed.

Travel vouchers for the annual meeting were completed and submitted.

Dennis made a motion to split funds in CD #1 into 2 CD's, one for three years and the other five years. CD #2, coming due in February will be split into two as well, one for 1 year and the other for three-years. This is the recommendation so the funds will be available every year to supplement the asset replacement schedule. George seconded the motion. The motion passed unanimously.

### **LONGEVITY**

Curt gave a report on strategies for re-purposing options which will be shared with the owners at some future date

Tim reviewed the board's 'Game Plan for the Future' and applied updates where necessary.

Discussion ensued about sending out an owner survey in January 2021. This discussion was tabled and will be taken up at the board meeting this afternoon after the owner's meeting.

### **OTHER BUSINESS**

Dan thanked Dennis for all his service to the Board and complimented him on his attention to detail in all that he has done in his role as treasurer.

A motion was made by Laurie and seconded by Dennis to suspend the board meeting until after the Annual Owner's Meeting. The motion passed unanimously.

Dan Krueger reconvened the meeting to order at 2:45 pm. Present were Dan Krueger, George Swierczynski, Laurie McWard, Curt Knapp, Michael Schultz, and Resort Manager Sue Couture. Tim Mikel participated via Zoom.

The board reviewed the annual meeting, which was positive with excellent questions, thoughts and ideas coming from owners.

The electronic attendance via Zoom was very well received, with approximately 75 owners participating.

The election results were reviewed and verified by Tim. Curt was reelected and Jay Walt was voted in as the new member-at-large.

Election of officers took place. Dan was reelected president, Laurie elected as vice president, Tim elected as treasurer and Mike was reelected secretary. Curt moved to accept the slate of officers. Mike seconded and the motion passed unanimously.

The appointment of committees will be as follows:

Finance – Tim as Chairperson

Personnel – Laurie as Chairperson, Curt as Co-chair

Asset – Tim as Chairperson

Special Projects – George as Chairperson

Longevity – All members

### **LONGEVITY**

Discussion on longevity issues picked up where it left off in the am meeting.

An in-depth conversation took place about the timing of sharing any ideas about future re- purposing options. The by-laws say 770 owner paid weeks is the trigger for discussion with the owners, although it does not have to take place at that point. All the Board members will develop questions to guide steps to presenting repurposing options and an owner survey, developed by Sue and George, will be going out in January 2021. The answers to the survey questions will help guide the board in the future.

Tim had some initial contact with Vacatia.com. However, it is well known within the industry that once you get a vacation club involved, they want to take over the board of directors to steer the future in their direction. Special assessments and higher maintenance fees would be a given. Tim is going to reach out again to Vacatia for names of resorts that they have taken over to consult with those managers and board of directors.

Based on a question at the owner's meeting Mike came up with an idea to consider. The owner asked about the possibility of having seasonal adjusted maintenance fees. Our by-laws do not permit this so an amendment would have to be passed. However, Mike suggested we could give high season owners an off-season week – that normally sits empty - and they would be responsible for that maintenance fee. Since the low season week would normally sit empty, the association would essentially be collecting more fees from that high season owner. They would be able to use the low season week for trading purposes. This idea will be discussed further at the April 2021 board meeting.

The meeting dates for 2021 will be Thursday 4/22, Thursday 9/16, and Saturday 12/4.

A motion was made by Laurie to adjourn the meeting at 3:45pm. George seconded, and the motion passed unanimously.

Pending Review: 12.14.20

Approved: 4.22.21