

THE HOMESTEAD AT SNOWMASS ASSOCIATION
ANNUAL OWNERS MEETING

December 30, 2013

1. CALL TO ORDER AND CERTIFYING PROXIES

Mike Estes, President of the Association, called the meeting to order at 4:00 PM at The Homestead #7 at 3904 Brush Creek Road in Snowmass Village, Colorado. Barton Craig and Michael George of Snowmass Lodging Company were also present.

Members Present	Unit #
Mike Estes	07
Malo Harrison	05
Bob Campbell	08
Ingegaard Fehr	04
Bill Devers	02

Members Present by Proxy

<u>KT Meade</u>	<u>15</u>	
<u>Marilyn Seltzer</u>	<u>—</u>	<u>11</u>
<u>Ken James</u>	<u>03</u>	

TOTAL (8 /14=57%)

Verification of the signed proxies established that the required quorum of 50% of Homestead was achieved.

2. PROOF OF NOTICE OF MEETING

Mr. Craig presented proof of notice of the meeting.

3. READING AND/OR DISPOSAL OF UNAPPROVED MINUTES

Mr. Campbell made a motion to waive reading the minutes of the Annual Meeting of December 28, 2012. Mr. Devers seconded, and the motion was approved by voice vote. The minutes were approved, as written.

4. REPORT OF OFFICERS

Mr. Craig noted that the Association expects to end the year with approximately \$99,000 in its Reserve Fund, which is held in bank accounts and/or short-term Certificates of Deposit at Alpine Bank.

The Association expects to end the year with an operating surplus of \$5,180, which will be transferred to the Reserve Fund, increasing the expected year-end balance to approximately \$104,068. The Operating Fund will be zeroed after the external auditor confirms the accounting for the 2013 fiscal year, with the net effect being absorbed in the Reserve Fund.

3. ELECTION OF DIRECTORS

Mr. Estes noted that all five Board positions are up for election in 2013. Three positions will be for two-year terms, and two positions will be for one year terms. Mr. Harnett has advised that he will not seek re-election to the board. The other four incumbent Board members have each advised that they will each accept a nomination and, if elected, will continue to serve on the Board. Mr. Devers nominated the following slate of candidates:

Mike Estes	Two Year Term
Malo Harrison	Two Year Term
Bob Campbell	Two Year Term
Bill Devers	One Year Term
Colin Hegge	One Year Term

Mr. Campbell seconded, and the slate of candidates was nominated. As all are running unopposed, the slate of candidates was elected to the Board.

4. UNFINISHED BUSINESS

2014 Budget Review and Ratification

Mr. Estes presented the homeowners with the 2014 budget proposal. Mr. Estes asked any owners present if they had any questions or comments on the proposed budget. Mr. Estes noted that the total expenditure of funds for the Operating Budget for the Association has remained relatively unchanged for the fifth year in a row and that assessments have risen only minimally in the last 7-8 years. The attendees discussed the operating line expenses over the past ten years in detail. In particular, the components of the Grounds line item proposed budget were discussed.

Mr. Estes noted that the Board has informally discussed reaching out to the Realtor community and asking for an opinion about the competitiveness of the property in terms of assessments, expenses, and perceived valuation.

After a discussion of significant line items, Mr. Campbell made a motion to approve the budget as presented. Mr. Devers seconded, and the budget was approved, as presented by a voice vote.

Status of Capital Reserve Fund

Mr. Estes reviewed the reserve fund line details.

Mr. Estes also noted that the association will need to aggressively maintain its building siding in order to defer significant replacement costs forward into the future. He also noted that the siding will have to be replaced at some future date and will require a "special assessment" at such time

since it is not being reserved for. He also discussed other line items within the Reserve Fund that will need to be considered over the near term.

The attendees also discussed the status of the fire alarm/fire suppression system. The Board will continue to discuss and consider the issue, as information becomes available.

5. New Business

Property Tax Valuation Appeals – Mr. Estes noted that a third party had been hired by some individual owners to challenge the most recent valuations for the units. The third party also filed an unsuccessful challenge. His recommendation was that the members jointly file a challenge to property valuations, instead of individual members filing separate challenges.

Discussion of Evaporative Cooler Installation Requests – Mr. Estes noted that a member has requested permission to install such an appliance to cool his unit. The Board has noted various concerns about the proposal: primarily, the visibility of the equipment, how it might affect the common elements, how either its installation or operation might impact the membership, and how such a precedent might influence applications by members regarding future installations.

Members discussed that rooftop evaporative coolers may prove to be a detriment to property values. Mr. Devers noted that he had in his unit a single room portable air conditioned unit that vents through a small tube connected to a window as well as an small internal evaporative cooler and suggested these devices satisfied a need but did not impact the exterior of the building or neighboring units. Mr. Estes noted that the application was under Board review.

8. ADJOURNMENT

Mrs. Harrison moved for adjournment, and Mr. Campbell seconded, and the motion was carried. The meeting was adjourned at 4:54 P.M.

Respectfully submitted,

, Secretary