

HOMESTEAD AT SNOWMASS ASSOCIATION:
Homeowners Annual Meeting
December 29th, 2009
11:00 am Homestead Unit #7

I. CALL TO ORDER

Roll Call, Establish Quorum: Meeting started at 11:02pm

Directors present:

Mike Estes (President) present

Bill Devers (Vice President) via conference call

Malo Harrison (Secretary) present

Bob Campbell via conference call

George Hartnett present

Resort Quest Managers present: Sai Naivalu

Snowmass Lodging Company present: Barton Craig

Homeowners present via proxy, conference call, or in attendance:

Homestead 1

Homestead 2- William Devers via conference call

Homestead 3-

Homestead 4- Ingegard Kampe Fehr in person

Homestead 5- Malo and John Harrison in person

Homestead 6- Dick Moebius in person

Homestead 7-

Homestead 8- Robert Campbell via conference call

Homestead 9-

Homestead 10 Colin and Fiona Heggie in person

Homestead 11- George and Marianne Hartnett via proxy & conference call

Homestead 12-

Homestead 14

Homestead 15- KT Meade in person

Quorum for meeting, with 10 of 14 members

II. APPROVE MINUTES OF 2008 MEETING

Motion was made by Bill Devers to approve the minutes.

Seconded by Mike Estes.

The motion was carried by a voice vote and the 2008 Meeting Minutes were approved.

III. Introduction of New managing Agent-Snowmass Lodging Company

Mike Estes introduced Barton Craig of Snowmass Lodging Company. Barton Craig thanked the Board for choosing Snowmass Lodging and looks forward to this new partnership.

Mike Estes commented that because of the change in property management there is reluctance to change subcontracted vendors at the same time. He stated that the members are comfortable keeping J&J, Village Excavating and Crystal Gardens in place for continuity but authorized Snowmass Lodging to change vendors as they see fit, in conjunction with Board input.

IV. Homestead Insurance Policy

Mike Estes explained that the Homestead has been insured through a master policy under Resort Quest. Because of the necessity to change this arrangement another insurance quote was obtained. The quote from our current insurance agent was for a premium of \$19,283 for the main policy, the competitive quote from John Wilkinson of the Neil Garing Agency was \$21,720. The premiums for the D&O and Theft policies are the same.

Despite the higher premium, John Wilkinson spoke to the homeowners to explain the advantages of switching coverage to Fireman's Fund. He explained that the current coverage is through at least 10 different underwriters and includes many other insured entities. His proposal guarantees The Homestead stand-alone coverage through one company-Firemans' Fund. The rate will never be affected by other properties and the HOA will only ever have to work with one company in the case of a large claim. He also explained that only with coverage of this type will you actually receive a hard copy of your policy. Currently, you simply receive a summary of coverage but the policy itself in all its detail, making it more difficult to arrange seamless coverage for your own home.

The members thanked John Wilkinson for his time and understood the value that could be obtained by switching providers.

The Board will vote to decide which insurance carrier to use.

V. Association Budget for 2010

Mike Estes introduced budget for 2010 in which assessments are to be raised \$500 over the prior year. He pointed out that assessments have been flat for the last three years. He also pointed out that Operating budget total is unchanged from 2009 and that the increase is due to an increase in the Reserve Fund contribution.

While the Operating budget is flat there have been changes in the allocation of some of the line items. A few notes on budget line items:

Administrative fee is up \$3,725 due to new management company, although management fees have been almost flat since 2005. Snowmass Lodging Company feels they can save the HOA some of this increase by performing tasks that had been billed by J&J.

Spa expenses have been projected down by \$1264, as 2009 saw some repair costs that should not recur.

Common Maintenance/Landscaping has been reduced by \$7718 with the rationale that more supervision by Snowmass Lodging will be able to cut some costs.

Mike Estes opened the floor to comments on the proposed 2010 budget.

George Hartnett asked how many owners actually use the hot tub. Several members reported that they or their guests use the spa regularly and consider it a desirable amenity.

It was pointed out that the spa is currently not up and running and is in need of repair because of either miscommunication or negligence between Resort Quest and J&J. The result is that spa was left with water in the pipes which predictably froze and burst. Bids are now being obtained to repair the spa as soon as possible.

Malo Harrison made a motion to approve the 2010 budget as presented. George Hartnett seconded and the motion was passed via a voice vote.

VI. Discussion of Future Capital Projects

Deck replacement-When the waterproof membrane of the decks fails the concrete must be demolished to repair/replace the membrane. The deck membranes are nearing the end of their expected life. Three decks have been replaced in the last three years. Decks are due to be replaced one building per year starting in 2011. If there are no more deck leaks before 2011 the Board might consider pushing them back one more year.

John Harrison commented that he would rather that decks be replaced before there is a big problem as the damage will be inside the home. George Hartnett asked if homeowner could replace the decks sooner at their own expense. Mike Estes commented that none of the previous deck leaks have resulted in large damages.

Exterior siding-The side is nearing the end of its useful life. There is no timetable currently for replacement, but it is an element that will need to be replaced in the coming years although it is holding up quite well and has just been repainted. When the time comes for replacement the members

will have a big choice to make as whether to keep the same look or change to a different material. It was agreed that input from local realtors will be helpful in determining what material will add the most value to the property.

Shrub replacement-Many of the shrubs have grown so large that they are becoming an eyesore and also require the expense of substantial and regular pruning. Some shrubs have been replaced in past years slower growing shorter shrubs. The Board is considering replacing all of the taller (4 feet and larger) shrubs at some point in the future. Some owners commented that the taller shrubs in the back offer a good privacy screen from their neighbor and would not want to change those.

The Board is concerned that Reserve Fund contributions should be increased over the coming years with a goal of increasing the HOA Reserves. Currently, the plan will be to increase the Reserve Fund contribution by \$500 per home each year for the next few years. Homeowners can expect assessments to rise by at least that amount each year for the next few years.

VII. OTHER BUSINESS

Spa Policy-As a point of record the spa is to be open for use each year from December 18 until the end of the ski season, and again from mid June until later September after the Balloon Fest. In between those date ranges the spa will not be open for use but will remain filled with water and powered up, but the heat turned down and the regular maintenance reduced

Snow removal policy-Driveways will be plowed and walkways shoveled with over two inches of new snow. Less than that amount will be the responsibility of each homeowner. Front and back decks will be shoveled when accumulation reached over a foot.

Strip garden from TOSV-Several years ago the TOSV planted several annual/perennial flowers beds along the length of The Homestead between Brush Creek Road and the public paved walking path. While these gardens are not on Homestead property they do add to the curb appeal of the complex. The TOSV informed us in the fall that due to budget concerns they will no longer be maintaining those gardens but the Homestead is invited to maintain them if they want. Homeowners agreed that these gardens are an asset. The bid from Crystal Gardens to maintain them as they had been is almost \$9000. There was discussion regarding ways to keep the gardens but reduce the cost, including switching primarily to perennials and eliminating the annuals, as well as

concentrating effort on the section of the gardens that are closest to the Homestead entry.

Golf course area behind building #3-This area is on golf course property but permission has been given for the Homestead to improve it at our cost. The area is currently mostly dead. A bid has been obtained by Crystal Gardens to cover the area with top soil and seed it with grass and irrigate it. The cost is about \$5000. Some of the expense is due to the fact that the soil will have to be carried as there is no direct access by truck.

VI. ELECTION OF BOARD OF MANAGERS

All current board members were willing to serve another year as the Board of Directors, and Susan Marks seconded the motion. All present were in favor. Colin Heggie a motion to reelect all of the Board members. Mrs. Meade seconded and the motion was passed via voice vote.

VII. ADJOURNMENT

Mike Estes adjourned the meeting at 1:35 pm, with George Hartnett seconding the motion.