

OWL CREEK HOMES ASSOCIATION, INC
ANNUAL OWNERS MEETING

December 29, 2009

1. CALL TO ORDER AND CERTIFYING PROXIES

Hank Anderson, President of the Association, called the meeting to order at 4:15PM at The Enclave Condominium conference room at 360 Wood Road in Snowmass Village, Colorado. Board members Lee Wagman (via telephone), Connie Hodson, Scott Schlesinger and Al Lattof (via telephone), were present. Barton Craig and Michael George of Snowmass Lodging Company were also present.

<u>Members Present</u>	<u>Unit #</u>
Hank Anderson	2
Sheldon/Doren Pinnell	6
Cliff and Jean Findeiss	7
Mitchell and Michele Bleznak	8
Al Lattof (via telephone)	17
Connie and Tom Hodson	28
Scott Schlesinger	27
Lee Wagman (via telephone)	30

<u>Members Present by Proxy</u>	<u>Unit #</u>
Ted Catino	1
Marc Rapaport	3
Les Bider	9
Harry Andrews	12
Anne Gorry	15
Richard Romanski	16
Mike Ritter	18
Helen Davis	19
Gary Judis	21
Brian Hastings	22
Chris Schaepe	26
David Barnes	31

TOTAL (20 /31=63%)

Verification of the signed proxies established that the required quorum of 33% of Owl Creek owners 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. Schlesinger made a motion to waive reading the minutes of the Annual Meeting of December 29, 2008. Mrs. Hodson seconded, and the motion was approved by voice vote. Mr. Schlesinger made a motion to approve the minutes of the Annual Meeting of December 29, 2008, as written. Mr. Anderson seconded, and the motion passed.

4. REPORT OF OFFICERS

Mr. Craig noted that the Association expects to end the year with approximately \$201,000 in its Reserve Fund, which is held in bank accounts and short-term Certificates of Deposit at Alpine and Vectra Banks.

Mr. Bleznak asked what interest rate is earned on Association reserves. Mr. Craig said they are held in short term CDs that now earn less than 1%. Mr. Bleznak made a motion create an investment committee to determine if there are options that will earn a higher rate but still provide the security that the Association needs. Mrs. Pinnell agreed to also serve on the committee. Mr. Findeiss seconded the motion and it was passed via voice vote. The investment committee will present their recommendations to the Board.

The Association expects to end the year with an operating surplus of \$5,294.

The exact amount of the operating fund deficit will not be known until all 2009 expenses are paid in late January. The 2010 assessment will be adjusted to reflect the actual 2009 year-end operating fund balance, once that number is known.

5. ELECTION OF DIRECTORS

Four Board positions are up for re-election on the Board, those of Mr. Barnes, Mr. Anderson, Mr. Lattof and Mr. Schlesinger. The Board currently has 7 members and can have anywhere from 3 to 7 members.

Mr. Schlesinger made a motion to re-elect the four Board members whose terms are expiring. Mr. Anderson seconded and four Board members were reelected via voice vote. As Mr. Barnes was not in attendance it was decided that if he is not willing to serve another term that Mr. Blezak would be happy to sit on the Board. Mr. Barnes later accepted the nomination and will serve another term on the Board.

6. UNFINISHED BUSINESS

2009 Budget Review and Ratification

Mr. Craig presented the homeowners with the 2010 budget proposal. Mr. Craig asked any owners present if they had any questions or comments on the proposed budget. Mr. Schlesinger made a motion to approve the budget as presented, Mr. Bleznak seconded and the budget was approved as presented by a voice vote.

7. New Business

Initiation Fee Declaration amendment

The Board has consulted an attorney to investigate an amendment to the Declaration to codify the \$5000 Initiation Fee rule that was created in 2005. The HOA has received feedback from realtors and homeowners that the rule is not always discovered upon due diligence and therefore is an unwelcome surprise at closing. Recording the rule into the Declaration would solve that problem. The attorney has confirmed that this rule would be legal under Colorado law, but that it must be stated in terms of the percentage of the sale price and not as a flat dollar amount.

It has also been pointed out by some Board members that in a buyer's market this fee will simply end up being negotiated and paid by the seller. It has also been pointed out by realtors and our attorney that a fee of this type is uncommon in Colorado and distinguishes the Owl Creek Homes in a way that might not be positive in this economic environment. Further, as it stands

right now the Rule is not enforceable so the Attorney recommends either eliminating the rule completely or amending the Declaration.

Mrs. Findeiss made a motion to eliminate the rule. Mr. Anderson seconded and motion was passed via a voice vote and rule was eliminated.

Discussion ensued as to whether the HOA should keep the money from the approximately four homeowners that paid the fee when the rule was in place. After much discussion, Mr. Schlesinger made a motion for the Board to approve a letter to all 31 members asking for a vote on what to do with the funds that had been collected, \$20,000. The letter will be written in such a way that a non-response will count as a vote to refund the money to each homeowner. If the members decide the refund the money will be taken from the 2010 Reserve Fund contribution, which will be adjusted downward.

Bear safety at Owl Creek Homes

Bear activity was at an all-time high in Snowmass Village last summer. For the first time, a bear broke into an Owl Creek Home—it broke a ground floor window to gain entry. There has been some discussion as to what steps are appropriate for the HOA to take to try to prevent future problems.

Door Knobs-Lever style handles are the easiest for bears to open and are a common factor in almost all local bear home break-ins. The cost to replace the 3 ground floor door knobs for each Owl Creek Home is approximately \$250. It must be pointed out that lever-style handles were installed originally because they are easier to operate.

Mr. Schlesinger made a motion for the HOA to replace the three ground floor door handles at each Owl Creek Home with an oblong shaped knob handle. Mr. Wagman seconded and the motion passed via vote. The goal is for the project to be completed by April 1st, 2010. A notification letter will be sent to include recommendations for each homeowner to keep their home bear safe. Currently, the HOA insurance policy excludes damage from wildlife. Management will examine if a rider can be purchased to cover damage from bears. Homeowner might also want to inquire about this in regards to their homeowners insurance.

Windows-Scott Schlesinger has ordered hurricane strength windows for his entire ground floor, although there is not support to make this mandatory or to make it an HOA expense.

8. ADJOURNMENT

Mr. Anderson moved for adjournment, Mrs. Hodson seconded, and the motion was carried. The meeting was adjourned at 5:39 P.M.

Respectfully submitted,

Eugene Schmitt, Secretary