

OWL CREEK HOMES ASSOCIATION, INC  
ANNUAL OWNERS MEETING

December 29, 2016

1. CALL TO ORDER AND CERTIFYING PROXIES

Hank Anderson, President, called the meeting to order at 4:15 PM at The Enclave Condominium conference room at 360 Wood Road in Snowmass Village, Colorado. Barton Craig and Michael George of Snowmass Lodging Company were also present. Bill Anderson of Wyndham Vacation rentals was also present.

Members Present	Unit #
Schmitt	24
Anderson	02
Hodson	28
Wagman	30

  

Members Present by Proxy	Unit #
Gorry	15
Schaepe	26
Romanski	16
Bider	09
Davis	19
Hunt	14
Ritter	18
Pinnell	06

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TOTAL	(12/31=40%)
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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. Schmitt made a motion to waive reading the minutes of the Annual Meeting of December 30, 2015. Mrs. Hodson seconded, and the motion was approved by voice vote. Mr. Wagman made a motion to approve the minutes of the Annual Meeting of December 30, 2015, as written. Mr. Schmitt seconded, and the motion passed.

#### 4. REPORT OF OFFICERS

Mr. Craig noted that the Association expects to end the 2016 year with approximately \$789,399 in its Reserve Fund, which is held in bank accounts and short-term CDARS through Alpine Bank.

The Proposed Budget has been prepared with the assumption that the Association expects to end the 2016 year on budget, with no significant surplus or deficit. It is likely the HOA will end the year with either a small surplus or deficit. Per instructions from the Board, any budget surplus from expenses that are common to all Phases will be transferred to the Reserve Fund. Any surplus or deficit from costs allocated by Phase will carry forward to the 2017 Budget for each Phase.

The exact amount of the operating fund surplus/deficit will not be known until all 2016 expenses are paid in late January.

#### 5. ELECTION OF DIRECTORS

The positions of Mr. Wagman and Mr. Schmitt expire and up for nomination.

Mr. Anderson made a motion to nominate Mr. Wagman and Mr. Schmitt to serve another term on the Board. Mrs. Hodson seconded and called for a voice vote, and they were both elected to another term.

#### 6. UNFINISHED BUSINESS

##### **2017 Budget Review and Ratification**

Mr. Craig presented the homeowners with the board approved 2017 budget proposal. The proposed budget has a slight increase in assessments of approximately 1-3%, due mostly increases in insurance and utilities.

Mr. Craig asked any owners present if they had any questions or comments on the proposed budget.

Mr. Schmitt made a motion to approve the budget as presented. Mr. Anderson seconded, and the budget was approved as presented by a voice vote.

##### **Roof Repairs/Replacement**

To summarize discussion from the 2015 Annual homeowners Meeting, while the Association has had no significant roof repairs, visual inspection of the roofs

indicated that they should be replaced in the next 3-5 years. The roofs are rated with a 30-year life span, but the environmental conditions locally make that unrealistic. A related issue is that the Association insurance agent warns each year that finding an underwriter for the HOA policy will become more difficult and more expensive each year because of the cedar shake roofs. A small study from local architect John Galambos indicated that the buildings are not structurally suited to slate roofs and that in order to retain integral style of the homes, the recommendation would be the replacement roof also be shake, but with a material other than cedar that is approved in Snowmass Village. Many brands of composite wood materials that resemble cedar shakes are available and are rated with a longer life-span.

As the HOA has not had any roof leaks or significant roof repairs, the timeframe for roof replacement is still to some degree at the discretion of the Board and the members.

Members discussed issues related to eventual roof replacement, including the probable need to finance part of the project from the Reserve Fund and part from a Special Assessment. There was discussion about increasing the Reserve Fund contribution over the next few years to reduce the amount of a future Special Assessment, although most members have expressed the opinion in the past that since the HOA earns almost no interest income on the Reserve Fund, they would rather keep funds themselves until needed. It is generally agreed that there is confidence that members in the HOA have the resources to pay a Special Assessment in the \$20,000 range that has been discussed.

Mr. Wagman thanked management for revisiting this issue but made a motion to take no action on roof replacement at this time. Mr. Anderson seconded the motion, and the motion passed via voice vote.

## 7. New Business

### Window Replacement Policy

Homeowners were sent a questionnaire with the Notice of Meeting explaining that the 20 year Pella window warranty for the Owl Creek Homes has expired or will expire in the next year for all homes. The HOA Declaration does not make clear whether the HOA or Homeowner is responsible for window replacement due to seal failure (the most common reason for window replacement).

Richard Romanski, Board member, has offered the opinion that the cost of window replacement should be borne by each homeowner, but that the HOA be involved in all window replacements to ensure quality and continuity of the windows.

Discussion was open to members present as to the preference as to how to handle window replacement going forward. After discussion among the members, Mr. Schmitt made a motion to have management consult an attorney to draft language for a Rule regarding Window Replacement. The Rule would place the cost of window replacement due to bad seals on each homeowner, but that the HOA would be required to grant approval for any new window installed and to supervise the process if necessary. Once the language is drafted, and it is confirmed that it does not conflict with the Declaration, then it will be passed by the Board and distributed to every homeowner. Mr. Anderson seconded the motion, and the motion was passed via voice vote.

#### 8. ADJOURNMENT

Mr. Anderson moved for adjournment. Mrs. Hodson seconded, and the motion was carried. The meeting was adjourned at 5:00 P.M.

Respectfully submitted, \_\_\_\_\_

Eugene Schmitt, Secretary