

THE HOMESTEAD AT SNOWMASS ASSOCIATION
ANNUAL OWNERS MEETING

December 28, 2012

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
Colin and Fiona Heggie	10
Ingegaard Fehr	04
Michelle Kalisch	09
Members Present by Proxy	
Bill Devers	02
KT Meade	15
Marilyn Seltzer	11
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TOTAL	(9 /14=64 %)

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 30, 2011. Mrs. Harrison 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 \$34,000 in its Reserve Fund, which is held in bank accounts and short-term Certificates of Deposit at Alpine Bank.

The Association expects to end the year with an operating surplus of \$20,745, which will be transferred to the Reserve Fund increasing the expected year-end balance to approximately \$54,745. The Operating Fund will be zeroed after the external auditor confirms the accounting for the 2012 fiscal year, with the net effect being absorbed in the Reserve Fund.

5. ELECTION OF DIRECTORS

Mr. Estes noted that all Board members were elected to a two-year term in 2011 so no Board positions are up for election. He noted that Mr. Heggie has offered to serve, when a seat becomes available.

6. UNFINISHED BUSINESS

2013 Budget Review and Ratification

Mr. Estes presented the homeowners with the 2013 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 was unchanged for the fourth year in a row and that assessment has risen only minimally in the last 6-7 years.

After a discussion of significant line items, Mr. Campbell made a motion to approve the budget as presented/amended. Mrs. Harrison 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. He emphasized the frequency of staining over the next 3-6 years to protect the newly installed deck railings.

Ms. Fehr noted that there is a bollard light on the lawn near her unit that is in need of repair. She will show it to Mr. Craig, so that he can get it repaired or replaced.

Mr. Estes noted that the vendor who examined the siding advised that it is drying out and taking approximately 1/3 more stain per application. The vendor's recommendation is to switch to paint in three years and emphasize annual caulking and aggressive maintenance, so that the useful life of the siding may be extended up to another ten years. The attendees discussed the association's philosophy of using the special assessment mechanism for significant future capital investments in the physical plant, such as replacement siding or roofing. The attendees also agreed that all members should review the reserve fund study on a frequent basis so they anticipate future expenditures that may be needed.

Completion of Deck Replacement Project and Future Maintenance

The deck replacement project is completed. All owners were urged to make sure their deck furniture has Teflon or felt pads where they rest on the decks to protect against scaring of the new deck surface.

7. New Business

Americans with Disabilities Act-impact on commercial spas

Mike George took the opportunity to summarize to the members the new Federal requirements taking effect January 2013 regarding the accessibility of pools and spas in commercial properties to make them accessible for individuals protected in the Americans with Disabilities Act. In general, the Act requires that all common area amenities at any commercial lodging facility be accessible to those individuals with physical disabilities. At the Homestead, the spa and changing rooms are the only facilities that management believes might need to be compliant. This might include a ramp to make the spa wheelchair accessible as well as a mechanical lift that in turn would allow individuals to get into and out of the spa without the use of steps. This would require a substantial capital investment and would change the physical layout of the spa area. Management has been attempting to get an estimate for the cost of installing a concrete ramp to make the spa deck wheelchair accessible but has not yet been successful. It was noted that the definitions in the act are somewhat unclear and additional clarification is required.

After discussion the Board asked that management monitor whatever information is available and provide it to the Board.

Rules Regarding Hanging of Exterior Objects

Mr. Estes noted that the State of Colorado has a law on the books regarding American flags and political signs, among other things. Mr. Estes noted that the association has drafted rules regarding flags, hanging plants and pots, and specifically disallowing bird feeders (to discourage bears) that will be circulated to the membership in the near term.

Bear Activity during summer and spraying of crab apple trees

Mr. Estes discussed bear activity at the complex this past summer. He noted that a spray application might reduce the fruit from the crab apple trees which attract the bears. Mr. Craig reported that the spray had been used in Aspen with positive results. He also reported that cost is not significant. The decision was made to have the spray applied and the cost absorbed within the proposed landscaping budget

Rules for Recycling of Trash

The association reviewed its policies regarding recycling of trash. Mr. Craig will circulate the rules to the members who did not attend this annual meeting.

Fire Alarm Panels for Buildings A and D

Mr. Estes noted that two buildings at the complex have neither fire panel alarms nor fire suppression sprinklers. Mr. Craig has surveyed the owners of the units in these buildings to determine what systems they might have had privately installed. The board has further investigated the preliminary costs of installing appropriate fire and smoke monitoring equipment (\$15,000) and annual monitoring (\$1,200) to equalize the level of protection and monitoring among the members and to protect neighboring units. Installation of sprinkler systems is not contemplated in this process.

SkiCo Sale of Golf Course and Club

Mr. Estes noted that there is some concern about where the actual property lines of the property are, versus how they may be understood to be by the parties that use them. He will continue to investigate how this matter may affect the members over time.

Mr. George noted that Snowmass Lodging Company plans to split its association management off from the rest of its operations in early 2013. Operationally, there should be no discernible changes to the association members. Mr. Estes asked that management forward the pertinent information to the Board, as it becomes available.

8. ADJOURNMENT

Mr. Campbell moved for adjournment, Mrs. Harrison seconded, and the motion was carried. The meeting was adjourned at 5:30 P.M.

Respectfully submitted,

, Secretary