

THE HOMESTEAD AT SNOWMASS BOARD MEETING

October 26, 2022

I. CALL TO ORDER

Colin Heggie, Vice-President of the Association, called the meeting to order at 2:01 pm Mountain Time. Board members present via Zoom conference call were Colin Heggie, Marilyn Seltzer, Malo Harrison, and Heather Burcher. Barton Craig and Michael George of Snowmass Lodging Company were also present.

II. PROOF OF NOTICE OF MEETING

Mr. Craig presented proof of notice of the meeting, which was via email.

III. READING AND APPROVAL OF THE MINUTES

Mrs. Seltzer made a motion to waive the reading of the Board Meeting Minutes of August 8th, 2022, and approve them as written. Mrs. Burcher seconded, and the motion was passed unanimously via voice vote.

IV. UNFINISHED BUSINESS

Board Status

Mr. Heggie noted that Mr. Estes submitted his resignation from the Board on October 19th, effectively immediately due to the sale of his Homestead unit, which closes today, October 26th. This leaves the Board without a President and leaves one vacancy on the Board, as well.

After discussion, Mrs. Seltzer made a motion to appoint Mr Kallick to the open position on the Board. Mr. Heggie seconded, and the motion passed, subject to Mr. Kallick accepting the appointment. Mr. Heggie will contact Mr. Kallick after this meeting and advise all board members and management, as to Mr. Kallick's decision. This appointment will be effective until the date of the next annual meeting, per the HOA bylaws. At that time the members will vote on which members who decide to run for office will become (or remain) members of the Board.

Mrs. Seltzer recapped that 3 positions will be up for election at the upcoming annual meeting. After discussion the board decided to include this information in the notice for the upcoming annual meeting.

Mrs. Seltzer made a motion for Mr. Heggie to be the Acting President until Annual Meeting. Mrs. Burcher seconded, and the motion passed.

Q3 Financials and Projected Year End Deficit

Per the report sent to Board members earlier this week, through Q3 the HOA has costs exceeding the budget of \$31,046.

The deficit is primarily due to overages in the following expenses:

Natural Gas-\$6,620
R&M-\$5,941
Grounds-\$7,893
Spa-\$3,946
Snow Removal-\$6,255.

The deficit for Natural Gas is likely to increase in the fourth quarter by an additional \$2,000-3,000.

Mr. Heggie reminded the Board that the Roofing Fund currently has a balance of \$35,820. All expenses have been paid for the Roofing project.

Q4 Financial Review and Projections

Management currently projects that costs exceeding budget will grow to \$40,000 by the end the current 2022 year: primarily due to expected costs for Natural Gas, Grounds, and R&M. The actual deficit may vary based upon how much snow removal is needed and other costs that may or will occur in the Fourth Quarter.

Spa Boiler Replacement

Management was informed on October 25th by the HOA hot tub provider that the heat exchanger on the spa boiler had failed, and all water from the spa drained through the spa. A repair was attempted, but the heat exchanger for the 14 year old boiler has failed. A replacement of the whole boiler is the only option to maintain access to a spa for winter 2022-2023. The estimate for full boiler replacement is \$10,412. In order to protect the spa itself from damage from freezing temperatures, the vendor recommends making a decision, as quickly as possible. If given the go ahead, the work could be completed in 4-7 days.

The Board directed management to move forward immediately with its replacement, with the cost being charged to the Reserve Fund.

Reserve Fund/Deferred Maintenance Projects-2023

Crawl Space Plumbing Project

Three more units were completed in June. Units that have now been completed are #1,2,3,5,7,8 ,9,10 and 14. Units 4,6,11,12 and 14 remain to be done. The estimated cost to complete the project is \$15,000-25,000. Management is working with our plumber to try to get the remaining units completed this year.

Trex Deck Fading

Mr. Heggie noted that for a number of years the Trex decking on the patio decks has become faded and discolored. The other Board members are aware of this issue. It has been suggested that pressure washing the Trex may resolve this issue. After discussion the Board directed management to test power washing of a single deck, as weather allows. If the results are successful, the Board will consider expanding the work scope to power wash all decks, as time and the budget allow.

V. NEW BUSINESS

2023 Base Budget Assumptions

The Board will vote the actual balance of the Roofing Fund to the Reserve Fund, subject to ratification by the members at the upcoming annual 2022 meeting. After discussion, Mrs. Harrison made a motion to transfer the balance of the Roofing Fund to the Reserve Fund. Mrs. Burcher seconded, and the motion passed.

After discussion Mrs. Harison made a motion to reduce the 2022 Reserve Fund contribution to offset the actual Operating Fund deficit as of December 31, 2022, subject to ratification by the members at the upcoming annual 2022 meeting. Mrs. Burcher seconded, and the motion passed.

Mr. Heggie made a motion to approve of the 2023 Operating Fund budget assessment, as amended during this meeting, to be \$319,606.55. Mrs. Burcher seconded, and the motion passed.

Mr. Heggie made a motion to approve of the 2023 Reserve Fund budget assessment, as amended during this meeting, to be \$60,000.00. Mrs. Seltzer seconded, and the motion passed.

VI. Adjournment

Mr. Heggie made a motion to adjourn. Mrs. Harrison seconded the motion, and the meeting was adjourned at 4:00 pm.

The next Board meeting will be held on Tuesday, November 29th at 2pm Mountain Time. Among the Agenda items will be analysis of the Reserve Fund and its adequacy for foreseeable deferred maintenance issues and approval of documents for distribution for homeowners for the Annual Meeting.

Respectfully,

Malo Harrison, Secretary