

OWL CREEK HOMES ASSOCIATION, INC  
ANNUAL OWNERS MEETING

December 30, 2014

1. CALL TO ORDER AND CERTIFYING PROXIES

Hank Anderson, President of the Association, called the meeting to order at 4:20 PM at The Enclave Condominium conference room at 360 Wood Road in Snowmass Village, Colorado. Board members Hank Anderson (via phone) and Connie Hodson were present. Barton Craig and Michael George of Snowmass Lodging Company were also present.

Members Present	Unit #
<b>Hank Anderson via telephone</b>	02
<b>Harry Andrews</b>	12
<b>Connie and Tom Hodson</b>	28

  

Members Present by Proxy	Unit #
Doren Pinnell	6
Mitchell Bleznak	8
Les Bider	9
Tony Gorry	15
Lattof	17
Helen Davis	19
Gary Judis	21
Michael Ritter	18

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TOTAL (11/31=35%)

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. Andrews made a motion to waive reading the minutes of the Annual Meeting of December 31, 2013. Mrs. Hodson seconded, and the motion was approved by voice vote. Mr. Andrews made a motion to approve the minutes of the Annual Meeting of December 31, 2013, as written. Mrs. Hodson seconded, and the motion passed.

4. REPORT OF OFFICERS

Mr. Craig noted that the Association expects to end the 2014 year with approximately \$602,526 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 year with zero operating surplus/deficit.

The exact amount of the operating fund surplus/deficit will not be known until all 2014 expenses are paid in late January. The budget has been prepared with the assumption that any operating surplus will be transferred to the Reserve Fund. Any general year-end surplus or deficit or from the allocated by Phase portion of the Operating Budget will be carried forward to the 2014 budget and its corresponding assessments.

5. ELECTION OF DIRECTORS

One Board position is up for re-election, as Mrs. Hodson's term expires at the end of 2014. The Board currently has 7 members and can have anywhere from 3 to 7 members.

Mr. Anderson made a motion to nominate Mrs. Hodson to serve another term on the Board. Mr. Andrews seconded and a voice vote, she was elected to another term.

At the previous Board meeting in December, Mr. Lattof notified the Board of his intention to resign his position at the the Annual Meeting. Resigned positions are not filled by election, but are appointed by the Board. Richard Romanski, owner of 916 Burnt Mountain Drive has expressed interest to fill that position.

6. UNFINISHED BUSINESS

**2015 Budget Review and Ratification**

Mr. Craig presented the homeowners with the 2015 budget proposal. Mr. Craig suggested two changes to the proposed budget that has been approved by the Board and sent to all homeowners prior to the meeting. Per a meeting last week with the Association's independent insurance agent, 2015 premiums will rise by 15% to a total of \$128,000.

The very significant rise in insurance premiums is because of the cedar shake roofs of the Owl Creek Homes. In past years, our original insurance underwriter, Fireman's Fund, refused coverage of the HOA because of the roofs. The original quote from our current underwriter, Cincinnati Insurance, was nearly a 30% proposed rate increase. The HOA uses an independent agent that has shopped the policy to numerous underwriters and used their experience and leverage to get the current 15% price increase. As long as the complex has cedar shake roofs, the HOA will likely pay insurance premiums that are higher than we would with a different roofing material.

The second change to the budget suggested by Mr. Craig is for Water and Sanitation. Two weeks the HOA was notified that the Water department will raise rates by 12% for 2015, as a result the budget has been increased to reflect this change. The amended budget for Water and Sanitation has been increased to \$47,500.

Because of these two changes, the amended Proposed Budget yields assessments of \$23,209 for Phase 1 and 2, a 1.92% increase over the prior year, and \$27,516 for Phase 3, an increase of 2.7% over the prior year.

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

Mr. Andrews made a motion to approve the budget as amended for higher insurance premiums and higher Water costs. Mrs. Hodson seconded, and the budget was approved as amended by a voice vote.

7. New Business

**Roof Repairs/Replacement**

Per a decision at the 2013 Annual Meeting, Management contracted an inspection of the Owl Creek roofs. The summary of the report was that the roofs are serviceable and that an estimated repair cost of \$3,500-6,500 per home would extend the life of the roofs between 5-10 years.

They estimate the cost of a new roof to be approximately \$30,000 per home- the previous estimate had been \$25,000.

Based on this information, the point of discussion is whether the most prudent direction is to continue to gather information, invest funds in repairing the existing roofs, or plan a complete roof replacement. Mrs. Hodson recommended continued study into the matter, and the other attendees concurred. Mr. Anderson recommended that the Board send a separate letter to the members explaining the issues in detail, so that the members can be informed.

8. ADJOURNMENT

Mr. Hodson moved for adjournment at 4:36 P.M. Mr. Andrews seconded, and the motion was carried. The meeting was adjourned at 4:36 P.M.

Respectfully submitted,

Eugene Schmitt, Secretary