

THE HOMESTEAD AT SNOWMASS BOARD MEETING

December 22nd, 2019

I. CALL TO ORDER

Mike Estes, President of the Association, called the meeting to order at 2:12pm Mountain Time. Board members present via conference call were Colin Heggie, Malo Harrison and Heather Burcher. A quorum existed at all times during the meeting. Barton Craig of Snowmass Lodging Company was 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

Mr. [redacted] made a motion to waive the reading and approve the Minutes of the Board Meeting of December 12th, 2019. M. [redacted] seconded and after a voice vote, the Minutes were approved as written.

IV. NEW BUSINESS

Information Regarding Incorrect Assessment Billing

Mr. Estes noted that while working with Alpine Bank on the HOA Line of Credit and reviewing HOA documents it was discovered that Exhibit C within the Declaration is a recorded governing document which specifies assessments to be collected by unit as a percentage of undivided interest in the Homestead. Exhibit C specifies that Exterior Units of each building (units 1,3,4,7,8,11,12 and 15) are each apportioned 7.025% of all total Assessments, with Interior Units of each building (2,5,6,9,10 and 14) are apportioned 7.3% each of all assessments. Mr. Estes noted that for at least the 20 plus years that he has owned at the Homestead all assessments have been levied equally amongst all 14 homes, or 7.142% each.

Mr. Estes and Mr. Heggie met with the HOA attorney Jody Edwards on December 20th to discuss this matter. The attorney noted that past practice in assessment billing is not relevant and that the Declaration and attached schedule is the governing document of the HOA for allocating assessments. He also said that the statute of limitations for how far back the HOA would need to go to correct the billings of past assessments is between 3-7 years and that he will research the exact length of time. He also said that the ratio of assessments and undivided interest as laid out in Exhibit C cannot be amended. He also noted it is up the Board to decide over what period of time to make the reconciliation for past assessments.

After discussion among the Board the following questions are going to be asked of Jody Edwards:

If 100% of the owners vote to change future assessments to 1/14th instead of ownership interest, can we do that?

If we cannot separate assessment % from ownership interest %, do mortgage holders have to agree to change ownership % to avoid a default in the mortgagee's documents? Do the deeds and the mortgage documents have to be revised?

If we comply with the allocations in the Declaration and Schedule C going forward, can the exterior owners agree to forgo financial reconciliation of past assessments.

Over the past 7 years or more the annual budgets, expenditures and special assessments - as well as the assessments per unit - were agreed unanimously by all the owners. Does this make any difference?

The Board all agreed that this matter needs to be on the Agenda for the Annual Homeowners Meeting on December 30th and that by that date the Board should have more information from the attorney.

Mr. Craig noted that Management will change the assessments in the 2020 Proposed Budget to match the allocations in Schedule C, and barring any changes, will send out the First Quarter Assessments in the first week of January to match those percentages.

V. Adjournment

Mr. Heggie made a motion to adjourn, Mrs. Harrison seconded the motion, and the meeting was adjourned at 2:45 pm.

Malo Harrison, Secretary