

THE HOMESTEAD AT SNOWMASS BOARD MEETING

November 11th, 2024

I. CALL TO ORDER

Colin Heggie, President of the Association, called the meeting to order at 3:06 pm Mountain Time. Board members present via Zoom were, Marilyn Seltzer, Malo Harrison, and Ed Burcher. Barton Craig, Kevin Mize and Mike George of Frias Properties 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. Harrison made a motion to waive the reading of the Board Minutes of August 20, 2024, and approve them as written. Mrs. Seltzer seconded, and the motion was passed unanimously via voice vote.

IV. UNFINISHED BUSINESS

Boiler Replacement Update

The boiler replacement project is complete in all buildings as of the first week of October. The total cost of the project as of today is \$400,394. The Boiler Replacement fund has a balance of \$19,605. The HOA is still waiting for the final invoice from Mountainside Plumbing that will include extra glycol costs and a few small repair/change orders as part of the project.

During the project it was discovered that 4 homes had unapproved connections for gas appliances to the HOA gas line. Mountainside Plumbing has rectified the issue for two of the homes and is mostly complete for the other two homes. This expense will be billed to each homeowner.

Stucco Repair #15 final cost

In July, a leak was discovered in the lower bedroom of unit #15 that was determined to be caused by stucco damage and improper waterproofing on the living room deck. This repair was completed for a cost of approximately \$9,400. The damaged light and fan still have to be installed by an electrician.

Update of Corporate Transparency Act disclosure forms

Management has the required form completed by 4 of the 5 Board members and will send the information to be filed by our attorney when all Board members have completed the form. Management will contact that Board member this week to complete the form.

Accounts Receivable

The board discussed uncollected receivables and noted that Mr. Kallick must bring his account current on or before 12/31/2024. Mr. Mize will contact both Mr. Kallick and Mr. Balderston (owes 1 month of interest charges) and ask that they both bring their accounts to zero before January 1, 2025.

V. NEW BUSINESS

Status of roof leak #15

The owner of #15 reported a roof leak in the living room in August. Management reached out to the original roofing company, as well as the HOA roofing consultant, Dan Cupit. The Roofing Company inspected the roof and did find any deficiencies and Dan Cupit indicated that a single day of heavy rain could potentially cause a leak as the quantity of water could force moisture past the waterproofing. Management has continued to inspect the inside of the home after rain and snow and the leak has not recurred. Management will continue to monitor the home while it is vacant.

Financial Results for Q3 2024

Mr. Craig reminded the Board that the HOA ended Q3 with a surplus of \$5,019. The line items that were noted were Electric is under budget by \$2,403, Gas is under budget by \$14,744, R&M under budget by \$3,180 and Spa expenses under budget by \$1,385. Grounds were over budget by \$17,508

due mostly to tree removal performed at Board request in Q2, Legal is over budget by \$2,935 and Condo Association costs are over budget by \$883. Mr. Craig detailed the reasons for the variance of each line item and asked the Board if they had further questions.

Mr. Heggie noted the Reserve Fund balance as of the end of Q3 is \$136,00 with another \$30,000 added in the Fourth Quarter. The HOA expects to end 2024 with a Reserve Fund balance of \$133,000.

Proposed Budget 2025

The Board was provided with the 2025 Proposed Budget, which includes an increase in assessments by 3.89% or \$1,387 per unit. The Proposed Budget has a total assessment of \$518,175. There are only two line items with significant increases are insurance by 30% and Grounds by 10%. Mr. Craig asked the Board members if they had any questions on the 2025 Proposed Budget.

Mr. Heggie questioned the CAU policy which is listed guaranteed replacement cost coverage. He asked management to follow up with the insurance agent to see if this is correct and to better understand the coverage...Following the Board meeting a further conversation was had with our insurance agent who confirmed that the gross replacement rider was factually correct given CAU uses its own professional advisor to determine replacement cost number, the \$20.75 million coverage is quoted with only the condition required being to inform underwriter of any capital improvements over \$20K. This has been done for external remodel and the new roof and new boiler so the HOA is in compliance.

Mr. Heggie asked the Board members what contribution to the Reserve Fund they felt is appropriate for the 2025 Budget. The Board discussed removing the Reserve Fund contribution from the budget and reducing assessments by \$120,000 for the year. All the Board members agreed the current Reserve Fund balance is sufficient, as it aligns to historical target reserves of about \$120,000 and not material expense is foreseen in the next 12 months and

there remains at Alpine Bank an LOC of \$250,000 available in case of an emergency event above the reserve coverage.

Mr. Heggie made a motion to approve the 2025 Proposed Budget of \$398,175.05 as amended by removing the Reserve Fund, subject to an update on the insurance coverages, and noting that any operating fund surplus from the current year will be transferred to the Reserve Fund and any potential deficit will be paid by the Reserve Fund contribution. Mr. Burcher seconded, and the motion was passed unanimously via voice vote. Management will send the Proposed Budget to all Homeowners with the Notice of Meeting prior to the Annual Meeting.

Board Member Terms

Mr. Heggie reminded the Board the terms of Mr. Heggie, Mr. Kallick and Ms. Seltzer expire at the end of the year and asked if these members would serve another term if nominated. All members indicated they would serve another term if nominated and elected. Mr. Craig will send an email to all Homestead homeowners asking if any are interested in serving on the Board.

Date and Location of Annual Meeting

The Board decided to hold the Annual Meeting via Zoom on Thursday, December 26th at 3:30 pm Mountain Time.

VI. Adjournment

Mr. Burcher made a motion to adjourn. Mrs. Seltzer seconded the motion, and the meeting was adjourned at 4:15 pm. The entire Board thanked Mr. Craig for his years of service to the Homestead!

Respectfully,

Malo Harrison, Secretary