

OWL CREEK HOMEOWNERS ASSOCIATION

MINUTES OF THE NOVEMBER 10, 2000, BOARD OF DIRECTORS MEETING

I. Call to Order

Mr. Anderson called the Meeting called to order at 10:00 A.M. via a conference telephone call. Board members present via conference call were Hank Anderson and Eugene Schmitt. Mr. Puder joined the conference call at 10:20 A.M. Michael George and Barton Craig of Snowmass Lodging Company were also present.

II. Approval of Minutes of October 29, 1999

Mr. Schmitt made a motion to waive the reading of the minutes of the October 29, 1999, Board of Directors meeting and approve them as written. Mr. Anderson seconded, and the motion passed.

III. Old Business

A. Allocation of Surplus

Based on operations through three quarters, management projects that the Association will finish fiscal 2000 with an operating surplus of about \$3,855. In 1999 the Board instructed management to transfer future surpluses to the Reserve Fund. The surplus will be transferred to the Reserve Fund after taking into consideration the costs that are borne unequally by Phase 1 and 2, and Phase 3 owners. In 2000 it is possible that the Association will end with a budget surplus, but Phase 3 allocated costs (primarily ski lift operations) will be over budget. The 2001 budget has been prepared to allow for a \$4,000 deficit for ski lift costs, so that no special assessment would need to be levied against Phase 3 homeowners.

Mr. Puder recommended splitting the actual surplus between a contribution to the Reserve Fund and a discount of next year's assessments. Mr. Schmitt made a motion to split the actual surplus between a transfer of the budget surplus verified by the outside accountants, if any, to the Reserve Fund and a discount of the 2001 budget. Mr. Anderson seconded the motion, and it was approved. Mr. Schmitt made a motion to approve the inclusion of the anticipated deficit specific to Phase III owners from the 2000 fiscal year in the 2001 assessment to the Phase III owners. Mr. Anderson seconded, and the motion was approved.

Reserve Fund - Management advised the attendees that the Association contribution to the Reserve Fund is comprised of the interest income on bank accounts specifically designated as Reserve accounts and any operations surplus from the 2000 fiscal year. After discussion the Board instructed management not to include any specific funding of the Reserve for 2001.

IV. New Business

A. Assessment 2001

Mr. Craig asked the Board members if they had any questions regarding the proposed budget or the accompanying rationale.

Mr. Schmitt made a motion to approve the budget as presented. Mr. Anderson seconded, and the motion passed.

B. Budget & Financial Review 2000

Based upon results of operations through three quarters, management projects that the Association will finish fiscal 2000 with an operating surplus of about \$3,855.

A few homeowners have noted that the wood dividers that provide a privacy screen between hot tub decks are not uniform throughout the complex. Some of the screens are one large wood panel mounted to a stone base. In other buildings the screens incorporate a second panel that extends the length of the screen, and provides more privacy. R. A. Nelson explained that the second panel was offered as an option to homeowners when the complex was built, and that is why they are not uniform. There are seven buildings that would benefit from installation of the extra panel. Management has received bids from two contractors to modify those seven screens. The approximate cost is \$750 per deck for a total of \$5,200. In the forecast for fiscal 2000, management has assumed that the Board will authorize this project. If the Board approves, this project could be scheduled within fiscal year 2000. If the Board disapproves, the operating surplus projection for 2000 will increase to \$9,055.

Mr. Puder commented that he personally did not want a panel for unit #20. Mr. Anderson commented that he was willing to pay for his own divider. Mr. George asked the Board members if they wanted management to poll the owners with the short walls to see if they want to pay for the improvement personally rather than thru the Association. Mr. Schmitt made a motion to direct management to proceed in this manner. Mr. Anderson seconded, and the motion was passed. **The projected operating surplus is now approximately \$9,000.**

C. Additional Grounds

In the past management has received a few requests from homeowners for permission to install additional trees or shrubs around their home. Currently, the Association has no official policy in regard to these requests. One of the potential problems of letting homeowners add grounds elements is that the complex may lose some of its original design. The grounds were originally designed so that there is variety within the complex, but also uniformity and balance. Also, while homeowners are willing to pay for the installation of extra grounds, the maintenance of those extra items becomes an Association expenses because it is not practical to separate weeding and tree care expenses per home.

Management recommends that in the future owners be required to submit landscape sketches of any proposed change to existing grounds to the Board for review. This would provide a record of what was approved and provide Board members a better idea of the effect of any proposed changes. If approved by the Board, maintenance of the new grounds would become the responsibility of the Association. Mr. Puder commented that this policy was consistent with that of developments that he had participated. Mr. Schmitt made a motion to approve this policy, and Mr. Anderson seconded. The motion passed.

D. Management of Phase 3 Snowmelt System

Management has presented a budget proposal that includes a change in the standard operation of the snowmelt system for the Phase III walkway. As the walkway requires most homeowners to take off their equipment to cross it, then put their equipment back on to ski to their homes, allowing snow to collect on the walkway may be preferable to the Phase III owners. Management suggests sending a ballot to the ten Phase 3 homeowners to poll their opinion on how that system should be managed.

Mr. Schmitt commented that the effect of this decision was limited to Phase III owners and that it would be prudent to leave the snowmelt system turned off. Mr. Anderson and Mr. Puder agreed. Management will notify Phase III owners about the decision to leave the snowmelt system turned off this winter.

E. Schedule & Agenda for Annual Owners Meeting

Mr. Puder offered to host the annual meeting at his home on December 29, 2000, at 4:00 pm. The other Board members thanked Mr. Puder for offering to host the meeting. Mr. George and Mr. Craig will advise Mr. Puder if the count of expected attendees grows large enough to change venues to one of the meeting rooms at Chamonix or Woodrun Place.

Mr. Craig will send a Notice of Meeting to the members giving the time and location of the annual meeting.

Two Board positions are up for re-election. Mr. Puder was elected to a 2-year term in an attempt to stagger Board positions. When Mr. Pitt resigned his Board position it upset the schedule. Mr. Anderson's 3-year term is also up at the end of this year. It is suggested that at the upcoming annual meeting one Board position be elected to a one-year term and another for a three-year term. That will restore the staggering, so that one position will be open each year.

D. Miscellaneous

The Phase I & II dumpster door has been damaged several times by bears. Management has received a bid from Overhead Door to put in a steel door for approximately \$1,300. While the vendor, Overhead Door, offered no guarantees that this door would be bear-proof, the Association may incur fewer costs and bear-related problems with a steel door. After discussion, Mr. Puder commented that he didn't trust a steel door any more than a wooden door. Mr. Puder also commented that possibly ammonia sprayed around the dumpster may act as a deterrent. Mr. Craig will research this issue with local animal control.

VI. Adjournment

Mr. Schmitt made a motion for adjournment. Mr. Anderson seconded, and the motion was passed. The meeting was adjourned at 10:42 A.M.

Submitted by

Hank Anderson, Secretary