

OWL CREEK HOMEOWNERS ASSOCIATION

MINUTES OF THE November 13, 2012, BOARD OF DIRECTORS MEETING

I. Call to Order

Mr. Schmitt called the Meeting called to order at 10:06 am via a conference telephone call. Other Board members present via conference call were, Al Lattof, David Barnes, Scott Schlesinger, and Lee Wagman. Michael George and Barton Craig of Snowmass Lodging Company were also present.

II. Approval of Minutes of April 24, 2012

Mr. Wagman made a motion to waive the reading of the minutes of the April 24, 2012, Board of Directors meeting. Mr. Schlesinger seconded, and the motion passed. Mr. Schmitt made a motion to approve the minutes, as written, and Mr. Schlesinger seconded. The motion passed via voice vote.

III. Old Business

A. Allocation of budget surplus

Based on operations through October 2012, management expects Owl Creek to end the year with a budget surplus of approximately \$ 8,881. The 2013 Proposed Budget assumes a zero carry-forward, with the exception of surplus or deficits from the few line items of the budget which are allocated by Phase. The budget has been prepared with surplus or deficit from these line items behind carried forward to the 2013 assessment.

Mr. Lattof made a motion to allocate any surplus, **with the exception of surplus or deficits from the few line items of the budget which are allocated by Phase**, from the 2012 operating fund, after external review, to the Reserve Fund. Mr. Wagman seconded. After a voice vote the motion passed.

IV. New Business

A. Assessment 2013

Mr. Craig provided a summary of the 2013 Budget proposal.

Most areas of the budget are either flat or are incurring small inflationary increases.

One exception is the Painting budget, which has decreased by \$15,775, because painting in 2013 is budgeted for half of the complex, whereas in the prior year it was budgeted in two-thirds of the complex. Per the note in the Budget Rationale, in an effort to eliminate the yearly swings in the Painting budget because of the custom of painting 21 and 10 units in alternating years, the 2013 and all future budgets will allocate funds to paint 15.5 units, although the actual schedule will remain the same

The Water and Sewer budget has been increased by 3% to reflect the forecasted year end expenses. The rates from Snowmass Water and Sanitation are likely to increase again. In addition, HOA used more irrigation water in the month of June 2012 particularly because of drought conditions.

The grounds budget has decreased by \$35,000 because there were two special Grounds projects undertaken in 2012 that are not planned to recur in 2013.

Mr. Wagman commented about how best to document the policy change regarding the Paint/Stain details discussed in these minutes. Management will insert a separate line item in the Reserve Fund to document the activity.

Mr. Schmitt asked about whether or not a revolving credit line might be something that could be obtained on behalf of the association. Mr. George replied that Alpine Bank does provide revolving credit facilities. The Board asked that management includes discussion of this idea as an agenda item at the annual meeting.

Mr. Schmitt made a motion to approve the budget as presented/amended. Mr. Wagman seconded, and the motion passed by voice vote.

B. Budget & Financial Review 2012

Management advised the Board that the owner of OC23 paid his past due assessments. He also paid the 4th quarter assessment on time, and his account is in good standing

The Reserve Fund balance is expected to be at \$446,305 for year-end 2012, and it is expected to grow to \$511,286 by year end 2013. Management expects to spend up to \$10,000 on pavement/driveway repairs during calendar year 2013.

C. Schedule & Agenda for Annual Owners Meeting

The annual meeting is proposed for December 31, 2012, at 3:30 pm. The meeting will be held at either The Enclave or Woodrun Place, depending upon availability of either meeting room. Directions will be provided in the Notice of the Meeting to the members.

D. Other New Business

Mr. Schlesinger noted that one of his cantilevered balconies had some wood trim deterioration. Mr. Craig noted that these two pieces of wood trim were repaired this past fall. He also noted that the stone/wood transition (grout) by the hot tub was showing some separation at this joint. Mr. Craig noted that grout at this joint has also been repaired. Continued maintenance of these items is part of the operating budget.

V. Adjournment

Mr. Schlesinger made a motion for adjournment. Mr. Lattof seconded, and the motion was passed. The meeting was adjourned at 10:34 AM.

Submitted by

Mr. Schmitt, Secretary