

**HOMESTEAD AT THREE PEAKS ASSOCIATION
ANNUAL HOMEOWNER MEETING
November 6, 2017**

I. CALL TO ORDER

The meeting was called to order at 9:03 a.m.

Board members in attendance via conference call were:

Dave Paynter, Unit 3004
Claire Joyce, Unit 3000
Stephen Malkewicz, Unit 3010

Owners in attendance in person were:

Steve Deppe, Unit 3005

Owners in attendance via conference call were:

Anmarie Neal, Unit 3002
Tee Argenbright, Unit 3007

Owners represented by proxy:

Chang Wee, Unit 3001
Matt Mathis, Unit 3003

Representing Summit Resort Group was Kevin Lovett.

II. PROOF OF NOTIFICATION AND CERTIFICATION OF PROXIES

With 6 properties represented in person and 2 by proxy, a quorum was reached.

III. PRESIDENT'S REPORT

President Dave Paynter thanked the Owners for attending the meeting and thanked SRG for their good service this past year. Dave noted that it was overall a quiet year for major projects at the property. The major project completed was the inspection of the roof and siding and respective repairs. Dave reported that per direction at the 2016 Annual Meeting, capital reserve funds were moved to CD's; Steve Malkewicz was thanked for his efforts in locating bank that offered the best return. The overall financial position of the HOA was healthy, however an inflationary increase to dues is proposed for 2018 to cover projected operating expenses. Dave stated that the Capital Reserve plan and funding will be discussed during this meeting as well as the interface between HOA and individual Owners with respect to maintenance of home exteriors to include discussion of how items such as roof leaks are handled.

IV. APPROVE PREVIOUS MEETING MINUTES

Steve Deppe made a motion to approve the minutes of the November 7, 2016 Annual Owner Meeting as presented. Steve Malkewicz seconded and the motion carried.

V. FINANCIAL REPORT

Kevin Lovett presented the financials as follows:

December 2016 Fiscal year end close financials

The December 2016 year-end Balance sheet reports the following account balances:

\$4,644 in operating
\$33,549 in reserves
\$75,000 CD
\$50,000 CD

September 2017 close financials

The September 2017 Balance Sheet reports the following account balances:

\$1,777 in operating
\$44,721 in reserves
\$75,000 CD
\$50,000 CD

The September 2017 P & L reports \$22,419 of actual expenditures vs \$18,315 of budgeted expenditures. Main areas of expense variance were reviewed.

Budget 2018

The 2018 budget was presented to include review of 2018 projected expenses. A \$15 per home per month increase to dues was proposed. Upon review, Claire moved to approved the 2018 budget as presented; Steve Malkewicz seconds and the motion passed.

Capital Reserve Plan / Exterior Home Maintenance

The Long-Range Capital Reserve Plan was reviewed to include discussion of future capital expenses. It was noted that currently, \$19,080 is contributed to reserve annually. The Board and Owners discussed the overall funding “theory” options to include “pay as you go” vs. “pre-funding” as well as a combination approach. Overall, the Owners were in favor of continuing the current annual funding of \$19,080 to be contributed from the regular monthly dues into the Capital Reserve account and Owners stated preference to manage their own money for major future reserve expenses, as opposed to having the HOA collect and manage additional funds.

Additionally, the Association Governing Documents were reviewed with attention to how the Association Documents state expenses associated with a single home are to be handled. Section 5.1 “Association Management and Maintenance Duties” and Section 6.9, “Individual Purpose Assessments” of the Declarations conclude that while the HOA is responsible to perform exterior maintenance, repair and replacement of the exteriors of the homes, expenses associated with maintenance, repair and replacement of an individual home is to paid for by the individual home owners. The Owners agreed that regular exterior staining of the homes would continue to be funded from the Reserve account, as overall staining expense per home are approximately equal. However, costs associated with items of differing magnitude such as roofs, decks/ patios/ stairs and siding would be billed to each individual home at the time each is requires, per the individual purpose assessment.

The Owners recognized the importance of “memorializing” the maintenance responsibility of the homes with respect to “what is the HOA responsible for vs individual Owner” as well as the “individual purpose assessment” billing of individual home Owners for items pertaining to an individual home per the Association Declarations. To that end, SRG and the Board will work

with an attorney to prepare a document memorializing these items. The document will be distributed to Owners and placed on the Association website.

It was also noted that expenses previously incurred would not be revisited, however moving forward, individual purpose assessments per the Declarations would be used to cover specific repairs, maintenance and replacement costs that are not reasonably allocated to all interest owners in the same proportion. Per the Association Declarations, the manner in which the individual purpose assessments would be used is that if a maintenance, repair or replacement item is needed on an individual home, the HOA would send notice to individual home owner of the item needing attention along with an "Individual Purpose Assessment" for the cost at least 30 days prior to the due date for the assessment payment. The due date will logically be before the costs are incurred for the benefit of an individual home.

VI. OLD BUSINESS

The following Old Business items were discussed;

A. Insurance; an attorney has recently completed an informal review of the Association insurance coverages and has confirmed that the HOA is carrying the appropriate insurance coverages as stated in the Association Governing Documents. Owners were reminded that the HOA carries no insurance for the individual homes and that individual home owners are to carry their own full coverage on their home to include property coverage and liability. The Homestead HOA insurance policy only covers the Common Areas, the Dumpster Enclosure and Directors and Officers Liability.

B. Snow removal; Snow removal on individual homes was also discussed. Per the Association Governing Documents, individual home owners are responsible for roof, deck and patio snow removal. As individual home owners are responsible for roof snow removal and items pertaining to their home, it is noted that individual owners are responsible for roof leaks and any resulting damage from a roof leak. SRG will help to monitor roofs for excessive build up and alert owners of potential issues however roof snow removal and leak prevention is ultimately the responsibility of individual home owner.

VII. NEW BUSINESS

The following new business items were discussed:

A. Recycling; the Owners requested the addition of common recycling containers to be housed in the dumpster enclosure. SRG will make arrangements for "co-mingled" recycling. It was noted that in Summit County, glass is NOT permitted in the co-mingled recycling. Owners are asked to not put glass in co-mingled recycling containers and to inform their families and guests. Recycling centers exist in Silverthorne and Dillon that will take separated glass.

B. Governing Documents; SRG will see that a review of all Governing Documents is completed by an attorney to ensure that the HOA Documents are compliant with current Colorado Legislative requirements. This will be done in conjunction with the memorializing of the clarification of the split between HOA vs Owner item responsibility.

C. Projects 2018; exterior building staining is the major project planned for 2018.

D. Mailer to Owners; SRG will send a mailer to all owners presenting the minutes from this meeting to highlight discussion of “individual purpose assessment and include “unit service” options for the upcoming season for deck shoveling and smoke detector / CO detector battery changes.

VIII. ELECTION OF OFFICERS

Dave Paynter’s term expires this year. The Owners wished to continue the plan of having each owner cycle through serving a term on the Board. Steve Deppe volunteered to serve. Steve Malkewicz will become the President this year, Claire Joyce will move into the Vice President role and Steve Deppe will serve as Secretary / Treasurer.

IX. NEXT MEETING DATE

The next Homestead HOA meeting will be held on November 5, 2018 at 9:00 am.

X. ADJOURNMENT

With no further business, the meeting adjourned at 10:24 am.

Approved By: _____ Date: _____
Board Member Signature