



September 17, 2025

Dear Drake Landing Owner,

Please find the enclosed Annual Meeting notice/proxy form and the Agenda for the Annual Meeting. It is important that you take a moment to complete and return the proxy form. A quorum will be necessary to conduct business, and your proxy will assure enough representation. Please return the attached proxy, even if you plan to attend, just in case you have a last-minute change in plans. You may mail it by using the enclosed self-addressed envelope or scan it to kjohnson@srgsummit.com. The proxy form is also available on the SRG website, and you can fill it out electronically.

The Annual Meeting will be **Saturday October 17, 2026, at 10:00 am MTN**. The meeting will be held via Zoom. The Zoom meeting link along with meeting materials will be emailed out to all owners the week of October 12th. We hope you plan to attend!

There is one (1) Board of Director positions up for renewal this year. Paula Stjernholm, the Director who represents the Commercial homeowner units. Paula has expressed her willingness to serve another term. Please contact SRG if you would like to serve on board or if you would like to nominate another owner. This position must be filled by a commercial homeowner. We will also take nominations at the annual meeting. (Please see the attached document for Board of Directors duties and responsibilities).

Included in this package is detailed information regarding:

- The 2027 Operating Budget
- Updated Capital Reserve Plan and Forecast
- Dues Adjustment
- Insurance Deductible Declaration Amendment
- Allocation of Insurance Deductible Policy

Lastly, the Board of Directors kindly requests that all homeowner questions be submitted well before the meeting date so there is time for the Board members to investigate and prepare answers. Please send your questions to kjohnson@srgsummit.com by October 12, 2026.

If you have any further questions, please contact Kathrine Johnson, Summit Resort Group Property Management by email at kjohnson@srgsummit.com.

Sincerely,

Drake Landing Association

Please note that all Drake Landing Association documents are posted and available on the website at <https://srghoa.com/location/drake-landing/>



Drake Landing Board Member Responsibilities

As a member of the Drake Landing Board of Directors, you will be a key part of the decision-making process for our association. The Board determines the operating budget, capital reserve plan and dues on an annual basis.

The Board consists of two members who represent the residential owners and two members who represent the commercial owners. This structure ensures that the needs of both residents and commercial owners are addressed by the Board. Each member is elected for a three-year term. The terms overlap to ensure continuity.

The Board meets several times throughout the year. Most of the meetings are held as Zoom calls and last about one hour. There is also an annual walkthrough of the complex where we determine what maintenance and repair work needs to be completed. Here is a summary of the meetings:

- February – Quarterly Board Meeting via a Zoom call.
- May – Walkthrough of the complex, followed by a quarterly board meeting.
- August – Budget review meeting at which time dues are determined for the next year. This is typically a Zoom call.
- October – Annual Homeowners Meeting via a Zoom call

In between the quarterly Board meetings, we often make decisions on various topics. We usually handle these decisions via e-mail.

DRAKE LANDING HOMEOWNERS ASSOCIATION
ANNUAL MEMBERS MEETING NOTICE

PROXY FORM

September 17, 2026

Dear Drake Landing Owners,

The Annual Members Meeting of the Drake Landing Association will be held on Saturday, October 17, 2026 at 10:00 AM MTN. The meeting will be held via Zoom. We hope all of you can attend this important meeting. Please fill out this Proxy Form indicating if you will be attending, as **we need a quorum to conduct this meeting**. You may mail it back to our office in the self-addressed stamped envelope or you may scan it to kjohnson@srgsummit.com

I (we) _____ of unit _____ plan to be present at the meeting of the Association at 10:00 AM, Saturday October 17, 2026.

 Sorry, I (we) cannot attend. (Please execute proxy below)

.....
PROXY

KNOW ALL PERSONS BY THESE PRESENT THAT I (WE) _____
(Print name)
OF _____ DO HEREBY CONSTITUTE AND APPOINT
(Unit #)

(Print name of another owner or Board Member, if left blank, proxy will be given to the Board President)

My(our) true and lawful attorney for me(us) in my(our) name, place and stead to vote as my (our) proxy at the meeting of the members of the Drake Landing Homeowners Association, October 17, 2026 or at any adjournment thereof, according to the number of votes I(we) should be entitled to cast if there personally present, with full power of substitution, thereby ratifying all that my(our) said attorney, or his/her substitute, may do in my(our) behalf.

Signature/date/unit #

PLEASE RETURN THIS PROXY TO:
Summit Resort Group
P.O. Box 678
Frisco, CO 80443
Attn: Kathrine Johnson
Or by Fax: 970-468-2556
Or by email to: kjohnson@srgsummit.com

DRAKE LANDING ASSOCIATION
ANNUAL HOMEOWNERS MEETING
October 17, 2026 – 10:00 AM
Zoom

AGENDA

- I. CALL TO ORDER
- II. PROOF OF NOTIFICATION / CERTIFICATION OF QUORUM
- III. PRESIDENT’S REPORT/INTRODUCTIONS
- IV. APPROVE MINUTES OF LAST ANNUAL MEETING
October 11, 2025
- V. FINANCIAL REPORT
- VI. MANAGEMENT REPORT
- VII. OLD BUSINESS
- VIII. NEW BUSINESS
- IX. OWNER EDUCATION
- X. ELECTION OF DIRECTORS
- XI. OWNERS FORUM
- XII. NEXT MEETING DATE
- XIII. ADJOURNMENT



2027 Operating Budget

The proposed operating budget is \$375,014, up \$24,011 (6.8%) from 2026. Rather than walk through every line item, we want to flag what's driving that increase: just five items - landscaping, insurance, gas, plumbing/heating, and our internet service - account for over 80% of the total increase. You may notice some smaller line items with large-looking percentage changes. In dollar terms these are minor and don't meaningfully affect your dues. Full details are in the enclosed budget and expense breakdown sheets.

The table below ranks 2027 operating expense line items by the size of their dollar change from 2026, rather than by percentage change. A large percentage increase on a small line item can look alarming but move the total budget very little; the ranking below shows what is driving the increase.

Acct	Line Item	2027 Budget	2026 Budget	\$ Change	% Change	Share of Total Increase
540	Landscaping	\$19,925	\$14,000	+\$5,925	+42.3%	24.7%
521	Insurance	\$56,370	\$51,744	+\$4,626	+8.9%	19.3%
530	Gas	\$53,478	\$50,261	+\$3,217	+6.4%	13.4%
533	Plumbing and Heating	\$10,116	\$7,200	+\$2,916	+40.5%	12.1%
524	Internet Service (Xfinity)*	\$31,770	\$28,984	+\$2,786	+9.6%	11.6%
—	All other line items, net**	—	—	+\$536	—	2.2%
	Total Expense Increase	\$375,014	\$351,003	+\$24,011	+6.8%	100.0%

These five line items account for 81% of the entire year-over-year expense increase.

**Important additional information about the internet service costs are given later in this packet.*

*** some smaller line items show large percentage changes (for example, Legal costs rose 81.8%, from \$275 to \$500) but represent a negligible share of the total increase (0.9% in that example). These are grouped above under "all other line items, net." Full line-by-line detail is given later in this packet.*

Capital Reserve Plan

2027 will be a heavier-than-usual year for capital projects. We are planning to replace the B Building & Community Building roofs, and the A Building water heaters. To fund these projects, we will use reserve funds carried over from FY2026 and the 2027 reserve contribution. The reserve contribution is increasing from \$110,000 to \$132,000 (20%). This is the first increase in the reserve contribution since 2021.

Even with this increase, our current forecast shows the reserve balance dipping slightly negative by the end of 2027 before recovering in the years that follow. We are actively negotiating competitive bids for fire system repairs which are currently scheduled for this fall. The current estimate for the fire system repairs is \$114,300. Even a modest reduction would keep the fund positive throughout FY 2027.



Dues Adjustment

To fund both the operating budget and the reserve increase, the dues per square feet will rise as follows:

- Commercial: \$0.50 to \$0.54/sq ft/month (+8%)
- Residential: \$0.53 to \$0.59/sq ft/month (+11%)

Residential dues carry an additional adjustment beyond the commercial increase, because residential units share in costs that commercial units don't - primarily our community Wi-Fi/internet service, along with the hot tubs and clubhouse. This year, that adjustment is increasing from 3 cents to 5 cents per square foot. The residential adjustment has remained the same since 2021. The line items associated with the value-added amenities have steadily increased, particularly the cable TV services from Xfinity. Between 2021 and 2026 the cost of this service increased 41%.

As you'll recall, in July we moved from a cable-based bulk agreement to a Wi-Fi/internet bulk agreement. For most owners, this remains a strong net positive: owners who previously paid separately for internet service (roughly 90% of residential owners) no longer need to and typically save \$79-\$94/month on that separate bill while getting faster service. That savings will outweigh the dues adjustment for the large majority of owners.

Insurance Deductible Amendment

In August, the Board sent out information regarding efforts to manage our insurance costs. In October we will be asking owners to approve an amendment to our Declarations removing the current \$5,000 cap on insurance deductibles. As detailed in the accompanying "Managing Rising Insurance Costs" document, this change would let the Board select a policy with a higher deductible in exchange for a lower premium. The ballot will be sent out mid-October and will be due mid-November.

Allocation of Insurance Deductibles

Recently the Colorado Legislature passed a series of laws regulating homeowner associations. One significant change involves allocation of an insurance deductible in the event of covered loss. Prior to the recent change, if there was a loss, the insurance deductible was paid by the HOA no matter the circumstances associated with the loss. The new law allows HOAs to establish a policy of assigning the deductible to an individual owner if they are responsible for creating the loss.

For example, let's say an owner leaves a candle burning on their deck. The candle sets the deck on fire, causing serious damage to the building. Under the old law, the insurance deductible would be paid by the HOA. In our case, the deductible would be paid out of our reserves. Since the reserve contribution is paid on a pro-rated basis (per square foot in each unit) everyone in the complex would have shared the cost of paying the deductible.

Under the new law, the situation is different. The HOA Board, acting on behalf of the owners, could allocate the insurance deductible to the owner who caused the loss. In this case it would be the owner who left the candle burning on their deck. Instead of all the



owners shouldering the burden of the deductible, the negligent owner would be held responsible.

After careful review, the Drake Landing Board of Directors decided to implement this policy. The policy statement is included in this package.

We should note that we work very hard to avoid filing claims against our insurance policy. Because we have never filed any claims, we are able to negotiate better premiums with the insurance companies. Some HOAs who have filed claims have been dropped by their insurance company and are unable to obtain cost-effective coverage.

You should also check your HO-6 Condominium Owners policy. Many of these policies have options for loss assessment coverage. If you have this coverage, it may cover the cost of an assessment if the HOA is forced to pass the costs of an insured loss on to the owners.

Summary

We've covered a lot of information in this packet. Your Board members are always happy to answer questions and explain the rationale behind our decisions. We are your neighbors and committed to best possible management of our community.

	OPERATING	2027 Budget Prelim	2026 Ratified Budget	\$ Change from prior FY	Percentage change	Details	Comments
ACCT	DESCRIPTION						
	INCOME						
400	Operating Dues	389,835	361,091	28,744	7.96%		
	Amenities Dues	-		-			
	Reserve dues contribution	132,000	110,000	22,000	20.00%		
	Permanent Transfer	-		-			
401	Late Fees	200	200	-	0.00%		
402	Violations	-	-	-			
403	Operating Interest	80	80	-	0.00%		
408	Garage Dues	7,400	7,400	-	0.00%		
409	EV Charger Fees (Unit B8)	300	-	300			
410	Miscellaneous	-	-	-			
	Total Income:	529,815	478,771	51,044	10.66%		
	EXPENSE						
500	Legal	500	275	225	81.82%	Colorado Annual Periodic Report & Misc altitude law items	Increase on both eactuals were higher than budget in 2026
501	Accounting	670	615	55	8.94%	slight increase for both.	increase, tax return prep &
502	Bank Service Fees	-	-	-			no change
503	HOA State registration fee	375	350	25	7.14%	DORA Cost increase. 2026 was under budgeted.	increase DORA registration
504	Postage Copies	583	480	103	21.43%	Based off of 2026 YTD actuals	
510	Management Fees	20,641	20,040	601	3.00%		
515	On-site Hours	36,338	35,280	1,058	3.00%		3% inc over actuals (no hot tub lock up)
521	Insurance	56,370	51,744	4,626	8.94%	Actual renewal for 2026 was \$55,265, higher than budgeted amount of \$51,744.	Based on 2026 actuals with a 2%. BOD is hoping to increase the deductible in 2027.
522	Water	15,300	15,000	300	2.00%		
523	Sewer	28,886	28,320	566	2.00%		increase, actuals plus 5% increase
524	In-house Amenities	31,770	28,984	2,786	9.61%	Xfiity new contract pricing for internet & WIFI only, with increased speed. 5% increase.	New 5 year agreement 07/01/2026-06/2031 annual increase 5% to occur in 2028
525	Trash removal	10,440	9,000	1,440	16.00%	Base on annualized 2026 actuals	
527	Snow Removal	-	-	-			
527a	Parking Snow Removal	24,000	24,000	-	0.00%	No change	
527b	Sidewalk Snow Removal	14,000	14,000	-	0.00%	No change	
528	Roof Snow Removal	6,100	6,100	-	0.00%	No change	
529	Security and fire safety	8,725	8,699	26	0.30%	Queaterly Fire Panel Montoring \$950; Annual fire sprinkler test \$3k; fire extinguishers Annual April \$425; misc repairs \$2k	
530	Gas	53,478	50,261	3,217	6.40%	Expect colder winter & % increase in gas cost.	
531	Electric Utility	23,395	23,405	(10)	-0.04%		
532	General Building Maintenance	7,750	7,750	-	0.00%	No change	
533	Plumbing and Heating	10,116	7,200	2,916	40.50%	Base on annualized 2026 actual; March annual back flow inspection fo \$1800	

Filename: Copy of Drake Landing budget 2027 - Revision 7.xlsx

<u>RESERVES</u>		
	INCOME	2027 Budget Prelim
450	Reserve Dues	132,000
455	Reserve Interest Income	-
456	Resale Reserve Contributions	-
	Total Reserve Income	132,000

	\$	141,039	
Misc. capital reserve expense estimate	\$	4,241	From the capital reserves forecast workbook
The value is an estimate based on the capital reservers workbook		This amount may differ slightly from the capital reserves forecast workbook. The capital reserves forecast adjusts for inflation.	

Drake Landing Homeowners' Association -Annual Meeting 2027 Reserve Plan

				Replaceme nt year (per study)	Estimated Cost										Current Year 2026	2027 Budget
	DRAKE LANDING	Remain Life	Useful Life													
	Item/ Description					2018	2019	2020	2021	2022	2023	2024	2025			
Roofing																
	Gutters and heat tape						\$ 5,430	\$ 2,670		\$ 2,040	\$ 5,448		\$ 2,325			
	Roof maintenance - C5/C6 Drywall Repair						\$ 2,500		\$ 5,425		\$ 915					
	Roof snowbars						\$ 2,200		\$ 2,850		\$ 7,790					
Painting																
	Painting Interior common area	6	10	2029	\$11,131											
	Painting Exterior	6	12	2029	\$101,970			\$ 6,850	\$ 39,859	\$ 28,424	\$ 4,200					
	Painting Bldg C															
	Painting Bldg B															
	Painting Touchups	0	2	2023	\$10,197											
	Painting Wood Beans Building B				\$7,500		\$ 3,415						\$ 7,500			
Community Building																
	Fencing - wrought iron	7	30	2030	\$4,824											
	Clubhouse Lighting, interior	12	35	2035	\$1,675											
	Spa Filter	2	25	2025	\$5,000											
	Spa Heater	2	25	2025	\$6,000											
	Spa fiberglass (shell x 2)	2	25	2025	\$30,000											
	Clubhouse floor - tile	12	35	2035	\$5,768											
	Clubhouse wall - tile	12	35	2035	\$3,893											
	Clubhouse Floor cover - carpet	0	12	2023	\$11,754											
	Plumbing fixtures - restroom	12	35	2035	\$2,400											
	Clubhouse exterior wood	7	30	2030	\$34,560											
	Spa Covers									\$ 1,508						
	Painting spa floors and building exterior													\$ 9,000		
Building Repairs																
	Railing - wood deck	7	30	2030	\$36,000											
	Crawl space - A bldg, mold mitigation						\$ 4,645									
	Lighting exterior	12	35	2035	\$76,625											
	Lighting interior	12	35	2035	\$9,900											
	Decks (units) wood	7	30	2030	\$45,156											
	Doors - exterior (all, including unit doors)	7	30	2030	\$39,850											
	Doors - garage	7	30	2030	\$52,000											
	Exterior Fireplace Refurbish	5	28	2028	\$3,000											
	Irrigation controllers	6	12	2029	\$3,700											
	Dumpster Door									\$ 1,381						
	Trash Enclosures (solor Panel)												\$ 6,500	\$ 3,957		
	E15 Leak Repairs											\$ 13,007				
	E15 Deck Rebuild											\$ 14,800				
	Building B water Leak Unit B17												\$ 9,267			
Plumbing Repairs																
	Boiler Repairs															
	Boiler Inspection										\$ 1,200					
	Plumbing - E bldg line replacement						\$ 37,686	\$ 8,998								
	E bldg drywall work from plumbing line replace						\$ 10,441									
	Mixing controllers (boiler)	4	20	2027	\$16,000				\$ 1,165							
	WH A												\$ 11,250			
	WH B															
	WH C															
	WH D												\$ 11,250			
	WH E															
	WH Community building															

Drake Landing Homeowners' Association -Annual Meeting 2027 Reserve Plan

				Replaceme nt year (per study)	Estimated Cost										Current Year	2027 Budget
	DRAKE LANDING	Remain Life	Useful Life				2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	Item/ Description								\$ 1,328							
	C Building Boiler Rm Floor Repair														\$ 18,522	
	Boiler Repairs														\$ 1,410	
	Domestic Water - Building C															
Fire Suppression System																
	Fire protection - control panels	2	25	2025	\$12,500					\$ 5,218						
	Fire Systems Repairs												\$ 26,543		\$ 7,869	
	Bldg C Fire System Leak Repairs										\$ 5,199					
	House Panel Upgrade							\$ 7,723								
	Building E Fire Sprinkler Line Leak														\$ 5,742	
Landscaping																
	Landscaping - Stone										\$ 6,043					
	Stone Repairs									\$ 1,570	\$ 2,320					
	Reserve Study										\$ 1,400					
Totals							\$ -	\$ 66,317	\$ 27,569	\$ 49,299	\$ 40,142	\$ 34,515	\$ 27,807	\$ 74,635	\$ 46,500	\$ -

Drake Landing HOA — Board of Directors

Managing the Insurance Costs for Drake Landing

Dear Drake Landing Homeowners,

We're writing to share an important update about our HOA's insurance program, the cost pressures our community is facing, and an action the Board will be asking members to consider this fall.

What's Happening

Like HOAs and condominium associations across the country, Drake Landing is feeling the effects of a hard insurance market. Carriers have raised premiums significantly in recent years due to increased frequency and severity of weather-related claims, higher rebuilding costs, and a shrinking pool of insurers willing to write coverage — all of which push prices higher for everyone.

The numbers tell the story clearly. Here's how our insurance expense has grown over the past six years:

Budget Year	Insurance Expense
2021	\$15,547
2022	\$17,218
2023	\$20,639
2024	\$31,050
2025	\$36,323
2026	\$51,744

That's an increase of more than 230% in five years. In 2021, insurance was our sixth-largest budget line item. Today, it is our largest — surpassing every other expense the association carries. This shift affects how the Board must think about our budget, our reserves, and the tools available to keep the community financially healthy.

Our policy renews each April, and this year's quotes illustrate just how much deductible structure affects our premium:

Deductible	2% Wind/Hail	5% Wind/Hail
\$5,000	\$51,210	\$41,266
\$10,000	\$50,309	\$40,526
\$25,000	\$47,201	\$38,099

As you can see, moving from a \$5,000 to a \$25,000 deductible — combined with a 5% wind/hail deductible — would save the association roughly \$13,000 per year (about 25%) compared to our current structure.

The Problem: Our Declarations Limit Our Options

Here's where the Board's hands are tied. Drake Landing's governing declarations, written in 2000 when the community was built, cap the association's maximum insurance deductible at \$5,000. At the time, units sold for roughly \$300,000–\$600,000, and a \$5,000 deductible was a reasonable, market-appropriate figure.

Today, units in our community are valued between \$600,000 and over \$1,000,000 — more than double the original range. A \$5,000 deductible cap that made sense in 2000 no longer reflects the realities of the current insurance market or our property values. It locks the Board into the most expensive end of every quote we receive and removes our ability to make sound financial trade-offs on behalf of the community.

What the Board Is Doing

- **Shopping the market:** We work with an insurance broker, who compared rates from multiple insurance companies to ensure we fully understand our options and their cost impact.
- **Identifying the real constraint:** We've pinpointed the outdated \$5,000 deductible cap in our declarations as the single biggest obstacle to meaningfully reducing our premium.
- **Proposing a solution:** This fall, the Board will ask members to vote on an amendment to the declarations to remove the fixed dollar limit on the insurance deductible, giving the Board the flexibility to select the deductible level that best balances cost and risk each year as market conditions change.

What This Means for You

The Board will be asking members to vote on a proposed amendment to the declarations to remove the specific deductible limit. Because this is a declarations amendment, it requires approval from 67% of the membership to pass — so every owner's vote matters. This change would not obligate the Board to choose the highest deductible available; it would simply restore the Board's ability to evaluate deductible options each renewal cycle and select the structure that makes the most financial sense for the association, rather than being locked into terms set 25 years ago.

Voting will take place by mail, with ballots sent directly to each unit owner. Details on the voting process, timeline, and ballot materials will follow in a separate communication. We encourage all owners to also join us at our Annual Meeting on October 17, 2026, where we're happy to answer any questions about the proposed amendment before ballots go out.

Frequently Asked Questions

One question which has come up has to do with the assessment of the deductible in the event of a loss. Our policy is to first use our reserves to cover any deductible. The reserves are maintained by the reserve contribution portion of each owner's dues. Since the dues are calculated on a per square foot basis, those owners with smaller units pay lower dues. Owners with larger units pay more dues. This formula is laid out in the HOA Declarations.

All owners are encouraged to carry an HO-6 Condominium Owners type policy. Many of those policies have an option for loss assessment coverage. In the event of a covered loss which is passed on as an assessment by the HOA, this coverage may cover the owners portion of the assessment.

Finally, due to a recent change to Colorado HOA law, the HOA can now assign responsibility for the deductible to a individual owner, if the owner caused the loss.

Questions or Feedback

If you have questions about our insurance program, the proposed declaration amendment, or the upcoming vote, please contact our association manager, Kathrine Johnson at Summit Resort Group, at kjohnson@srgsummit.com.

Thank you for your continued engagement with our community.

Sincerely,

Tim Colton, President

on behalf of the Drake Landing HOA Board of Directors

Resolution Regarding Allocation of Insurance Deductibles

Drake Landing Condominium Homeowners Association

975 N. 10 Mile Drive

Frisco, CO 80443

RECITALS

WHEREAS, the Association is a common interest community organized pursuant to the Colorado Common Interest Ownership Act, C.R.S. §38-33.3-101 et seq. ("CCIOA"), and governed by its Declaration, Articles of Incorporation, Bylaws, and rules and regulations (collectively, the "Governing Documents");

WHEREAS, the Association maintains insurance as required by the Governing Documents and C.R.S. §38-33.3-313;

WHEREAS, such insurance policies contain deductibles that must be paid before coverage applies;

WHEREAS, C.R.S. §38-33.3-313(6) permits an association to allocate and assess insurance deductibles to unit owners in accordance with the declaration or by policy adopted by the board of directors;

WHEREAS, pursuant to C.R.S. §38-33.3-302, the Board of Directors has the authority to adopt policies concerning the administration and operation of the Association;

NOW, THEREFORE, the Board of Directors adopts the following policy for the allocation of insurance deductibles.

1. Purpose

This Resolution establishes a policy for allocating the deductible associated with claims made under the Association's insurance policies in a fair and equitable manner consistent with the Governing Documents and Colorado law.

2. Deductible Allocation to Owners Based on Origin of Loss

To the extent permitted by the Governing Documents and Colorado law, the Board may allocate all or a portion of the insurance deductible to an Owner as an individual assessment when the damage or loss:

Resolution Regarding Allocation of Insurance Deductibles

- Originates from the Owner's Unit or Lot;
- Originates from a component for which the Owner is responsible to maintain, repair, or replace under the Governing Documents; or
- Results from the act or omission of the Owner or the Owner's occupants, tenants, guests, invitees, or contractors.

The Board may allocate the deductible to an Owner even if negligence cannot be established, provided the origin of the loss is reasonably determined to be within the Owner's Unit, Lot, or Owner-maintained component.

3. Deductible Allocation to Units Benefiting from Repairs

In addition to the authority described above, and to the extent permitted by the Governing Documents and Colorado law, the Board may allocate all or a portion of the insurance deductible as an individual assessment to one or more Units or Lots that directly benefit from repairs, reconstruction, or restoration funded by the Association's insurance proceeds.

Such allocation may occur regardless of where the loss or damage originated, including when the loss originates from Common Elements or another Unit, if the insurance proceeds are used to repair or restore improvements located within or serving specific Units.

When allocating deductibles under this provision, the Board may determine the allocation based on:

- The Units that receive repair or restoration work;
- The proportionate cost of repairs benefiting particular Units;
- The number of Units benefiting from the claim; or
- Any other reasonable method the Board determines to be equitable.

The Board's determination shall be made in good faith and based on reasonably available information.

4. Deductible Amount

An Owner may be assessed up to the amount of the Association's applicable insurance deductible for any single claim, to the extent the deductible is allocated pursuant to this policy and permitted by the Governing Documents and Colorado law.

Any portion of the deductible not allocated to a specific Owner or benefiting Unit shall be treated as a common expense of the Association unless otherwise permitted by the Governing Documents.

Resolution Regarding Allocation of Insurance Deductibles

5. Loss Originating from Common Elements

If a loss originates from Common Elements or Association-maintained components, and the Board elects not to allocate the deductible to benefiting Units pursuant to Section 3, the deductible shall be treated as a common expense of the Association.

6. Board Determination

The Board shall determine the origin of the loss and the allocation of the deductible based on reasonably available information, including but not limited to:

- Insurance adjuster reports
- Contractor or maintenance reports
- Inspection records
- Incident reports
- Other relevant documentation

The Board's determination shall be made in good faith and in accordance with the Governing Documents and Colorado law.

7. Assessment and Collection

Any deductible allocated to an Owner pursuant to this policy shall constitute an individual assessment against the Owner's Unit or Lot, collectible in the same manner as any other assessment under the Governing Documents and applicable law.

8. Owner Insurance

Owners are strongly encouraged to maintain a homeowners insurance policy (HO-6 or equivalent) that includes coverage for:

- Improvements and betterments
- Personal property
- Personal liability
- Loss assessment coverage, including coverage for Association insurance deductibles where available.

9. Governing Law

This Resolution is intended to comply with the Colorado Common Interest Ownership Act, including but not limited to C.R.S. §38-33.3-302 and §38-33.3-313(6).

Resolution Regarding Allocation of Insurance Deductibles

In the event of a conflict between this Resolution and the Governing Documents or applicable Colorado law, the Governing Documents and Colorado law shall control.

10. Effective Date

Adopted this _____ day of _____, 20_____.

Association: **Drake Landing Condominium Homeowners Association**

President: _____ **Signature:** *Tim Colton*

Email: tim@coltoncustom.com
Name: Tim Colton, HOA President

Secretary: _____ **Signature:** *Brooks Rarden*
Brooks Rarden, HOA Secretary (Sep 8, 2026 15:53:29 PDT)

Email: brooks.rarden@gmail.com
Name: Brooks Rarden, HOA Secretary

**DRAKE LANDING ASSOCIATION
ANNUAL HOMEOWNER MEETING
October 11, 2025**

I. CALL TO ORDER

The meeting was called to order at 10:01 a.m. via videoconference.

Board members present were:

Tim Colton, President, D10
Brooks Rarden, Secretary, B10

Paula Stjernholm, Vice President, A1
Hayley Quartuccio, Member, A3/A5

Owners present were:

Jerry Price, B2
James Davenport, B5
Connie Anderson, B8
Ashley Eller, B12
Stephanie Bristley, C3
Willis Bennett, D4
Cristy Meyer, E10

Colette Berge, B3
Karen Gerken, B6
Karen Rarden, B10
Kristen Cotton, B15
Alex Beach, C7
Michael Jackson, D14

Proxies were received for A2, A4, A9, B14, C8, C9, E5, E7, and E15.

Representing Summit Resort Group (SRG) were Kimberlyn Bryant and Kevin Lovett. Matthias Krainz of Summit Management Resources transcribed the minutes from recording.

II. PROOF OF NOTICE/CERTIFICATION OF QUORUM

Notice of the meeting was sent by USPS and email on September 11, 2025. With units represented in person or by proxy, a quorum was established.

III. PRESIDENT'S REPORT/INTRODUCTIONS

Tim Colton reviewed the key initiatives and challenges from the past year. The Board focused on managing controllable expenses by reducing on-site staffing hours and reviewing all operating line items for savings opportunities. Some categories showed large percentage changes but represented small dollar amounts, such as the State registration fee increase from \$50 to \$350.

The Association implemented the new recycling program mandated by the Town of Frisco, designating the least used trash enclosure behind Buildings C and D for recycling. Insurance costs continue to be a major challenge due to regional wildfire losses and market contraction among insurance carriers. Drake Landing remains comparatively fortunate with a 30% increase, as some neighboring associations have required large special assessments to meet insurance obligations.

Upcoming capital projects include roof replacements for the community and Building B, along with boiler replacements as systems age. Routine maintenance such as asphalt patching, painting, and siding repairs continues to preserve the property condition while reducing long-term replacement costs. A fire sprinkler issue in C Building was repaired. Owners were encouraged to report maintenance issues or improvement suggestions to management so concerns can be addressed promptly.

IV. APPROVE MINUTES OF LAST ANNUAL MEETING

Motion: Stephanie Bristley moved to approve the minutes of the October 12, 2024 Annual Meeting as presented. Hayley Quartuccio seconded and the motion carried unanimously.

V. FINANCIAL REPORT

A. Balance Sheet as of August 31, 2025

Kevin Lovett reported that as of August 31, 2025, the Association balances were \$28,953 in Operating, \$47,619 in Reserves and \$157,291 in a CD with Edward Jones.

B. Profit & Loss Year-to-Date as of August 31, 2025

Total Expenses were \$3,246 (1.4%) favorable to budget. There were no significant owner delinquencies. Kevin Lovett reviewed the significant variances to budget. There were savings in On-Site Hours (\$4,000), Total Snow Removal (\$3,263), Natural Gas (\$3,211), Electric Utility (\$3,357), General Building Maintenance (\$1,443), Hot Tub Maintenance (\$1,294), and Plumbing & Heating (\$1,350). The only significant overage was in Landscaping (\$11,098 unfavorable) due to a budgeting error when the 2025 Budget was prepared. The error has been corrected for 2026. It was noted that the Landscaping expense includes irrigation startup and blow-down, irrigation repairs, maintenance of the waterfall pond area, tree trimming and spraying, fertilization, mowing, trimming, and weeding. A total of \$110,000 will be contributed to Reserves in 2025.

Owner comments addressed the following:

1. A question was raised regarding the decrease in on-site expenses. Kevin Lovett explained that savings resulted from installation of an automated lock at the hot tub facility, eliminating the need for nightly staff visits to close the area.
2. An owner asked whether the projected insurance increase was reflected in the 2026 Budget. It was confirmed that the budget includes a 35% increase based on the insurance broker's projections.

C. 2026 Budget Ratification

The proposed 2026 Budget included a \$0.025 per square foot dues increase. During budget planning, the Board reviewed each line item for accuracy, contacted vendors for projected rate increases, and adjusted figures to maintain balanced operations while continuing full funding of Reserve contributions. A summary chart was included in the meeting packet.

Tim Colton noted that the Association has occasionally borrowed from Reserves to cover Operating shortfalls caused by mid-year insurance increases and similar unexpected expenses. The 2026 Budget includes funding to begin repaying those transfers and rebuild Reserve balances. Maintaining adequate Reserves remains a priority to avoid future special assessments for major repairs or replacements.

The Board-approved budget will be deemed ratified unless 51% of the membership votes to reject it. No objections were received, and the 2026 Budget was ratified.

VI. MANAGEMENT REPORT

A. *Completed Projects*

1. Insurance renewal on April 1st.
2. DORA renewal and annual report submitted.
3. Tax returns submitted.
4. Various exterior stone repairs.
5. Touch-up painting throughout the property.
6. Beam re-staining on B Building.
7. Replacement of four water heaters in A and D Buildings.
8. Annual boiler inspections.
9. Asphalt patching, crack sealing, and restriping.
10. Fire sprinkler and fire alarm inspections and repairs.
11. Annual backflow testing.

B. *Reminders*

1. Owners should review House Rules with tenants and guests.
2. Owners should be courteous to neighbors and keep noise levels down.
3. Only owners are allowed to have pets.
4. Cars must be parked “front bumper in”.
5. Garages should not be used for storage that prevents parking of a vehicle inside.
6. The horizontal deck surfaces are constructed of a material that may not be stained.

VII. ELECTION OF DIRECTORS

The terms of Tim Colton and Hayley Quartuccio expired. Tim Colton was willing to run for reelection. Stephanie Bristley volunteered to join the Board. There were self-nominations received prior to the meeting from Todd Kercher and Michael Bernstein. With four nominations for two open positions, the election will be conducted by mail-in secret ballot to ensure anonymity. Colette Berge volunteered to count ballots as a disinterested party.

Action Item: SRG will send the candidate bios and ballots by email and USPS to all owners.

Paula Stjernholm asked whether ballots could be distributed electronically through an online platform. Kevin Lovett explained that while electronic systems exist, they present challenges with maintaining voter anonymity and verifying that each owner votes only once. The mail-in process is the most reliable and cost effective method for compliance with state requirements.

Colette Berge asked about Board composition requirements outlined in the governing documents. It was clarified that the Association Bylaws designate two Board seats for residential owners and two for commercial owners. The forthcoming ballot will indicate one open residential seat and one open commercial seat.

VIII. OTHER MATTERS

A. *Owner Education*

Kevin Lovett reviewed insurance requirements. The Association maintains a master insurance policy that covers the structures and common elements of the complex. Each owner is responsible for maintaining an individual HO6 policy for their unit. Recommended coverages include liability for accidents or injuries within the unit, contents

coverage for interior items such as appliances and personal belongings, and loss of use coverage to provide relocation or rental reimbursement if a unit becomes uninhabitable.

Owners were advised that the HOA policy covers building elements such as drywall repairs after a leak, but does not cover personal items. The annual Mamich insurance letter and summary of HOA coverages were included in the meeting packet and are available on the website. Owners are encouraged to share these documents with their insurance agents to address any potential gaps.

B. Frisco Trash/Recycling Program

Tim Colton provided an update on compliance with the Town of Frisco recycling mandate, which requires recycling volume equal to at least 50% of total trash volume. The Association obtained a variance allowing the use of two trash enclosures and one recycling enclosure rather than combining trash and recycling within each structure. Trash Sheds 1 and 2, located along the A and E Building side of the complex, are designated for trash, and Trash Shed 3 serves as the recycling location.

Plastic bags cannot be recycled. Placing recycled materials in plastic bags results in entire loads being rejected and sent to the landfill. Glass must be separated from other materials and deposited in the designated containers within the recycling shed. Improper sorting or contamination could result in higher disposal costs for the Association.

Colette Berge suggested providing instructions outlining recycling rules for placement in rental units, particularly to reach short-term guests unfamiliar with local requirements. The Board plans to distribute magnets to all units before the upcoming ski season.

C. Owner Forum

1. Owners expressed appreciation for the Board and Management's responsiveness and for the overall condition of the property. Positive feedback was shared regarding recent communication improvements and the completion of maintenance projects.
2. Colette Berge raised awareness of the proposed McDonald's development near the property and encouraged owners to attend upcoming Town of Frisco meetings to stay informed about potential neighborhood impacts.
Action Item: SRG will send an informational email to all owners and neighboring HOAs outlining the project and providing participation details.

IX. SET NEXT MEETING DATE

The next Annual Meeting is tentatively scheduled for Saturday, October 17, 2026 at 10:00 a.m. (date to be confirmed).

X. ADJOURNMENT

Motion: Brooks Rarden moved to adjourn at 10:56 a.m. Hayley Quartuccio seconded and the motion carried.

Approved By: _____ Date: _____
Board Member Signature

**Drake Landing Association
Annual Members Meeting
Saturday, October 17, 2026**

VI. Management Report

A. Completed Items

- a. Insurance renewal completed
- b. DORA renewal, annual report completion
- c. 2025 Tax returns completed
- d. Various exterior stone façade repairs completed
- e. Building B two (2) water heaters replaced
- f. Fire sprinkler inspections completed
- g. Fire alarm inspections completed
- h. Fire extinguisher inspections completed
- i. Annual backflow tests completed
- j. Solar panel installation on enclosure completed
- k. Roof inspections completed
- l. Reduction of recycling cost completed
- m. Implemented new high-speed internet services for all homeowners completed
- n. Building B fire panel replaced
- o. Tree trimming, fertilizer and systemic insecticide applications completed
- p. Building C water heater tanks approved to be replaced

VII. Old Business

- a. Community building is scheduled to be painted the last week of September 2026

VIII. New Business

- a. Declaration changes to Insurance Policy requirements
- b. Roofing project Spring 2027 – the Community building and Building B

IX. Owner Education

- a. Owner Education Insurance
- b. Frisco / Trash Recycling Program
- c. House Rules- Please review house rules with tenants and guests
- d. Courtesy to neighbors - Please remember to be courteous to neighbors
- e. Pets - Only owners are permitted to have pets
- f. Parking -Please park with “front bumper in”
- g. Garages - Please remember that garages must allow parking of a vehicle
- h. Storage cannot prevent a vehicle from parking in a garage stall
- i. Deck surfaces -Please remember that unit deck surfaces are constructed of a product that is not meant to be stained

X. Election of Directors

XI. Owners Forum

XII. Next Meeting Date

XIII. Adjournment