

**HOMESTEAD AT THREE PEAKS ASSOCIATION
ANNUAL HOMEOWNER MEETING
November 7, 2011**

I. CALL TO ORDER

The meeting was called to order at 9:05 a.m. by Claire Joyce.

Board members in attendance via conference call were:

Claire Joyce, Unit 3000
Steve Deppe, Unit 3005
Ann Marie Neal, Unit 3002

Owners in attendance via conference call were:

Russ Matthews, Unit 3003
Christina McGarr, Unit 3008
Dave Paynter, Unit 3004
Teresa Argenbright, Unit 3007

Representing Summit Resort Group were Peter Schutz, Kevin Lovett and Deb Borel.

II. PROOF OF NOTIFICATION AND CERTIFICATION OF PROXIES

With 7 properties represented in person and 1 by proxy, a quorum was reached.

III. PRESIDENTS REPORT

Claire Joyce presented the following Presidents Report:

This year (2011) started out with some challenges for our HOA but it looks as though we will finish the year in better shape than ever. At our 2010 Annual Meeting, our HOA liason from Wildernest, Brian Ball, told us he would be leaving his position. At that point, the Board decided to reassess our contract with Wildernest and see if a new HOA was a better option. We looked at a number of options in Summit County and determined that Summit Resort Group (SRG) was the best choice. Peter Schutz and Kevin Lovett, SRG's management team, helped make our transition in February of 2011 very smooth and we have had a fantastic experience working with them all year. They have provided an excellent level of service and we are well under our budget for the year.

Annual Maintenance Budget

The attached spreadsheet summarizes the HOA's current financial situation. Overall we are excellent financial shape. We estimate that the 2011 annual expenditures will be under budget at the end of the year by about \$5000. This is largely due to the more efficient handling of our association by SRG. The two biggest savings were in landscaping and additional staff hours. In terms of the 2012 budget, there are several categories where we will see some minor changes. The budget has been adjusted to reflect this. We have also adjusted the additional hours line item to reflect our lower costs going forward. As will be discussed later, it appears there is an opportunity to adjust our monthly dues downward.

Reserve Budget Status

There were no major maintenance projects carried out in 2011. We had set aside over \$10,000 for stain touch ups on our deck railings but will only need about \$2,500 for that. We also project that we will be \$5,000 under budget for our yearly expenses and we will be putting that in our Reserve Budget. So by December 31, 2011 our reserve budget will be roughly \$95,000 – excellent positioning for our future expenditures.

In 2012, the only major maintenance item scheduled will be to do a layer of sealcoat on our road and driveways. The board will continue monitor this budget and make adjustments as appropriate in the future.

The Board has reviewed the level of our reserve budget and our yearly expenses and we feel confident that we have a very strong financial position for many years to come. The board is proposing that the monthly dues for next year be reduced from \$375 to \$350. This would be effective Jan. 1, 2012.

Need for a Replacement Board Member

At the end of this year, I will be completing my 3 year term on the board so we will need to elect my replacement for a three year term. Tee Argenbright has indicated her willingness to serve if needed. If there are others that are interested, please let us know.

Again, I want to give a special thanks to Peter and Kevin and the team at Summit Resort Group for all their help this year. They have made serving on the board a pleasure!

IV. APPROVE PREVIOUS MEETING MINUTES

Christina McGarr made a motion to approve the minutes of the November 7, 2011 Annual Meeting as presented. Steve Deppe seconded and the motion carried.

V. FINANCIAL REPORT

Kevin Lovett presented the financials as follows:

August 31, 2011 Balance Sheet reports \$15,657.90 in Operating and \$83,116.26 in Reserves.

August 31, 2011 Profit and Loss statement reports that Homestead is \$7,398.66 under budget in year to date operating expenses. Areas of major variance include:

612 Additional staff hours - \$3336 under budget

674 Grounds and Parking maint - \$2726.98 under budget

675 Landscape Maint - \$1359.28 under budget – final landscaping invoice has not yet been paid.

2012 Budget

Dues reduction proposed; 2012 Dues at \$350 per unit per month

Revisions within expense line items include:

602 Accounting - increase, \$325 based on fee to complete annual tax return

604 Postage / Copies - increase, \$60 based on actuals

605 Master Association Dues - increase, \$400 annual to be in line with actual Master Association dues

611 Management fees - decrease, \$240 annual

- 612 Additional Staff hours - decrease, \$2971 annual
- 621 Insurance - increase, \$61, based on actuals plus allowance for 4% increase in April
- 674 Grounds and Parking Maint Combined with 675 Landscape - no net change
between the two accounts

Claire Joyce made a motion to approve the 2012 budget as presented. Dave Paynter seconded and the motions carried.

VI. OLD BUSINESS

None

VII. NEW BUSINESS

- Services available for any owners interested include security checks, deck snow removal and smoke detector battery changes. If there is anything else you need, please contact SRG!
- Owners will be contacted regarding window cleaning in the spring.
- SRG will keep an eye on railing staining and inform board when necessary for another application of stain.
- Asphalt sealcoating and crack sealing is planned for summer 2012.

VIII. ELECTION OF OFFICERS

Claire Joyce's term expires this year. Steve Deppe nominated Teresa Argenbright. Ann Marie seconded. Teresa Argenbright agreed to serve and was elected to do so. Officers are as follows:

- Steve Deppe-President
- Ann Marie Neil-Director
- Teresa Argenbright-Director

IX. NEXT MEETING DATE

The next Homestead HOA meeting will be held on November 12, 2012 at 9:00 am.

X. ADJOURNMENT

Dave Paynter moved to adjourn the meeting at 9:25 am. Steve Deppe seconded and the motion carried.

Approved By: _____ Date: _____
Board Member Signature