

BLUE RIVER RUN HOMEOWNERS ASSOCIATION

ANNUAL HOMEOWNERS MEETING

August 20, 2005

The Blue River Run Homeowners Association held its Annual Meeting on Saturday, August 20, 2005 at the North Branch of the Summit County Library. Directors Pete Novembre, Nancy Allen, George Murray, Brooke Sterling, Francina Davis and Sara Schnabel were present. The owners listed below attended or were represented by proxy. Representing Wilderwest Property Management (WPM) were Barbara Walter-Director of Operations, Daniel Vlcek-Manager of Silverthorne Properties, and Joyce McMillan-HOA Liaison. Tony Snyder, General Manager also attended. President Novembre called the meeting to order at 2:35 p.m.

ROLL CALL AND CERTIFICATION OF PROXIES

The following representation of owners present, or represented by proxy, fulfilled quorum requirements of 10% of the membership, as per the Declarations and Bylaws of The Association.

Owners Present:

Unit #	Owner	Unit #	Owner
100-C	Donata Hunt	112-M	Michael Bushell
100-M	Edward & Kathryn Wickham	114-C	Marie Crossley
100-RR	Brooke & John Sterling	119-C	Judith Regensteiner
101-C	Thomas Jeffers	120-M	Maurice Goldhammer
101-RR	Peter Novembre	121-M	Francina Davis-Gimse
101-RV	MaryKay & Mike Kelley	122-M	Edwin & Kathy Whitney
103-C	Gary K. Belanger	123-C	Mike & Nancy Allen
103-M	Marian Jacobs	126-C	Paul & Sara Schnabel
103-RV	Stephen Trynosky	126-M	Linda & Dana Covert
104-RV	George Murray	133-C	Terrence & Jeannette Blaschke
105-C	Bret Amon	1372-S	Sally Ash
106-C	Carla & Glenn Erickson	139-C	Thomas Cousino
106-M	James & Michelle Woodruff	1512-L	Margaret Knode
107-C	Eden & Phyllis Wenig	1516-L	Joseph Nieters
108-C	Bill Kubaska	1521-L	Kevin Laclede
109-C	Alice & Michael Epstein	1528-L	Mark DebonVille
110-C	Lew Biegelsen	1565-L	Glenn & Carla Erickson

Owners Represented by Proxy:*

Unit #	Owner	Proxy To:	Unit #	Owner	Proxy To:
101-M	T Martin/A. Rudd	President	128-C	Stephan/Polly Koch	Sara Schnabel
102-RR	Richard Waterman	Pete Novembre	1366-S	Reggie/Sarah Golden	President
107-M	James Fleming	President	1509-L	Arne/Regine Gudheim	Margaret Knode
108-RV	Thomas Kazimour	President	1516-L	Joseph/Freda Nieters	President
109-RV	Neil/Laurie Segall	President	1520-L	Caleb/Karen Marsh	Margaret Knode
111-M	PJEWLE Develop.	Jani Ziedins	1525-L	Jay/Carolyn Ufer	Margaret Knode
114-M	David Wilson	President	1532-L	George/Angela Andrews	Margaret Knode
117-C	Barry Spector	President	1533-L	Russell/Jogina Stickler	Margaret Knode
120-C	Donald/MaryWaddell	President	1537-L	Russell/Jogina Stickler	Margaret Knode
125-C	Margaret Baker	President	1541-L	Robert/Kelley Lau	Margaret Knode
125-M	Joan Donnelly	Francina Davis	1545-L	Donald Langmuir	Margaret Knode
127-C	Margaret Baker	President	1549-L	Michael/Linda Mulcahy	Margaret Knode
127-M	Vicki/Mike Mueller	Pete Novembre	1553-L	Richard/Joyce Vertz	President

BLUE RIVER EXPERIENCE

Ms. Tammy Jamieson, Director of Recreation and Culture for the Town of Silverthorne presented an overview of the Town's plans for continuation of the recreation path.

APPROVAL OF MINUTES

Resolution: Upon motion made, duly seconded and unanimously carried, the minutes of the August 21, 2004 Annual Meeting were approved as written.

PRESIDENT'S REPORT

Mr. Novembre noted board has lost three members with one resigning and two having sold their homes. Nominations to fill the vacancies will be requested. He stressed that a board's purpose is to serve the community and not be self-serving.

The budget in the handout is not the same as the one mailed with the notice of the annual meeting. WPM sent out the budget, in error, prior to the board's approval. There has since been revisions with the major one being an increase in dues for the townhomes of \$15.00 per month per unit, instead of the \$10.00 increase indicated on the mailed, unapproved version. The President noted that he was not willing to approve a budget that showed a deficit. The owners of Single Family Homes/Lots are not pleased with \$1500.00 of their dues going into the reserve account and being used by the townhomes and duplexes. The President assured these owners that the board would be researching the association's covenants and previous boards' decisions to determine the fairest way to allocate dues. The board will be asking for approval of the budget, but it is each owner's prerogative not to approve it.

The contract with WPM is up for renewal. The new contract can be canceled by either party with 30 days notice. The President is not happy with the Accounting department of WPM and improvements have to be made in that area in order to continue the relationship. The board is reviewing the new contract and other options.

COMMITTEE REPORTS

Mr. Murray presented the Architectural Review Committee's report as follows:

1. If anything is done to the exterior of a unit, a request has to be submitted to the committee for review. There are no precedents; each change request has to be submitted. The owners who have installed Dry-B-Lo to their decks become responsible for any damage caused by the installation of the product.
2. Mr. Murray is planning to install a removable wind/noise screen. He will submit a design to the board for approval.
3. Hot tubs are owner's responsibility. The Town of Silverthorne requires that all hot tubs have lockable covers. The wood casings around several hot tubs are in need of staining. All owners were encouraged to provide this maintenance if necessary.

Only the footprint of a unit, from the walls in, belong to owners. Everything outside that area requires approval.

Several owners have windows with broken seals or that leak. If the window unit is leaking or has a broken seal, it is the owner's responsibility. If the window was installed improperly or there is no flashing which is causing a leak, it would be HOA responsibility. Owners were given the manufacturer name, Viking, and encouraged to contact them directly for any warranties on failed seals or other window problems.

Ms. Davis, Chair of the Landscape Committee, reported that she has been identifying areas where landscaping costs can be cut. Reducing the cutting of native grasses to one time only is an area that is being considered. She also had examples of noxious weeds and while many, such as the False Chamomile, is very pretty; they are extremely invasive and harmful to native plants. All owners were encouraged to pull and dispose of any they see. Spraying weeds is an option, but neither WPM nor Rocky Top (the mowing/landscape contractor) is licensed, which is now a requirement.

MANAGEMENT REPORT

The Property Manager, Daniel Vlcek, has recently been promoted to Director of Off-Mountain Properties and will be hiring his replacement to oversee Blue River Run. Several pieces of information were made available to all owners attending the meeting, including:

- The Blue River Run Rules & Regulations

- A homeowner list
- WPM Services, which identifies contractual services provided to Blue River Run. It was noted that bookkeeping services should also indicate that they are applicable to Single Family Homes/Lots.
- VIP cards and brochure, which entitles owners to receive, discounts at various restaurants and stores in the area.
- WPM's Clearly Cleaner carpet cleaning is available to all owners who need the service.
- WPM Construction & Repair provides in unit maintenance service for owners as well as home improvement projects.
- Hot tub maintenance is available through WPM

FINANCIALS

Budget

The 2005-2006 budget was reviewed. The dues will be increased by \$15.00 per unit per month for the townhomes and duplexes and by \$5.00 per unit per month for the Single Family Homes/Lots. This increase in dues is to offset the deficit in the Operating Account. Several budget items were explained as follows:

- Account 601 – Legal is a category for attorney fees involved for HOA legal activity, such as, changing the Declarations. There are no fees anticipated and no money budgeted.
- Account 602 – Accounting is for tax preparation.
- Account 607 – Meeting Costs are for HOA business/board meetings.
- Account 615 – Website is no longer applicable as WPM will no longer be billing for the service.
- Account 663 – Cable TV is billed at approximately one half the amount it would cost if not obtained through the HOA.

The Single Family Home/Lot section was reviewed as follows:

- Account 621 – Insurance in the amount of \$700 is for General Liability and Officers and Directors coverage.
- Account 671 – General Building Maintenance covers the maintenance of the fence.
- Account 679 – Landscaping is associated with the entrances to the property.

The contribution of the Single Family Homes/Lots to the reserve account is \$1,500.00. This is to cover the fence staining and major repair/replacement, the maintenance of Legend Lake and some asphalt replacement. The owners of these homes/lots feel this is too high a contribution and that it is being used on other areas of the property. The board has agreed to reassess the reserve contribution and determine if the amount is fair and will make changes, if necessary. It was also pointed out that the Single Family Homes/Lots owners share and are assessed proportionate amount for the dumpsters used by the townhomes instead of having individual trash pickups, saving them a considerable amount of expenses. Clarification was also requested on the Landscaping allocation. There are open spaces around Legend Lake that no one takes care of. It was thought that all land in the Single Family area was part of the lots in the area. It was agreed that the Landscape Committee would review the requirements to maintain these areas.

RESOLUTION: Upon motion made, duly seconded and approved by the majority, the 2005-2006 budget with the dues increase was ratified pending research and consideration of the \$1500 Single Family Home/Lot allocation.

Financial Report

Ms. Allen reviewed the year-to-date Income Statement, noting the fiscal year is September 30 to November 1. The operating income is made up of Operating Dues, Late Fees, Interest Income and Miscellaneous income. As of July 31, 2005, the budgeted operating expenses were negative \$3,632.60 and the actual loss is only \$694.25. This is due in large part to the snow removal being well under the budgeted \$10,000. Items that are over budget are insurance and water and sewer. The reserve income is made up of Reserve Dues, Interest and the Roof Repair assessment. While it appears there is a profit, this is misleading because final payments of the paint/stain project are yet to be processed. The reserve account is currently under funded, which is reflected on the Major Maintenance Chart.

OTHER BUSINESS

Senate Bill 100

An owner, MaryKay Kelley has volunteered to research the new Senate Bill 100 to determine how it will affect the HOA. Mr. Snyder explained the bill goes into effect on January 1, 2006. One area that may affect the HOA is the

financial review every two years if one third of the homeowners request the review and if the expenses of the HOA are over \$250,000, an audit will be required. There is a requirement for homeowner education which is in place now via the HOA's website. It was noted that if the HOA's covenants were in conflict with the new law, the law would supercede the covenants.

HOMEOWNER QUESTIONS AND CONCERNS

Building Staining

The building staining on Creek Lane is continuing and will be completed soon. Mountain Vista buildings will not be stained until 2006.

Internet Services

Internet services are available from several sources, including Comcast. Mr. Snyder has negotiated with Comcast to provide high-speed Internet service at a greatly reduced cost, however to get the lower price all units in the HOA must participate.

Single Family Vacant Lots

The vacant lots are overgrown with weeds. The owners of those lots are responsible for maintaining the lots by cutting overgrowth of grasses and weeds.

Single Family Common Area

The common area between lots 2 and 3 needs to be watered and fertilized. It was thought that homeowners maintained all areas of the single-family lots. The Landscape Committee will research to gain an understanding of the requirements in that area and discuss it in a future board meeting.

RESOLUTION: Upon motion made, duly seconded and approved by the majority, the board was directed to investigate alternative management teams.

RESOLUTION: Upon motion made, duly seconded and approved by the majority, all single-family lots will pay the same regardless of whether there is a house or not.

RESOLUTION: Upon motion made, duly seconded and approved by the majority, all single-family lot owners must implement growth control on their lots or pay to have it done.

Single Family Lot Landscaping

An owner requested that he be allowed to plant trees on the north side of Legend Lake. He was instructed to submit a request to the board with a copy of the landscaping plan.

Window Cleaning

Cleaning windows is a homeowner responsibility. It will not be done by the HOA.

ELECTION OF DIRECTORS

Nancy Allen's term is up but she has agreed to stay on the board if reelected. Other nominees to the board were Mike Kelley, Brett Amon, Don Kennen and Dana Covert.

RESOLUTION: Upon motion made, duly seconded and approved unanimously, the nominees were elected to the board.

The officers will be elected at the next board meeting on October 7, 2005 at 4:00PM at WPM.

NEXT MEETING

The next annual meeting will be held on August 19, 2006. There will be a social hour with refreshments beginning at 9:00AM with the annual meeting to follow at 10:00AM. The board meetings are scheduled at 4:00PM at WPM on the following days:

- October 7, 2005
- January 6, 2006
- April 7, 2006
- July 7, 2006
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ADJOURNMENT

The meeting was adjourned at 5:00PM.