

2005 Annual

Campfire Mountain Homes Annual Membership Meeting December 30, 2005 Meeting Minutes

I. The Annual Membership Meeting of the Campfire Mountain Homes Owners Association was held at 1:00 P.M. on the 30th day of December, 2005 at the Key to the Rockies offices at 23024 U.S. Highway 6 in Keystone Colorado.

II. Members present were:

Jan Tucker	Unit #1
Red and Bonnie Merchant	Unit #7
Kelly Allen	Unit#10
Ernie Pierson (by conference call)	Unit #12

Six additional owners were represented by proxy creating a quorum so the meeting proceeded as scheduled.

Others present were: Michael Magliocchetti, Key to the Rockies

The meeting minutes of the December 27th, 2004 annual meeting were reviewed by the group. Mr. Merchant made a motion to approve the annual minutes as submitted with no changes; the motion was seconded by Mrs. Tucker and passed unanimously.

III. Reports and Review of the Financial Condition of the Association

Mr. Magliocchetti presented the financials for fiscal year 2005 to the group. The year end surplus for 2005 is projected to be \$10,810. Approximately, \$7000 of this surplus represents funds that were transferred from the Reserve account to the General Operating Fund. The Board authorized this transfer to cover the shortfalls from previous years operating account that was accumulating in Retained Earnings. It was decided to cover past years' deficits from the reserves rather than levy a special assessment on the membership. The remainder of the surplus for '05, approximately \$3,800, was actual savings achieved from favorable variances in several expense accounts namely, Common Area Maintenance, Water and Sewer and Electricity. The

Common Area maintenance expense is projected to be less than half the budgeted amount because of the decision by the Board to take sidewalk snow removal services out of the association budget.

Two capital projects were completed in 2005. The asphalt driveway throughout the project was resealed by A-Peak Asphalt at cost of \$3,375 and the decks of all the units were painted by Snyder Painting at a cost of \$3,600.

Contributions made to the Reserve Fund for '05 amounted to \$16,887.51. The Fund is projected to have a balance of \$32,295 at the end of 2005.

IV. Review and Approve the 2006 Annual Operating Budget

Mr. Magliocchetti presented the proposed Annual Operating Budget for 2006. The overall budget represents a 4.13% decrease in operating expenses for the upcoming year. The total cost to operate the association next year is projected to be \$63,408. Of this amount, \$18,800 will be placed into the Reserve Fund for future capital expenditures.

The most significant change in the 2006 budget is a reduction in the annual allowance for Common Area Upkeep. This account is being reduced from \$6900 in '05 to \$2500 in '06. Cable TV is expected to go up by 4.2% in line with the bulk agreement. Management fees are also projected to increase by 3.45% or \$335 if approved by the Board.

The Reserve Fund contribution is expected to be \$18,800 in accordance with the Reserve Fund Schedule; however there are no budgeted or projected capital projects to take place in '06. Looking further out to '07, the siding is again scheduled to be re-stained. There was some discussion about possibly changing the paint product from a semi transparent stain to a solid color stain to improve its lifespan. This idea will be further evaluated as we get closer to the project date. It is anticipated that we may have to do some staining next summer to specific areas of certain buildings that are weathering more than other parts of the project, however this is not expected to be a significant expense.

After some discussion, Mr. Pierson made a motion to accept the budget proposal as submitted. The motion was seconded by Mrs. Merchant and the motion passed unanimously. Mr. Pierson also made a motion to grant Key to the Rockies their proposed management fee increase. This motion was seconded by Dr. Tucker and passed unanimously. The dues schedule will be adjusted in accordance with the approved budget for the January dues.

V. Election of Officers

There were no new nominations to the Board for '06. The current Board of Directors all agreed to serve another term and were elected by acclamation of the membership.

The Board of Directors for '06 are:

Bonnie Merchant	President
Ernie Pierson	Treasurer
Bill Parkhouse	Vice President
Jan Tucker	Secretary
Member at Large	currently vacant

VI. Old Business

The trees throughout the neighborhood are in need of fertilization. It was suggested by Neils Lunceford Landscaping Company to deep root feed them twice during the upcoming summer at a cost of approximately \$1400. After some discussion it was decided to have them deep root fed once in June and then determine if it needs to be done a second time. The cost will be paid for from the operating fund.

Mr. Magliocchetti presented a quote from Bikbuilt Masonry to install two 5' foot stone veneer pillars at a total cost of \$4,650 to each side of the entryway in an effort to better define and enhance the entrance to the Campfire property. There was some discussion on the project and it was met with mixed reactions. No decision was made at this time to embark on this project but it will be pursued further through discussions with more of the members to determine an interest level.

Dr. Jan Tucker and Mr. Bill Parkhouse (via proxy) requested that impromptu meetings of board members not result in any decision making even if a quorum is present. They believe that board members should be given notice of any additional meeting in order to be given the opportunity to participate by e-mail or by conference call.

VII. There being no further business to discuss, the meeting was adjourned at 11:50 AM

Respectfully Submitted,

Michael J. Magliocchetti

Property Manager

Feel free to contact us with any questions or comments you may have!