

DRAFT SUBJECT TO APPROVAL AT THE 2009 ANNUAL MEETING

**DRAKE LANDING CONDOMINIUM ASSOCIATION
ANNUAL MEETING
OCTOBER 25, 2008**

The Drake Landing Condominium Association met on Saturday, October 25, 2008, at the Wilderrest Conference Center. The meeting was called to order at 2:10 p.m. The owners present or represented by proxy are listed below and constitute the required quorum. Tony Snyder-WPM Owner and President, Brian Ball-HOA Liaison, Daniel Vlcek-Director of Off-Mountain Property Management and Geovanni Hercules-Property Manager, represented Wilderrest Property Management (WPM).

ROLL CALL AND CERTIFICATION OF PROXIES

Owner	Unit #	Com/Res	Present	Proxy To
Silengo Development	A-1	C	X	
Silengo Development	A-5	C	X	
Silengo Development	A-7	C	X	
Roger Swift	A-9	C	X	
Silengo Development	A-11	C	X	
Silengo Development	E-1	C	X	
Silengo Development	E-3	C	X	
Silengo Development	E-5	C	X	
Silengo Development	E-7	C	X	
Silengo Development	E-9	C	X	
Karl Heggland	E-11	C		Ron Carlson
Karl Heggland	E-13	C		Ron Carlson
CCD Realty	E-15	C	X	
Silengo Development	A-3	R	X	
Greg/Suzanne Brown	A-4	R		Bren Davis
Steve/Sisley Milroy	A-6	R		
David/Venessa Lord	A-8	R	X	
Carmen Matei	A-10	R		
Irwin/Barb Strauss	A-12	R	X	
Bren Davis	B-1	R	X	
Harold Mango Trust	B-2	R		Bren Davis
Silengo Development	B-3	R	X	
David/Lynette Collins	B-4	R		
Silengo Development	B-5	R	X	
John/Rosemarie Feeney	B-6	R	X	
Silengo Development	B-7	R	X	
Bruce/Connie Anderson	B-8	R	X	
Karen Fitzpatrick	B-9	R	X	
Karen Rarden	B-10	R	X	
Lawrence Moore	B-11	R		Tom Silengo
Thomas/Jeanne Joseph	B-12	R		
Jessica Joseph	B-12-2			
Silengo Development	B-13	R	X	

DRAFT SUBJECT TO APPROVAL AT THE 2009 ANNUAL MEETING

Thomas/Linda Stanar	B-14	R		Bren Davis
Brian Bertoline	B-15	R		
Mara/Unsun Song	B-16	R		
Silengo Development	B-17	R	X	
T. Junker/N. Lisowski	B-19	R		
Keith Garmen	C-1	R		
Antonio/Hilda De Santis	C-2	R		
James Davies	C-3	R		
Joseph Pico	C-4	R		
Norman/Maxine Gay	C-5	R		
Jerry/Donna Grant	C-6	R		
Olga Kasiantsuk	C-7	R	X	
William/Bea Crimmel	C-8	R		Bren Davis
Gerry Hibbard/P. Jupka	C-9	R	X	
Randal/Laura Dick	D-2	R		
Willis/Terry Bennett	D-4	R		
Daniel/Megan Fearnow	D-6	R	X	
R. Bell/ K. Freeman	D-8	R		
W. Mittermier/L. Letman	D-10	R		
BJ&C LLC	D-12	R		
Michael/Ann Johnson	D-12	R		
Aaron Couette	E-2	R		
Mina Gold	E-2-2	R		
G. Westermann/C. Manns	E-4	R		
W. Andrea/D. Turbert	E-6	R		
D. Copley/P. Hubbell	E-8	R		
Curt/Nancy Overlee	E-10	R		
Shelly Howe	E-12	R		
Boguslaw/Alina Stasiowski	E-14	R		Tom Silengo

APPROVAL OF MINUTES

RESOLUTION: Upon motion made and duly seconded, the minutes from the September 29, 2007, annual meeting were unanimously approved as written.

RESOLUTION: Upon motion made and duly seconded, the minutes from the Special Meeting of October 8, 2008, were unanimously approved as written.

PRESIDENT'S REPORT

President Hibbard began his report by thanking everyone present for coming and by acknowledging the hard work of the Board over the last year. Due to the inordinate amount of snowfall last season, costs exceeded what was forecasted. This affected more than just the costs associated with snow removal. There was also a negative impact on the roofs and many leaks were reported. The Board has looked into several ways to mitigate this, including the installation of heat tape on the roofs. Mr. Hibbard explained that because of these unforeseen circumstances, a dues increase would be necessary in order to keep the Association financial status positive and to deal with the resulting issues.

DRAFT SUBJECT TO APPROVAL AT THE 2009 ANNUAL MEETING

MANAGEMENT REPORT

Mr. Snyder introduced the representatives from Wildernest Property Management and expressed his appreciation to the Association for their business. The membership was asked to use the website, www.wildernesthoa.com as this is the main avenue of communication used by WPM. The members were asked to review the owner's list in their packets and give any updates to Mr. Ball. Mr. Snyder also addressed the insurance coverage of the Association. He emphasized that this insurance does not include in unit liability or coverage of contents. Because the HOA insurance policy has a \$5,000 deductible, the owners were advised to purchase sufficient personal coverage to cover the \$5,000 deductible in the event of owner responsibility for damage.

FINANCIAL REPORT

Balance Sheet –Mr. Snyder summarized the balance sheet as of August 31, 2008, which reflects assets of \$69,000. With liabilities of \$44,000, the net equity is \$25,000, down \$46,000 from the previous year. Mr. Snyder also reviewed the operating account noting a \$40,000 projected year-end negative variance due to roof work, snow removal and the cost of gas and electricity. The Board has approved a \$42,000 dues increase for the coming fiscal year to cover this shortfall. There were, however, several areas noted where the proposed budget may have over-stated certain costs. One of these areas was the additional hours portion of the management fees, which may be lower due to the use of Neils Lunceford for landscaping needs instead of Wildernest Property Management. Other areas of potential savings discussed were the cost of gas and electricity. Mr. Snyder briefly reviewed the price of natural gas, which he negotiates in bulk with other complexes. The current gas cost is locked in for the year for 75% of what is consumed by the Association. Even though the gas expense is over budget, Mr. Snyder's negotiation efforts have saved the Association money in the last five years on the cost of gas.

Two other areas of major financial concern to the Association are the low Reserve account balance and the need to complete the painting of the remaining buildings in 2009. It was noted that the proposed increase in dues does not cover the deficit in the Reserve account or the future cost of painting the complex; therefore, the Board is also proposing a \$42,000 special assessment in the budget. Mr. Silengo pointed out that raising the dues and levying special assessments will have a negative impact on the resale of units. Discussion ensued regarding the best way to address these financial needs but there was no consensus on the issue. It was further noted that the proposed dues increase and special assessment in the budget does not necessarily negate the need for additional assessments in future years. One owner expressed the desire to 'bite the bullet' and simply increase the dues now to the full amount needed to return the Association to current and future financial solvency. Mr. Silengo indicated that a large dues increase and/or special assessment will have a disproportionately negative effect on the nine affordable housing units in the complex. However, the Board noted that the Drake Landing Condominium Declaration drafted in 2001 clearly states that affordable housing units pay the same amount per sq footage for assessments and dues increases as all other residential units do.

Although the proposed budget was posted on the website and mailed to the membership, it was requested by several of the members to schedule another meeting for the Board to further review the budget followed by a special meeting of the owners for ratification. The budget discussion was consequently tabled and the meeting continued on to other matters. Owner John Feeney was also appointed to a budget committee to assist the Board in reviewing and adjusting the budget.

RESOLUTION: Upon motion made and duly seconded, the discussion and approval of the proposed budget was tabled and scheduled to continue to a special Board meeting to be held on Saturday, November 8, at 10 a.m. in the Wildernest Conference Center. The annual meeting will also be continued to Saturday, November 15, at 10 a.m. in the Wildernest Conference Center to ratify the Board revised budget.

OTHER BUSINESS/ONSITE ISSUES

- This year's painting project has been completed.

DRAFT SUBJECT TO APPROVAL AT THE 2009 ANNUAL MEETING

- Window washing did not take place this year due to the late completion of the painting. It was also stated that due to the current financial status this activity and several other repairs did not occur.
- The Rules and Regulations have been expanded to facilitate clarity when issuing violations.
- Owners were reminded that if they rent their units, they must display the Rules and Regulations.
- Renters cannot have pets at Drake Landing.
- It was asked that residents please not pull the bumpers or grills of their cars and truck over the sidewalks.

ROOF ISSUES

There have been some special problems with the roofs at Drake Landing over the past couple of years, which resulted in numerous leaks. The Board hired an independent roof consultant, Iris Technologies L.L.C, to review the design and condition of all building roofs and received a report. The key points of the report are listed below.

- The design of the roof lends itself to snow accumulation.
- Some of the interior recessed lighting is causing condensation to accumulate on the interior of the boxes and is leaking down into the interior unit ceiling.
- Some of the vents on the cold roofs are not large enough to facilitate adequate airflow to prevent ice accumulation and subsequent leaking.

The Board is considering using a different company for roof snow removal this year because of the poor quality of service last season. Mr. Silengo stated that if there were a roof design flaw, he will repair the problems. However, he expressed concern that delayed response from Turner Morris contributed to ice build up. Removal of large ice build up resulted in more aggressive removal and possible damage to the roof system.

ELECTION OF DIRECTORS

There were two commercial positions to be filled on the Board.

RESOLUTION: Upon motion made, duly seconded and unanimously carried, Ron Carlson and Tom Silengo were elected as Commercial Representative on the Board of Directors. Mr. Carlson will serve a two-year term; Mr. Silengo will serve a three-year term.

ADJOURNMENT/CONTINUATION

The attendees were dismissed at 5:00 p.m. and the annual meeting will be continued to Saturday, November 15, 2008, at 10:00 a.m. at the Wilderrest Commercial Center.