

**[Subject to Board approval]
HOMESTEAD AT THREE PEAKS
HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
JUNE 8, 2007**

The Homestead at Three Peaks Board of Directors met at 10:00 a.m. on Friday June 8, 2007, at the home of Steve Malkewicz. Directors David Paynter and Steve Malkewicz were present. Barb Walter-Director of Homeowner Associations and Jonathan Kriegel-HOA Liaison attended from Wilderndest Property Management (WPM).

APPROVAL OF MINUTES:

**RESOLUTION: UPON MOTION MADE, DULY SECONDED AND UNANIMOUSLY APPROVED
IT WAS RESOLVED THAT THE MINUTES OF THE FEBRUARY 26, 2007, ORGANIZATIONAL
MEETING WERE APPROVED AS WRITTEN.**

REPAIR & MAINTENANCE CONSIDERATIONS

The following items were discussed:

Snow storage: WPM will ask Raven Snowfighters to push snow as far over the edge as possible so as to leave a minimum snow pile between camps 6 and 7.

Grass at Entrance: WPM will stake the entrance from Golden Eagle Road, and in front of driveways, in the fall to prevent snowplowing equipment from damaging grass at side of road/driveways and prevent damage to cedar tree from snowplow.

Landscaping: The Neils Lunceford 2007 maintenance proposal was reviewed. It was decided to engage WPM to activate and deactivate irrigation systems in spring and fall. The Board directed WPM to modify the Neils Lunceford contract to \$8,400, sign and submit full payment for \$7980 [\$8,400 less 5% prepayment discount].

Asphalt Repairs: WPM will solicit bids for seal coat in spring 2008.

Security Inspections: Owners who desire security inspections can make individual arrangements with WPM but this will not be an association expense.

Shoveling of decks/patios: Owners who desire to have these areas shovel can make individual arrangements with WPM but these items will not be included as an association expense.

FINANCIAL MATTERS

The Balance Sheet and Income Statements for the month ending April 30, 2007, were reviewed by Ms. Walter. Member's equity is \$19,231.87. Collection of operating dues is less than budget as two units had not received a Certificate of Occupancy for part of the year and were not paying dues. WPM was directed to change the budgeted amount of collections to reflect the correct amount for each month as a unit was not obligated to pay dues prior to issuance of a Certificate of Occupancy. Once this correction is made, dues collections will be on budget. Information on the website may show incorrect financial statements for the fiscal year; if so, WPM verify correct accounting period(fiscal vs. calendar) and make sure all financial information on the website reflects the appropriate accounting year.

There was extensive discussion about long-term reserves. Asphalt sealing of the roadway and driveway pans, most landscaping maintenance, exterior painting, street light replacement, repair/replacement of the garbage dumpster were considered appropriate reserve items. Roof replacement, window replacement, siding replacement, deck replacement/repair and patio replacement/repair were not considered appropriate items for the Association to maintain or take financial responsibility for.

The existing budget was examined and determined to be inadequate to address increased costs for landscaping and removal of beetle infested trees. Additionally, reserves were inadequate for the roadway, driveway, exterior staining, lighting and dumpster.

RESOLUTION: UPON MOTION DULY MADE AND SECONDED, THE BOARD APPROVED A DUES INCREASE TO \$424/UNIT/MONTH BEGINNING AUGUST 1, 2007, WITH \$188/MONTH/UNIT GOING TO RESERVES. THE BOARD DIRECTED WPM TO AMEND THE EXISTING BUDGET TO REFLECT THE ABOVE REFERENCED RESERVE EXPENSES AND DUES INCREASE.

RESOLUTION: UPON MOTION DULY MADE AND SECONDED, THE BOARD APPROVED A PERMANENT TRANSFER OF \$10,000 FROM THE OPERATING ACCOUNT TO RESERVE ACCOUNT.

OTHER MATTERS

Amendment of Bylaws: Proposed amendments were reviewed and WPM was directed to send them to all homeowners for comment.

RESOLUTION: UPON MOTION MADE, DULY SECONDED AND UNANIMOUSLY APPROVED, IT WAS RESOLVED THAT THE PROPOSED AMENDMENTS TO THE BYLAWS WERE APPROVED SUBJECT TO COMMENT FROM THE GENERAL MEMBERSHIP.

Tree Removal Expenses: Dave Paynter and Dave Prohl will talk with Summit Legends about sharing some financial responsibility for the cost of tree removal this year, as some of the trees may have died during the term when Summit Legends owned the respective lots.

Next Meeting: A Special Meeting to ratify the amended budget will be scheduled for July 7, 2007, at 9 a.m. Jonathan Kriegel will prepare and mail notices as soon as possible.

Amendment of Declarations: The declarations appear poorly drafted for the requirements of this association, particularly with respect to common maintenance issues such as roofs, hot tubs, decks, patios and exterior siding replacement. The Board will consider hiring legal counsel to amend the Declarations. WPM may be able to provide assistance with this task, as well.

ADJOURNMENT

The meeting adjourned at 4:55 p.m.