

**Snake River Village HOA
Annual Membership Meeting for 2008
Sunday, January 25, 2009**

Meeting Minutes

- I. The Annual membership meeting of the Snake River Village HOA was held on Sunday the 25th day of January 2009 at 9:00Am at the Keystone Center located in Keystone Colorado.

Those members present included:

| | | |
|--------------------------|------|----|
| Mr. Perry Schlacter | Unit | 43 |
| Mr. Mike Johnston | | 45 |
| Bob and Maxine Schultz | | 19 |
| Mr. Rene Sotola | | 20 |
| Joseph and Penny Lammert | | 11 |
| Mr. Charlie Papp | | 13 |
| Mr. Carl Stiehl | | 37 |
| Mr. Jim Viegas | | 14 |
| Mr. Jeff Zalkind | | 42 |
| Mr. David Collins | | 40 |
| Mr. John Gardiner | | 41 |

Those owners represented by proxy were:

| | |
|------------------------------|----|
| Janis Schnabel | 27 |
| Gilbert and Angela Cito | 44 |
| Howard Lang | 28 |
| Michael Kasun | 39 |
| Cynthia Vaughn | 07 |
| Ann Higgs | 01 |
| Joseph and Christine Fuentes | 17 |
| Ladi and Marci Mica | 32 |
| Totan Ventures LLC | 03 |
| Larry Jennings | 09 |
| Christine Kurtz | 29 |
| Kyle and Jacqueline McDonald | 23 |
| Mr. Ed Lee | 15 |
| Mr. Julius Medgyedy | 10 |

54.3% of the membership was represented either in person or by proxy creating the necessary quorum so the meeting proceeded as scheduled.

II. Review the Previous Years meeting minutes

The meeting minutes of the 2007 Annual meeting were reviewed. A motion was made by Mr. Schultz to approve the minutes as presented. This motion was seconded by Mr. Johnston and the passed unanimously. The minutes will be incorporated into the official records of the association.

III. Presidents Report

Mr. Charlie Papp gave a few brief opening comments and turned the floor over to Mr. Magliocchetti to give the managers report and recap of the more significant projects that were accomplished during the year.

IV. Managers Report

Following is a list of notable projects that were completed and the cost association with each project.

1. The entire project (7 buildings, fence, dumpster enclosure and spa building) was stained and sealed in accordance with the Reserve Schedule at a total cost of \$52,000.
2. The driveway asphalt was sealed, crack filled, and repaired in several areas throughout the project at a cost of \$14,500.
3. The exposed concrete foundation walls in the front of the buildings were faced with cultured stone to give it a more finished look at a cost of \$2,803.
4. Roof repairs and improvements were made at several locations totaling \$7,480
5. An early warning cold temperature alarm system was installed throughout the project at a cost of \$4,900.
6. Lodgepole pines were sprayed again this year as part of our ongoing effort to fight the beetle infestation at a cost of \$330. Numerous dead trees were removed from the property mostly on the east end cul-de-sac area.
7. The exterior windows were cleaned in late summer after the staining project was completed for \$2275.
8. Several roof leaks occurred as result of the heavy snow and ice damming, and related interior unit repairs were completed for a cost of \$3022.

Following the summary of the completed projects and a brief question and answer period, Mr. Magliocchetti conveyed the results of the financial statement of operation for the association for 2008.

The General Operating Fund for 2008 had a year-end deficit of \$19,878.65. The primary reasons for the deficit were unfavorable variances in the Repairs and

Maintenance, Common Area Custodial, and Insurance accounts. A new account was added for the cold temperature monitoring fees which had an unbudgeted expense of \$1575. The 2008 year-end deficit was offset by operating equity of \$5,839 as a result of previous years' surpluses. All members dues are current at this time. The Reserve Fund Balance as of December 31, 2008, after deducting 2008 capital replacement expenses of \$82,596.73 totals \$170,635.58. These Funds are held in dedicated and secure Money Market accounts with E-Trade and Certificates of Deposit at Alpine Bank in Dillon. The current interest rate being paid on the E-Trade accounts is about 6%. The Certificates of Deposit are paying 2.325%

V. Review and Approve the Proposed 2009 Operating Budget.

Mr. Magliocchetti submitted the proposed 2009 General Operating Budget. This budget was scrutinized and approved by the Board of Directors at their December Board meeting. The total budget provides for an increase in funding by 11.81% It should be noted that part of this increase, (\$19,872) represents the deficit from 2008. It was decided that this overage be incorporated as part of the current year budget rather than taking it from reserves or levying a "one time" special assessment. Line item accounts that increased for 2009 are the Repairs and Maintenance account, Common Area Upkeep account, Trash Removal, Cable TV, Snow Plowing, Gas and Electric, and Insurance.

Mr. Magliocchetti explained that the Repairs and Common area account allowances were increased to address anticipated repairs in all common elements now that the project is approaching 12 years old. The Insurance account allowance was based on the actual premium that was renewed in September. This increase was partly affected by the recent loss history from frozen and broken lines. Trash Removal is estimated to go up by 4% due to dump charge fees at the landfill from Summit County. Cable TV is also expected to increase by 5% however the Board is currently researching other options that may be less. Gas and Electric account was increased by 10% to accommodate for increased natural gas costs for the spa operation.

The Annual Reserve Fund Contribution will be \$41,604 in line with the reserve fund budget.

Numerous questions from the group were addressed and answered. A vote was taken and a motion seconded and passed the proposed 2009 Operating Budget as submitted.

The dues schedule will be based on the newly revised allocated interests schedule as outlined in the restated Declarations that take affect on March 4th, 2009. A copy of the entire budget with dues schedule is posted on the association website at www.kttrhoa.com

VI. Old Business

Mr. Stiehl informed the group that the project to restate the old Declarations for the association is just about completed. It was a very lengthy process involving numerous

meetings with the attorneys over the past year. All homeowners were provided a copy of the documents for review and comment as well as all the first mortgages as required by state statute. The only thing remaining is to record the new declarations and they will take effect on March 4th.

A summary of the associations' insurance program was provided in the packet. With the incorporation of the new covenants some of the risks associated with certain losses will now be the responsibility of the unit owner and not that HOA. Mr. Zalkind indicated that he gave a copy of the newly written covenants to his insurance company so that they can amend his policy accordingly. Mr. Stiehl recommended that each owner do the same so that the unit owner policy carries the appropriate coverage.

Mr. Zalkind also gave a brief report on the Keystone Shuttle system and informed the group that nothing substantial has changed. The SRV HOA does not currently have the service and it is unlikely that this will change in the near future. The resort has made a request to the PUC to suspend its common carrier permit citing that it felt there was no need to a community wide public bus service. He indicated that the board recently wrote a letter to the Public Utility Commission expressing its opinion that the community is in need of a public transportation system.

VI. Election of Board Members

Mr. Zalkind and Mr. Stiehl were both up for re-election. There were no nominations or interest submitted with the proxies and after solicitation from the group, there was no interest or nominations from the floor. Both incumbents agreed to serve for another term and therefore they were re-elected by acclamation of the members.

VII. Old Business

The Board of directors have recently been researching with an internet supplier, Resort Internet Service to obtain wireless internet for the property. The company has recently given the board a proposal for the service which includes a plan for everyone to participate and or an opt in plan. The prices appear to be favorable however, before any decisions will be made, the board will seek input from the general membership from a survey that will be sent out by E-mail this week. There were several questions raised by the group concerning the access codes, security, etc which the board talked about in length. Comcast, the current cable provider is also making a competitive bid for this service.

Mr. Collins prepared an internet survey for the general membership with a list of questions encompassing service levels, performance of the board and management company, and opinions about the property that is being sent out this week. Each homeowner will have 10 days to respond to the questionnaire. These responses will be used as a basis for decisions the board will make concerning the direction that will be taken concerning these various topics.

John Gardiner express a concern that the entry door kick plates that were installed several years ago are in need of attention and Mr. Magliocchetti agreed to look into this and address the problems.

Mr. Magliocchetti informed the group that the original hot water storage tanks, now almost 12 years old, are beginning to leak. Several have already been replaced. The board directed Mike to obtain quotes form a plumber to have protective drain pans installed to protect the floor decking and/or adjoining units from possible tank failures.

VIII. New Business/ Open Discussion

The results of the exterior staining project this year were not as attractive as in past years. The reason for this change is because the age of the cedar siding and tannins within the wood are causing black spots on various areas around the project. According to the paint manufacturers rep from Diamond Vogel, this condition can be corrected however the process is multi staged, lengthy and much more expensive. This raises the question as to whether or not it is more desirable to restore the condition of the siding to its transparent natural cedar tone look, or consider going to a more opaque color such as a semi solid stain or even a solid stain. Since this issue has a significant affect in the overall appearance of the exterior of the property, the board has decided to include this opinion as feedback from the membership in the survey. The choice for the next staining, expected to take place in two to four years will be determined from the input provided form the owners group.

Mr. Magliocchetti recommended that every owner consider installing carbon monoxide detectors in their units as a warning for carbon monoxide poisoning. All the units at SRV have fossil burning fuels for the boiler, ranges and gas fireplaces. A plug in, battery back up CO2 monitor will help guard against this risk in the event of an appliance failure. He also indicated that there is currently a bill being proposed in the state legislature that if passed, will require CO2 detectors in all rental properties.

There being no further business to discuss, the meeting was adjourned at 10:45AM

Respectfully Submitted,

Mike Magliocchetti
Property Manager

