

**THE SUMMIT RESIDENTIAL OWNERS ASSOCIATION
ANNUAL OWNERS MEETING
January 14, 2010
3:00 pm MST**

Management Company
Present: Reed Meredith, Evergreen Management Inc.

Summit Members Present or Represented by Proxy:

<u>Member Present</u>	<u>Lot(s)</u>	<u>Percentage</u>
Patrick McNamar	33	2.38
Phil Price	22	2.38
Craig Batchelor	13	2.38
Pete Chamberland	2,3	4.76

Members Represented By Proxy:

Sherman St Holdings (proxy McNamar)	25,7,34	7.14
Travis Morrison (proxy McNamar)	10	2.38
Grayson Connor (proxy McNamar)	21	2.38
Don Baker (proxy McNamar)	24	2.38
Gerard Broccolo (proxy Pat McNamar)	5	2.38
Hoenecke (proxy McNamar)	8	2.38
John Burke (proxy Molly Sloan)	39	2.38
Richard Harper (proxy McNamar)	26	2.38
Ian Fisher (proxy McNamar)	27	2.38
Steven Csutoros(proxy Chamberland)	37	2.38
Gerry Broccolo (proxy McNamar)	5	2.38

TOTAL REPRESENTATION 42.84

Present By Telephone: Richard Harper

Roll Call: A quorum was established with 18 out of 42 lots, 42.84% of the votes entitled to be cast represented either in person or by proxy at the meeting. Summit Bylaws require 20% of votes entitled to be cast be present for a quorum to exist. Proof of notice was submitted as being sent to all owners on December 17, 2009, 29 days prior to today's meeting.

The following motion was made and seconded:

MOTION: To waive the reading of minutes of the previous owners meeting held January 28, 2009 and approve as written
Vote: Unanimous Approval

Report of President or Officers: None

Report of Manager:

Reed Meredith presented the Fiscal year-end 2009 financial statements. The December 31st balance sheet shows total assets of \$95,624.77 and total liabilities of \$24,119.33. The ending fund balance at December 31st was \$71,505.54. The December 31st P & L report showed that the association completed the 2009 fiscal year \$24,970.38 favorable to budget. Savings in the line items of capital improvements (\$8,559.35), Contract Labor (\$1,350.00), Landscaping (\$4,507.00), and Legal (\$5,370.00) contributed to this positive outcome.

Richard Harper asked about the pre-paid special assessment funds being held by the association and shown on the Balance Sheet as a liability. Reed Meredith reported that the \$12,142.85 liability represents payments made by the title companies on behalf of the seller's at sale closings for lots 11 and 16. The title companies collected the lots' share of a possible \$150,000.00 retaining wall assessment. In addition, the seller of lot 16 placed an additional \$5,000.00 in escrow for any future special assessment. Attorney Jon Schumacher has advised that he believes that the funds belong to the original seller's of these lots as the special assessment was never approved by the board and levied. However, Schumacher indicated that written approval to release the funds should be obtained from the current lot owners (buyers). The Summit has not been successful in obtaining such written approval. Harper stated that he believed that The Summit should turn this issue over to attorney Schumacher in order to settle this issue. The owners present noted that any legal fees pertaining to the return of said monies should be deducted from the refund.

Election of Directors:

Board Terms of Don Baker and Pete Chamberland expire at this meeting.

Board VP Pat McNamar opened the floor for director nominations.

Richard Harper nominated both Pete Chamberland and Don Baker for 3 year terms on the board. Nominations were closed.

Vote: Unanimous Approval.

Pete Chamberland and Don Baker elected for terms expiring 2013.

Unfinished Business:

Craig Batchelor asked if there was an update on the Nevada Ridge development. Pat McNamar responded that, according to the town, Nevada Ridge has not paid any of their property taxes and the property is heading to foreclosure. Pat has tried to contact Mt CB Town Planner Bill Racek but he is out of town at this time.

Phil Price stated his concern that Nevada Ridge is not maintaining their property as they should be. Pat McNamar will contact the town to determine if the town will utilize the Nevada Ridge performance bond to rectify problems with the retaining wall and maintain the fencing.

Discussion began regarding the Lots delinquent in payment of 2009 association dues, Lots 19, 23, and 9. Richard Harper stated that he believed that lots 19 and 23 were in foreclosure. Reed Meredith reported that the Summit had recorded liens against these lots but that a lien does not guarantee payment in the case of foreclosure. Reed will contact Summit attorney Jon Schumacher concerning this issue.

New Business:

Pat McNamar began a discussion of the 2010 Summit budget previously approved by the Summit board. Richard Harper explained that the board had cut operating expenses significantly for 2010 in an effort to create a balance budget. The approved budget shows a net income of \$8,685.24 for 2010. In addition, Harper noted that the board had decided to maintain annual dues at the same level in order to build reserve funds for possible future capital projects.

The following motion was made and seconded:

MOTION: to approve the 2010 Summit Association budget, as previously approved by the board of directors, and to ratify the actions of the board in the past year.

Vote: Unanimous Approval.

Discussion ensued regarding the grooming of the Summit's skier access by Crested Butte Mountain Resort (CBMR). Reed Meredith reported that he had met with CBMR Mountain Manager Mark Voegeli regarding CBMR's grooming of the skier access into and out of the Summit. Voegeli has informed the Summit that, due to existing obstacles in the skier access, and the fact that many non-summit guests are using the summit skier access, that CBMR may have to discontinue grooming for liability reasons.

The owners felt that the grooming of the skier access is extremely important and that any possible steps should be taken to alleviate CBMR's concerns.

Discussion ensued regarding the disrepair of the fencing on Nevada Ridge property which blocks the area above the retaining walls. The owners present felt that the city of Mt Crested Butte has an obligation to maintain this fencing in light of the performance bond.

Phil Price suggested that stronger signs, stating NO Trespassing, be placed at the Summit ski access entrance. In addition, Phil felt that the Summit should be willing to pay the CBMR ski patrol to install and monitor fencing.

Pat McNamar and Reed Meredith will contact CBMR and indicate that Summit wants to be good neighbor and will do whatever it takes to clean up the area and maintain skier access.

Discussion ensued regarding the town's plowing of the Summit roads and depositing snow in front of the skier access trails.

Phil Price began a discussion of linking mountain bike trails from end of black diamond to the red lady lift?

Pat McNamar stated that he was not sure that the granted skier access easement that goes out on lots 3 and 4 is an access that could be used for bike trails. It may only be a skier access trail for winter time use. Pat will check into.

The date of the next annual meeting was set as January 13, 2011.

There being no further business, the meeting was adjourned at 4:20pm.

Respectfully Submitted,

Approved By,



Reed J. Meredith, Recording Secretary



Pat McNamar, President, The Summit R.O.A.