

**THE SUMMIT RESIDENTIAL OWNERS ASSOCIATION
MEETING OF THE BOARD OF DIRECTORS
January 30, 2007
Immediately Following the Owners Meeting**

Board Members Present: Pat McNamar
Beverly Baker

Board Members present by Telephone:

Don Baker
Fred Hallett

Owners present in person: Chris Smith

Owners present by telephone: Mark Miller

Management Company Present: Reed Meredith

The board meeting was called to order at 4:28pm. A quorum was established with 4 of 5 Board Members present. Proof of notice was submitted as being sent on January 9, 2007.

The following motion was made and seconded:

MOTION: To approve the minutes of the Summit Board meeting held July 11, 2006.

Vote: Unanimous Approval

Election of Board Officers:

The following motion was made and seconded:

**MOTION: to elect Beverly Baker as President
Pat McNamar as Vice President
Fred hallett as Secretary Treasurer**

Vote: Unanimous Approval

Reed Meredith presented the year end financial statements at this time. The December 31, 2006 Balance Sheet showed total assets of \$123,759.37 and total liabilities of \$55,715.75. The Profit & Loss statement showed that the association completed the year favorably to budget by \$19,188.43. This favorable outcome is due to the non expenditure of items budgeted for 2006 expenditures including: Retaining Wall Construction(\$150,000) and Purchase of 40' easement land (\$70,500). Legal fees were significantly over budget, totaling \$92,300.83. The Due to/from worksheet shows that the current escrow account balance is \$85,506.61. The escrow liabilities total \$105,642.79. These liabilities include:

\$15,000.00 Board of Directors advance to the association
\$12,142.85 Lots 11 and 16 prepayment of special assessments not collected
\$70,499.94 Assessment collected for purchase of the skier access land
\$ 8,000.00 Clean-up deposits

Reed Meredith reported that he anticipates that approximately \$17,000 will be available to transfer from the operating account to the escrow account once 2007 dues are collected. The remaining shortfall has been budgeted in the 2007 budget and will be added to the escrow account once it is received.

Discussion ensued regarding the escrow accounts. The \$12,142.85 liability represents payments made by the title companies at closings for lots 11 and 16. The title companies collected the lots' share of the \$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.

Fred Hallet suggested that these monies be returned to title companies for them to disburse back to the seller and buyer as they deem.

Beverly Baker will get a legal opinion from Jon Schumacher as to this disbursement.

The following motion was made and seconded:

MOTION: To contact the Title Companies for direction on the return of the escrow monies received for lots 11 and 16.

Vote: Unanimous Approval.

The following motion was made and seconded:

MOTION: To officially cancel the previously approved \$150,000 special assessment for the retaining wall.

Vote: Unanimous Approval

The following motion was made and seconded:

MOTION – To transfer funds from the operating account to the escrow account as available, in order to fund the escrow liabilities.

Vote: Unanimous Approval

The following motion was made and seconded:

MOTION – To bill the homeowners for the 2007 dues assessments per the approved 2007 budget. Assessments will be due 30 days from the mailing date after which, penalties and interest will accrue.

Vote: Unanimous Approval

Discussion ensued regarding the delinquent accounts.

The board directed the manager to begin lien proceeding against any lot more than 6 months in arrears.

The board discussed the delinquency of lot 35. Reed Meredith reported that the owner of Lot 35 has previously contended that the board should not charge any late fees or penalties, and had asked several times that the board consider removing these fees from his account. The lot owner has inferred that the board has agreed to do this. The board reaffirmed that they had never agreed to waiver of these fees and stated that it would be unfair to do so, given that other owners had paid on a timely basis. Furthermore, the board members had advanced additional monies to the association to cover operating costs, which may not have been necessary had all owners paid on a timely basis.

The following motion was made and seconded:

MOTION: To maintain the penalties and interest charged to lot 35 and to continue such interest until the balance is paid.

Vote: Unanimous Approval

Discussion ensued regarding Summit lot 9. Several board members indicated that it was currently under contract. The board directed the manager to contact realtor Glenna Galloway, to ensure that this delinquent account is paid upon closing.

The following motion was made and seconded:

MOTION: To refund the clean-up deposit held on lot 39.

Vote: Unanimous Approval

The following motion was made and seconded:

MOTION : To accept and approve of the year end financial statements 2006.

Vote: Unanimous Approval

The following motion was made and seconded

MOTION: To ratify the actions of managing agent during the previous year

Vote: Unanimous Approval

The board expressed their thanks and gratitude to Reed Meredith and Evergreen Management Inc. for their professional management of the Summit Association.

New Business

Discussion of the association capital improvements took place at this time.

Fred Hallet stated that he would like to approve the use of the \$45,000 for re-grading the internal skier access.

Discussion ensued regarding the exact location of the skier access trail. The board agreed that the intention is to complete work on trail from the hairpin turn, up the road, with the rocks that we have and to spend the \$45,000 to see how far we can get.

The following was made and seconded:

MOTION: To allocate up to \$45,000 for construction of the lower summit road ski trail and that we authorize the association president or vice president to make payments up to that amount.

Vote: Unanimous Approval

Fred Hallet stated that he would like Buckhorn Geotech to review the Cowherd drawings and concur that the retaining wall and engineering is sufficient.

Beverly Baker indicated that she would contact Summit owner Jeff Hermanson concerning the skier access impact on his lots and will meet with Richard Harper.

Pat McNamar will obtain the ski access plans from Kent Cowherd.

Beverly Baker will write a letter to town concerning the Nevada Ridge relocation of landscaping once Summit has closed on the land purchase of tracts A and B.

Beverly Baker sated her intention to review the Summit Bylaws and make suggestions for changes at the next meeting.

Board members complimented Beverly Baker on all of her work on the Nevada Ridge issues during the past year.

Beverly Baker thanked Fred Hallett and Pat McNamar for the enormous amount of time and effort they spent on the Nevada Ridge issues during the past year.

There being no further business, the meeting was adjourned at 5:15pm.

Respectfully Submitted,

Accepted By,

Reed Meredith, Recording Secretary

Beverly Baker, President
The Summit Owners Association Board of Directors