

**CINNAMON RIDGE III
ANNUAL MEETING MINUTES
JULY 10, 2004 – 9AM**

I. CALL TO ORDER

The meeting was called to order by Fred Davison at 9:10am. Present at the meeting were the following:

B103/ 104 – Kathy and Larry Glover

B202 – Robert Easterly

B302/ C312 – Fred Davison

C111 – Michael Johnston

C211 – Roger Frame

D123 – Steve Carson

D221 – Grant Hogarth

D223 – Helen Schendl

D222 – Michael Black - via phone

Represented in Proxy were:

C311, C213, C214, D121, D122, D124, D222, C313

With 18 units represented in person and by Proxy, a quorum was reached.

Representing ResortQuest were Natrisha H. Williams, Bryan Vaille and Reed Hoffmier.

II. PROOF OF NOTICE

Notice of the meeting was sent to all owners in accordance with the declarations and bylaws of Cinnamon Ridge III.

III. REVIEW ANNUAL MEETING MINUTES

The 2003 Annual meeting minutes were reviewed and approved unanimously.

IV. PRESIDENTS REPORT

Fred Davison presented his presidents report. He outlined some of the structural changes with ResortQuest as well as changes on the Board of Directors. There were two positions open on the Board due to resignations by Jim Shaw and Frank Schrage. Mr. Davison went through a list of projects that were pending including painting and boiler repairs.

V. FINANCIALS

Natrisha Williams provided a financial review as of June 30th, 2004. Overall, we are under budget by about \$3000.00. An explanation was provided for each line item. Items that were over budget were Legal Fees, Gas, Electric, Repairs and Maintenance, Upper Spa Repairs and Maintenance and Cable. Fred Davison explained that legal fees were used to update and re-file the Articles of Incorporation. Natrisha Williams provided explanations of why these items were over budget. She also went through gas prices and the possibility of switching to another gas company, Kerr McGee. She further explained that with Kerr McGee we could lock into a fixed price or go with the Index for a period of 1 -2 years. Mike Johnston proposed that she negotiate a contract for a shorter amount of time with the chance to renegotiate once gas prices dropped.

Bob Easterly and Mike Johnston recommended that the money saved on snow removal should be used for more snow removal this winter if needed.

Common Area cleaning was under budget. Mike Johnston expressed his satisfaction with the maintenance on the common areas by Bryan and Jose.

VI. MANAGING AGENTS REPORT

Natrisha Williams went through a list of items that were completed by the management team. This included daily check of the hot tubs, trash walks, shoveling and grounds maintenance. Weekly maintenance included light bulbs checks, boiler and mechanical room checks and security checks. Security checks are completed once every two weeks in the summer and once a week in the winter. It was also added that ResortQuest maintenance will no longer perform in unit maintenance (unless HOA related) to units not on the ResortQuest rental program.

Natrisha also went through the structural changes at ResortQuest and pointed out contact information of ResortQuest personal in the meeting packet. Fred Davison noted that there was also included in the packet of material professional resumes of Natrisha H. Williams and Shedd Webster, the general manager of ResortQuest, Summit County. Kathy Glover added that she was satisfied with the performance of ResortQuest.

VII. OLD BUSINESS

- A. Dumpster gate - Dumpster gates were added in May and cost \$1500. Fred Davison and Larry Glover said that they were pleased with the outcome and asked that owners stop by and look at the new gate.
- B. Wetlands Walkway – Natrisha Williams gave an update of the walkway together with an explanation of the decision made by the Board of Directors at Cinnamon Ridge III. The Board has decided and has sent a letter to the other Associations involved that Cinnamon Ridge III will not be involved in any repair, maintenance or reconstruction of the bridge. It was decided after reviewing the Forstfire's insurance policy that Frostfire was covered for any liability with regards to the Bridge. Natrisha explained that bids were received to remove and rebuild the bridge in excess of \$80,000 and that Cinnamon Ridge III would likely be responsible for more than 50 % of the cost. The ownership was informed that Frostfire was interested in proposing a plan to remove the bridge and split the cost with all associations. It was decided that Cinnamon Ridge III would not share in this expense. Mr. Carson asked if metal railings were considered and Mr. Frame questioned whether building code would have to be met on the bridge. Mr. Davison responded that this was an issue for the Frostfire Board as Cinnamon Ridge III was no longer involved. Mr. Easterly suggested that if Cinnamon Ridge III were to assist in the funding of the removal, the amount should not exceed more than \$300.00.

- C. Fireplaces – All fireplaces were inspected in March. Fred Davison asked that Natrisha obtain inspection reports from Frisco Fireplace, the company who completed the inspections.
- D. Boilers – Natrisha explained that we currently have 3 bids to complete repairs on the boiler system. Due to discrepancies in the bids, board members will meet with the contractors to obtain the best prices. Fred Davison added that work would be completed before the winter season set in.

VIII. NEW BUSINESS

- A. Special Assessment – Larry Glover covered reasons behind a special assessment. He explained that a special assessment was discussed at last year's annual meeting where the ownership was notified that the Board would decide on a special assessment in 2004, if needed. He explained that a special assessment was needed due to the addition of the dumpster gate, complex painting and the boiler repairs. The Board has always tried to maintain the reserve at no less than \$50,000. The special assessment would be used to build back the reserve account to \$50,000 by mid year 2005. The assessment would be due on August 15th and to be received no later than August 30th 2004.
- B. High Speed Internet – Natrisha Williams explained that at the request of some owners, Mr. Davison had asked that she obtain bids for high speed internet access for the complex. Three bids were received ranging from \$3500 to \$8685 for installation and monthly fees ranging from \$15 to \$35. An analysis was included in the meeting packets. Natrisha thanked Mike Black for putting the analysis together. The Board informed the ownership that they did not feel installation was necessary or feasible at the time. Fred Davison asked that Natrisha include in the minutes other options and telephone numbers for owners who were interested in obtaining high speed internet access for their own individual units. High speed service will perhaps be re-reviewed next year.
- C. Painting – The painting is scheduled for July 15th to August 15th. Window washing will be completed once painting is completed. Fred Davison explained that the painting is being done 2 ~ 3 years earlier than anticipated since the previous contractor had warranted the painting for 8 years. However, the contractor went out of business and it was decided that the painting should be completed this year to prevent further deterioration of the complex.

IX. ELECTION OF DIRECTORS

Fred Davison reiterated the need to replace the two members that have resigned. He also expressed surprise that owners had not come forward to serve on the Board. Mike Black, whose term was up for reelection, was reelected to the Board. There were still two position vacant left open by the resignations of Frank Schrage and Jim Shaw. He asked that Natrisha include

with the minutes a letter soliciting owners who would be interested in serving on the board. The board would decide once resumes were received. As Frank Schrage had resigned before his term was up, the person replacing him would serve a one year term. Following the annual meeting, the Board members met with Grant Hogarth (D221). Mr. Hogarth has agreed to accept appointment to fill the one year left in Frank Schrage's term on the Board. The other open term would be a three year term.

X. NEXT ANNUAL MEETING DATE

The next annual meeting date was set for July 9, 2005 at 9am.

XI. ADJOURNMENT

With no further business, the meeting was adjourned at 11:30am.

Approved By _____ Date: _____
Board Member Signature

Respectfully submitted by:
Natrisha H. Williams