

Agate Creek Preserve Homeowners Association

***c/o Double H Management
1125 Lincoln Avenue, Box 774444
Steamboat Springs CO 80477***

CERTIFICATE OF MAILING

Double H Management, being the duly authorized representative of the Agate Creek Preserve Homeowners Association does hereby certify that on October 19, 2018, it distributed the attached Notice of Meeting addressed to the Members of the Association by deposit in the United States mail, properly stamped, and to their addresses as shown in the records of the Association, together with the indicated attachments thereto.

Steamboat Springs, CO

Agate Creek Preserve Homeowners Association

*c/o Double H Management
1125 Lincoln Avenue, Box 774444
Steamboat Springs CO 80477*

October 19, 2018

NOTICE OF THE ANNUAL MEETING OF MEMBERS

TO: THE MEMBERS OF THE AGATE CREEK PRESERVE
HOMEOWNERS' ASSOCIATION

PLEASE BE ADVISED that the Annual Meeting of the Agate Creek Preserve Homeowners Association will be held at 3:00 p.m. local/Mountain Time on Friday, November 9, 2018, in the conference room of Alpine Bank, 1901 Pine Grove Road, Steamboat Springs CO 80487.

The agenda for this year's Annual Meeting is as follows:

1. Roll call
2. Presentation of proof of Notice of Meeting;
3. Reading of minutes of preceding meeting;
4. Reports;
5. Election of inspector of election (if required);
6. Election of Members of the Executive Board;
7. Review and ratification of budget for the 12 month fiscal year ending December 31, 2019;
8. Unfinished business
9. New business: a: Informational review of other matters, if any, which have arisen since the 2017 Annual Meeting; and b. Questions, discussion and other business.

Please let me know if there are any items which you wish added to the meeting agenda. The proposed budget for the next ensuing fiscal year is attached to this Notice and will be available at the Meeting and will prior to the meeting be posted on our Association website.

I very much hope to see you at the Annual Meeting, but if you are not able to attend, may I please stress the importance of returning a proxy, a form of which is enclosed.

Very truly yours,

Albert R. Dowden
President

Agate Creek Preserve Homeowners Association

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1125 Lincoln Avenue, Box 774444
Steamboat Springs CO 80477*

**AGENDA FOR THE ANNUAL MEETING OF MEMBERS
NOVEMBER 9, 2018**

1. Roll call
2. Presentation of proof of Notice of Meeting
3. Reading of minutes of preceding meeting
4. Reports
5. Election of inspector of election (if required)
6. Election of Members of the Executive Board
7. Review and ratification of budget for the 12 month fiscal year ending December 31, 2019
8. Unfinished business
9. New business:
 - a. Informational review of other matters, if any, which have arisen since the 2016 Annual Meeting;
 - b. Questions, discussion and other business.

AGATE CREEK PRESERVE HOMEOWNERS ASSOCIATION
DRAFT: 2019 ANNUAL BUDGET (2018-10-17)

Total budgeted Income	\$ 93,590
Total budgeted Expense	\$ 52,270
Net Income	\$ 41,320

INCOME

Regular Assessments	\$ 40,000
Reserve Assessments	\$ 8,000
Water User Assessments	\$ 8,000
Water Base Assessments	\$ 12,190
Water Reserve Assessments	\$ 15,000
Road Fee	\$ 10,000
Architectural Fee	\$ 300
Interest Income _	\$ 100
Total Income _	\$ 93,590

EXPENSES

Operating Costs

Admin/Management	\$ 3,000	
Licenses and fees	\$ 50	
Insurance Liability	\$ 750	
Insurance D & O	\$ 1,000	
Tax preparation	\$ 350	
Legal	\$ 12,000	water matters
Office supplies/postage	\$ 100	
Website	\$ 300	
Fencing	\$ 6,500	
Fire Mitigation	\$ 2,000	
Landscaping	\$ 1,000	
Road maintenance	\$ 3,000	
Snowplowing	\$ 6,000	
Mosquito/weed control	\$ 500	
Electric-entrance light _	\$ 350	
Total Operating Costs	\$ 36,900	

Water Costs

Water base costs

Stagecoach lease	\$ 870	
Repairs/maintenance _	<u>\$ 5,000</u>	tank cleaning
Total water base costs	\$ 5,870	
Water user costs		
Operator	\$ 5,500	Bruce Thompson
Supplies	\$ 1,500	
Electric _	<u>\$ 2,500</u>	
Total water user costs	\$ 9,500	
Total water costs	\$ 15,370	
Total expenses	<u>\$ 52,270</u>	
NET INCOME	\$ 41,320	

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October 19, 2018

TO THE MEMBERS OF THE AGATE CREEK PRESERVE HOMEOWNERS
ASSOCIATION:

PLEASE BE ADVISED that a meeting of the newly elected Executive Board of the Association will be held immediately following the conclusion of the 2018 Annual Meeting of the Association on Friday, November 9, 2018 and in the same place as the Annual Meeting, for the purpose of electing officers of the Association for the ensuing year and to conduct such other business as may come before the meeting.

All members of the Association are cordially invited to attend this meeting of the Executive Board.

Very truly yours,

Albert R. Dowden
President

AGATE CREEK PRESERVE HOMEOWNERS ASSOCIATION
MINUTES OF THE ANNUAL MEETING
NOVEMBER 8, 2017

The Annual Meeting of the Agate Creek Preserve Homeowners Association (the "Association") was on due notice called and held at 3:00 p.m. on Wednesday, November 8, 2017 at the offices of Alpine Bank, 1901 Pine Grove Road, Steamboat Springs CO 80487.

Rick Dowden, President of the Association, served as Chair and Sue Swain served as Secretary of the meeting.

Following a roll call of members the Chair announced that:

- Members present in person were: Russ Atha, Rick Dowden, Anne Krieg, Joe Robbins and Sue & Ted Swain.
- Present by telephone was Erik Luke.
- Present by proxy were: Connie & Randy Dean, Jeffrey M. Frient, H. Pat Hezmall, Bill Keith, Juaquin Ketchbaw, Todd Lair, Sheila & Phil McClure and Thomas Oliver.
- Also present by invitation were Sue and Hans Hochreiter from the Association's management company, Double H Management.

Therefore the Chair announced that as there was a total of thirteen (out of sixteen) members present or voting by proxy, a quorum was present and the meeting was duly organized. He then presented the proof of Notice of Meeting which was ordered appended to these minutes.

The Chair then turned to the reading of the minutes of the 2016 Annual Meeting, noting that draft minutes had been previously distributed to the members. On motion duly made, seconded and unanimously adopted, reading of such minutes was waived and they were unanimously approved as presented.

The next order of business was the presentation of reports:

1. Financial Report. Joe Robbins, the Association's Treasurer, distributed the Association's current financial statements as well as a copy of the proposed budget for calendar 2018 as approved and recommended by the Executive Board. He noted that the financial statements and the draft budget had been previously distributed to the members. He then asked Hans Hochreiter to comment on the financials. Hans reviewed the

Association's Balance Sheet and Profit and Loss Statement and noted that the Association was in a very sound financial position. He also noted that the Association was current on its required tax filings.

2. Water Committee. This committee was chaired by Nancy Jarchow who, with the recent sale of her lot, no longer remained a member of the Association. Rick noted that Nancy had served for some years and Secretary as well as Chair of the Water Committee and that she had rendered enormous service to the Association and would be greatly missed. It was the unanimous direction of the meeting that the Chairman convey to Nancy on behalf of all the membership sincere thanks for all her excellent assistance over the many years of her involvement. Rick then proceeded to report that there were no changes in the water situation during the past year. He noted that Bruce Thompson, who handles water matters for the Association, had now been asked to flush the hydrants several times a year and that we continue to pay close attention to keeping the storage tank cleaned, both of which actions have in the past seemed to have significantly improved the water quality. Also, unlike many times in the past, current users of the water system do not seem to have experienced problems during the past year. He noted that at some point the Association would be legally required to add processing capability well beyond what is currently provided and that the Board continued to research and evaluate that area.
3. Road Committee. Rick then reported that the road continued to hold up well, and that in the past year there had been additional sealing done as well as having a newly applied chip and seal coat. The approximately \$41,000 cost of the chip and seal was appreciably reduced by having the job done in connection with similar work being done on lower Elk Lane and in Country Green.

The Chair said that the next order of business was the election of an inspector of election but that election was postponed pending determination of whether an inspector would be required.

The Chair then turned to the election of members of the Executive Board. He announced that the following members had been put forth for election and they were duly nominated: Russ Atha, Randy Dean, Rick Dowden, Juakin Ketchbaw, Anne Krieg and Sue Swain. The Chair then asked if there were any further nominations. There being none, the Chair declared the slate as nominated to have been elected to serve for the ensuing year and until their successors shall be duly elected.

Rick noted that two prior Board members were retiring, Bill Keith and Phil McClure and noted that both had provided excellent counsel and support to the

Board during their tenures. The members expressed their sincere thanks to Bill and Phil for all of their considerable efforts on behalf of the Association.

The Chair then asked Joe Robbins, as Treasurer, to present the proposed 2018 budget, which Joe then did. Joe noted that there were only a few very small changes from the 2017 budget which he reviewed and that the budget as here presented had been unanimously approved by the Board and was recommended for approval by the Members. On motion duly made, seconded and unanimously adopted, the proposed budget for 2018 as presented was approved.

The Chair then stated that as reflected in the Notice of Meeting the Board was proposing amending Article 21.1 of the Declaration of Covenants, Conditions, Restrictions and Easements to increase the time for completing construction from 18 months to 24 months. The Chair noted that the purpose of that provision was to the extent practicable to prevent derelict construction being left unfinished, but that given local winters as well as considerable problems from time to time in securing necessary workers it would be fairer and to extend the maximum time to 24 months. He added that this change was unanimously recommended by the Board following in depth discussion.

Following discussion and on motion duly made, seconded and unanimously adopted it was:

Resolved, that Article 21.1 of the Association's Declaration of Covenants, Conditions, Restrictions and Easements is amended to provide a period of twenty four months rather than eighteen months for the completion of construction; and it was

Further Resolved that the officers of the Association be and they hereby are authorized and directed to take such action as may be necessary to implement and record the action taken.

The next item on the agenda was to deal with any unfinished business, of which none was brought to the attention of the meeting.

Continuing to new business, the Chair said that he was unaware of any new business which had not already been covered in the meeting. He asked if anyone else had any new business and

There being no further business to come before the meeting it was duly adjourned.

Respectfully submitted,
Sue Swain
Secretary of the Meeting

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PROXY FOR THE 2018 ANNUAL MEETING:

The undersigned, being (a) member(s) of the Agate Creek Preserve Homeowners' Association do(es) hereby designate _____ to serve as my/our proxy to cast my/our vote in any matter coming before the 2018 Annual Meeting of the Association.

Print name(s) of Member(s)

Signature(s) of Member(s)

Date: _____ Lot(s) Owned _____

To be effective, proxies must be presented at the Annual meeting, which can be done by anyone in attendance. Proxies sent to Albert R. Dowden, by mail to PO Box 774000—PMB #222, Steamboat Springs, CO 80477 or by email to rdowden@sprynet.com , and received prior to the Meeting, will be so presented.