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## RECORD OF PROCEEDINGS

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### HORSE MOUNTAIN ESTATES HOMEOWNERS ASSOCIATION, INC. Annual Meeting of the Members May 12, 2011 at 3:30 p.m.

Pursuant to written notice (Exhibit A) dated April 4, 2011, the 2011 annual meeting of the Members of the Horse Mountain Estates Homeowners Association was held at the offices of Traer Creek, LLC, 0101 Fawcett Road, Suite 210, Avon, Colorado.

Roll Call: In lieu of a roll call, a sign in sheet, which all those in attendance were requested to sign, was circulated to verify those present in person or represented by proxy. In addition to the following directors and officers in attendance were Kathy Cole, Howard Schmidt and James Wilkins (FirstBank).

#### Association Directors and Officers:

- Daniel J. Leary – President (present)
- Paul Doughty – Vice President (not present)
- Eric Applegate – Secretary (present)
- David Lucero – Treasurer (present)
- Chuck Gongaware – Director (not present)

1. **Call To Order.** Mr. Leary took the chair and having determined that a quorum was present called the meeting to order.

2. **Approval of 2010 Minutes.** The minutes from the 2010 Annual Meeting were included in the meeting packets. Mr. Applegate motioned to approve of the 2010 Minutes, Mr. Leary seconded. The motion carried unanimously.

**RESOLVED** to approve the 2010 minutes and all actions of the Board of Directors taken during 2010.

3. **2010 Financials and 2011 Budget.** The financials for the year ending December 31, 2010 and the proposed budget for 2011 were included in the meeting packet. There were questions about the reimbursement of Tom Howard for the additional amount of \$1,350. Mr. Howard was already paid \$1,000 for a total of \$2,350.05 for gate repairs. A discussion was held regarding the continuing problem with the gate and the expense of repairs. Ms. Cole would like to see it repaired and kept in good condition. Mr. Leary noted that the budget has \$1,000 for repairs. Mr. Schmidt suggested that it be fixed one time and then use other means, maybe leave the gate off altogether. Owners don't want a lock and chain. Mr. Applegate motioned to approve 2010 financials and 2011 budget. Mr. Leary seconded. The motion carried unanimously.

**RESOLVED** that the 2010 financials and 2011 budget are approved.

4. **Assessments.** After discussion, it was unanimously

**RESOLVED** that assessments for 2010 would be set at \$0.

5. **Accounting.** Mr. Leary informed the Members that the firm of Novosad Lyle Associates, P.C. will continue to handle the accounting and billing of assessments on behalf of the Association. The current contact at the firm is Susan Tulk.

6. **Election of New Directors.** A discussion was held regarding replacement for Board members Dan Leary and Eric Applegate, whose terms expire in 2011. Mr. Lucero nominated Mr. Leary for a new three year term. All were in favor with one opposed. Mr. Leary nominated Mr. Applegate for a new three year term. All were in favor with one opposed. As a result the following individuals comprise the Board of Directors:

Daniel Leary-President (term expires 2014)  
Eric Applegate- Secretary (term expires 2014)  
Paul Doughty- Vice President (term expires 2013)  
Chuck Gongaware- Director (term expires 2013)  
Dave Lucero- Treasurer (term expires 2012)

7. **Design Review Guidelines.** The following members will continue to serve on the Architectural Control Committee:

- Chuck Gongaware
- Kyle Gosnell
- Daniel Leary
- David Lucero
- Eric Applegate

8. **Other Business.**

**Delinquent Assessments:** A discussion was held regarding owners who are delinquent in dues for 2010 (and Blackwood for 2008 and 2009). Although these liens have super-priority, due to the costs that would be associated with enforcing a lien in the amount of \$150, this would not be cost effective. Accordingly, it was decided not to pursue collection at this time.

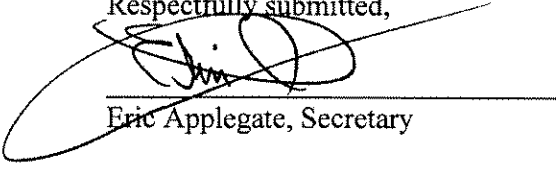
**Road Grading:** Mr. Leary noted that the roads had been graded 20 to 30 feet on the edge of the road which was done without the permission of property owners.

**Weed Spraying:** Kathy Cole discussed that the HOA should reimburse the Traer Creek Metropolitan District for the cost to spray for weeds. Kathy will give Mr. Leary a copy of a letter requesting reimbursement for those costs.

9. **Adjournment.** There being no further business before the Association, by motion duly made and seconded, it was unanimously

**RESOLVED** to adjourn the annual meeting of the Horse Mountain Estates Homeowners Association this 12 day of May, 2011. Copies of these minutes shall be included in the meeting packets for the 2012 meeting.

Respectfully submitted,



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Eric Applegate, Secretary