

In order to establish a quorum and conduct business of the Association it is essential that you designate someone to act on your behalf at the meeting if you can not attend. Please mail this form to Capstone Townhouse Association, c/o Vistar Real Estate, Inc., 635 N. Frontage Road, #1, Vail Colorado 81657, or fax it to 970-476-5026 prior to the meeting date.

### PROXY

I, \_\_\_\_\_ (your name), a voting member of the Capstone Townhouse Association, do hereby-designate the President of the Capstone Board or \_\_\_\_\_ (someone else), to act on my behalf, in my absence, in all matters coming before the Capstone Townhouse Association on their meeting of 2008.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Unit: \_\_\_\_\_

# Capstone Townhouse Association

## Notice of Annual Meeting

(To be delivered not less than 10 nor more than 50 days in advance)

November 17, 2008

5:00 PM

Unit #4

Maria and Marc LeVarn Residence

### AGENDA

Roll Call – Verification of Proxies/Establish Quorum  
(33% of members = 1.98 owners present)

1. Robert's Rules of Order –for speed and courtesy
  - a. Motion to open discussion.
  - b. Second to the motion is required
  - c. Discussion on the motion
  - d. Vote on the motion
  - e. Only reports by officers, manager, or motions and their votes will appear in the association minutes!
2. Management Company Report – Dale Bugby
  - a. Vail Resort Rentals/Vistar Real Estate
  - b. Financial report
    - i. bank balances
    - ii. balance sheet
    - iii. income statement
    - iv. accounts receivable

3. Old Business
  - a. Approval of minutes from meeting 10/29/07
  - b. Approval of minutes from meeting 4/30/08
  - c. Approve IRS tax document for reserve funds
4. New Business
  - a. Approval of budget for 2008-09
  - b. Other issues from members
  - c. Election of Officers (3 persons / 1 year term)  
Current Board
    - i. Phyllis Dickson – President
    - ii. Bob Boymer – Secretary
    - iii. Marc LeVarn – Treasurer
  - d. Adjourn
5. Refreshments

Enclosures:

Budget Notes

YTD Financials

Proxy Form

Capstone Townhouse Association  
 c/o Vistar Real Estate, Inc.  
 635 N. Frontage Road, #1  
 Vail CO 81657

AS OF 10/31/08

DOLLARS

## ASSETS

## CURRENT ASSETS

1000	Checking #9045	1000.00
1100	Reserves	108.07
1200	Savings #3159	425.03
1400	Accounts Receivable	1700.00

ASSETS	TOTAL	3233.10
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## LIABILITIES

## CURRENT LIABILITIES

2000	Business Accounts Payable	2373.64
2899	Clearing For Transfers	0.00

LIABILITIES	TOTAL	2373.64
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## EQUITY

## OWNER EQUITY

3000	Current Year Income	859.46
3100	Retained Earnings	0.00

EQUITY	TOTAL	859.46
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TOTAL LIABILITIES AND EQUITY		3233.10
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Capstone Townhouse Association  
 c/o Vistar Real Estate, Inc.  
 635 N. Frontage Road, #1  
 Vail CO 81657

IN DOLLARS

	<i>YTD</i> ACTUAL 11/01/07 TO 09/30/08	<i>YTD</i> BUDGET 11/01/07 TO 09/30/08	<i>PRIOR</i> BUDGET 11/01/07 TO 10/31/08	<i>PROPOSED</i> BUDGET 11/01/08 TO 10/31/09
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INCOME

INCOME

5000 Association Dues	20400.00	20400.00	20400.00	22400.00	
5100 Interest	74.43	100.00	110.00	70.00	
5200 Miscellaneous	0.00	0.00	0.00	0.00	
5300 Special Assessment	18000.00	18000.00	18000.00	0.00	
INCOME	TOTAL	38474.43	38500.00	38510.00	22470.00
GROSS PROFIT (LOSS)		38474.43	38500.00	38510.00	22470.00

EXPENSES

EXPENSES

4000 Accounting	300.00	300.00	300.00	300.00	
4050 Bank Fees	0.00	45.84	50.00	50.00	
4100 Electric - Commons	161.36	146.67	160.00	240.00	
4150 Income Taxes	0.00	0.00	0.00	0.00	
4200 Insurance	718.86	0.00	6000.00	7600.00	
4250 Landscaping - Commons	0.00	0.00	0.00	0.00	
4300 Legal Fees	100.00	0.00	0.00	0.00	
4350 Maintenance - Grounds	5084.59	5458.34	5500.00	240.00	
4400 Maintenance - Buildings	21939.43	13940.00	14040.00	1200.00	
4450 Management Fees	1650.00	1650.00	1800.00	2130.00	
4500 Miscellaneous	40.00	0.00	0.00	0.00	
4550 Office Expense	0.00	91.67	100.00	120.00	
4600 Snow Removal	0.00	0.00	0.00	0.00	
4610 Snow Plowing	2275.00	2610.00	2610.00	3000.00	
4650 Trash	1203.38	996.00	1090.00	1200.00	
4700 Water & Sewer	2726.32	2510.00	2740.00	3120.00	
EXPENSES	TOTAL	36198.94	27748.52	34390.00	19200.00
NET PROFIT (LOSS)		2275.49	10751.48	4120.00	3270.00

## **Capstone Townhouse Association Budget Notes 2007-2008**

- Association Dues** This is the anticipated dues collection. An increase of 10% is proposed to the Board. The increase is warranted due to two years of operating deficits caused by the roofing project and the painting project that ran slightly over the special assessments. There are currently no operating reserves to rely on.
- Interest** Interest is earned on existing savings accounts.
- Miscellaneous** No budgeted income is planned for late fees.
- Special Assessment** No special assessment for special projects is budgeted.
- Accounting** Budget figure includes annual tax return preparation.
- Bank Fees** Checking account fees or new bank deposit books.
- Electric Commons** Common exterior lighting.
- Income Taxes** None anticipated. HOA only pays taxes on other sources of income, not dues.
- Insurance** The current policy is with State Farm Insurance for the structure of the buildings and hazards, and liability. Each owner should carry liability and content insurance for their own unit interiors and furnishings. Premiums were raised in 2008 to reflect increased property and replacement values.
- Landscaping** The Association members care individually for their lawns.
- Legal Fees** No significant legal fees are projected.
- Maintenance Grounds** Repairs to the property outside the building.
- Maintenance Buildings** This account is for repair to the common elements of the buildings. No significant projects are planned.
- Management Fees** This is the monthly property management fee charged by Vistar to provide accounting and management services. There has been no increase in fees since Vistar started in 2001. The new budget has a \$30 per month rate increase.
- Miscellaneous** Nothing budgeted.
- Office Expense** This budget amount will cover postage costs, printing and stationary supplies for the Association.

Snow Shoveling      The Association does not customarily shovel snow by hand.

Snow Plowing      Fees for a plowing contractor are a flat monthly rate for five months. Loader work to move excess snow is billed hourly depending upon need.

Trash      Monthly contract rate plus added pick up fees.

Water & sewer unchanged.      Costs for water are still increasing. Consumption appears unchanged.

Net Profit (Loss)      A budgeted gain of \$3,270 remains similar to last year. This money will be added to reserves if we are able to stay on budget.

Fiscal Year      The fiscal year of the Association is from 11/1 to 10/31 each year.

Reserve Fund Balance      We will update you annually as to the reserve fund balance placed in to a separate bank account. No transfer was made in prior years. The current reserve bank balance is \$108.07.

**Capstone Townhouse Association  
Minutes of the Annual Meeting**

**October 29, 2007**

<b>Unit</b>	<b>Proxy Given To</b>	<b>Here in Person</b>
1		Dickson
2	LeVarn	
3		Nadler
4		LeVarn
5	LeVarn	
6		Boymer
<b>Totals 6 of 6 Present</b>	2	4

**Roll Call, Call to Order and Verification of Quorum**

Dale Bugby, as manager of the Association verified the proxies and a quorum was established at 5:17 PM

**Notice of Meeting**

Notices of the meeting were mailed to all members of record on October 13, 2007.

**Old Business**

Approval of annual meeting minutes held 10/30/2006. Motion passed.

**New Business**

**Vistar Real Estate gave a management report by Dale Bugby its President.**

The balance sheet showed a savings account balance of \$22,899 as of 9/30/2007. Final payment of the roofing replacement is still unpaid of approximately \$19,000 to Turner Morris Roofing. There was a \$60,000 special assessment this past year to replace all of the roofs. Work on that project was completed in September. All of the skylights were raised and the clear domes replaced. Added insulation was added to the roof to increase the R value and reduce energy costs. The roof drains in units 4 and 6 were also replaced. A settlement was obtained from Master Sealers roofing of \$4750.00 for the shoddy work they did on units 1&2 a few years back. Financially the Association is \$6,770.36 ahead of the planned budget for 2007 as of 9/30/2007. \$2,600 is currently due from homeowners on their dues. The proposed budget for 2008 remains the same. Insurance costs have finally lowered. No dues increase is planned. The building does need to be painted in 2008 however.

**Budget Approval.** A motion was made to approve the budget for 2008. There will be no dues increase for operations. An added painting assessment is probable for 2008. The Board will meet to review bids in the spring of 2008. Motion passed.

A motion was made to retain any excess funds from 2007 and apply those funds to the reserve fund. Motion passed.

Unit 5 exterior painting was not approved by the Board. The entire building will probably be painted in 2008 to make everything uniform.

A Board meeting was set for April 8, 2008 at 5:00PM in unit 4 to discuss paint bids and the potential need for a painting assessment.

A motion was made to thank Bob Boymer on his successful efforts to rezone the complex. Each condo should be able to expand their floor plan by up to 607 square feet if approved by the Association and the Design Review Board. Motion passed.

The parking lot needs to be seal coated. Work should be done in May.

The next annual meeting was scheduled for October 28, 2008

**Election of Three Board Members.** Nominations for Board members were taken. Marc LeVarn, Bob Boymer, and Phyllis Dickson were nominated. All three were elected to one year terms. The Board voted to elect officers as follows: Phyllis Dickson, President. Bob Boymer, Treasurer. Marc LeVarn, Secretary.

**Motion to Adjourn.** The meeting was adjourned at 6:40 PM

The minutes of this meeting were hereby approved by the Membership on this date:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Date

[www.capstonehomeowners.com](http://www.capstonehomeowners.com)

Has all of the Association documents recorded on the site for viewing.

**Capstone Townhouse Association  
Minutes of the Special Board Meeting**

**April 30, 2008**

**Roll Call, Call to Order and Verification of Quorum**

In attendance. Bob Boymer, Marc Levam. Members in attendance, John Nadler. The meeting was held in unit 4 and started at 3:10PM.

**Notice of Meeting**

Notices of the meeting were sent by email to the Board.

**Old Business**

State Farm Insurance looked at the property at our request and came up with a new replacement value based upon \$340 p.s.f. A revised premium is forthcoming.

**New Business**

The building needs to be painted. Estimates from contractors ranged from \$10,226 to over \$19,000. Some wood siding and railings also need to be replaced. Estimate for that cost is under \$1,000. A motion was made to special assess the membership \$3,000 per unit to cover the cost of painting and sealcoating the parking lot. Motion passed unanimously. Vistar agreed to lower their fee to 5% on the project. Notice of the assessment and dues billing will go out on 5/1. Paint colors were discussed and a tour of other buildings was undertaken. A final paint scheme will be determined.

**Motion to Adjourn.** The meeting was adjourned at 3:44PM

The minutes of this meeting were hereby approved by the Membership on this date:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Date