

**Capstone Townhouse Association**  
**Minutes of the Annual Meeting**  
**12/19/2002**

The notice of meeting was mailed by regular mail on December 12/1/02 by Vistar Real Estate

Roll Call:           Members present  
                  Phyllis Mango Unit 1  
                  Maria LeVarn Unit 4  
                  Bob Boymer Unit 6

                  Proxies present  
                  None

Quorum was established at 6:30 PM of 33% of the members (1.98 required) and the meeting called to order

**Old Business**

Minutes from the meeting of 12/28/2001 were approved.

**New Business**

2003 Budget approval. The 2003 budget was reviewed. Due to a significant increase in water costs of 35% and a huge increase in insurance premium cost of 91% (\$2681.00) it is imperative that a dues increase be implemented. Effective with the next quarterly billing a \$125 per unit per quarter dues increase was approved. Without the dues increase there would be a deficit of approximately \$3,000 per year for the Association. Motion to approve the budget passed.

Chateau Tramonte snow plowing. The neighbors above Capstone have failed to maintain the landscape plan, specifically a tree at the end of their driveway. Snow is being dumped on to Capstone's property. A motion was approved to file a formal complaint with the Town of Vail.

Election of officers. (3 persons for a one year term.) Current Board members, Bob Boymer, President; Phyllis Dickson, Secretary; Marc LeVarn, Treasurer. A motion was made to re-elect the current Board. Motion passed.

**Vistar Real Estate Management Report**

Roof replacement on units 1&2 was completed. State Farm Insurance paid the cost due to ice damage. Repairs to units 1&2 were included ceilings, drywall, carpeting and paint. The roof cost was \$21,500 of the total \$67,162.81 State Farm paid \$67,292.52 which exceeded our bills and deductible cost of \$1000 due to a later negotiated billing settlement with Dowlings restoration. In effect the Association gained \$129.71 and paid no deductible. Capstone also received a new roof on 1/3 of the project.

Roof drain improvements. Due to the ice and water build up on the lower roofs of units 1&2 we found that the roof drains were only tied to an underground gravel field. When drainage exceed the capacity of the gravel field we had a back up onto the roofs of units 1&2 because they were the lowest of the six roofs. A new roof drain pipe was extended to the city storm sewer. Capstone paid the cost to lay the pipe and repair the asphalt. All six units should be safer from water damage in the future. Three cleanouts were also added.

Monument sign. During the roof drain repairs we located an attractive rock while digging and saved it. The backhoe driver placed it for us at no additional cost. The street address was added later. Total cost was under \$200 for a monument sign that could have easily cost over a thousand.

Trash enclosure. Repairs to the concrete pad were made during the summer. Metal plates were added to the enclosure corners and the concrete patched to prevent shifting of the building. The interior of the trash enclosure was painted.

Jennifer Henise. Several letters were sent to the Colorado licensing board of CPAs. Jennifer Henise was evidently not a member or CPA.

Insurance adequacy. The replacement coverage for the structure is \$2,372,400. Capstone is approximately 11,496 square feet. This equates to a \$206.37 psf in coverage. This is for the structure only. Each homeowner should have contents and liability coverage separately. The replacement value would only apply to a total loss and is deemed adequate at this time.

Water meter. The Eagle River Water and Sanitation Department replaced the flow meter with a new one. They determined there is no flow restricter on the complex. We are getting full pressure available. Maybe too much. Any units experiencing low water pressure can only be caused within their plumbing valves.

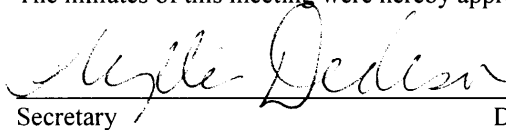
Corporate status. Capstone had failed to file the necessary annual reports in prior years. The corporate status of the Association has been reinstated. The annual filing fee is \$5.

Financial reports. Bank statements, balance sheet, income statement and accounts receivable reports were distributed. No one is in arrears.

Annual meeting change. Due to the meetings falling during the Christmas holidays when everyone's schedule is full it was decided to move the annual meeting to the first Thursday in August each year. The next annual meeting will be 8/7/2003. Time and place to be determined.

Motion was passed to adjourn at 7:25 PM

The minutes of this meeting were hereby approved by the membership:

 9/18/03  
Secretary Date