

**MINUTES OF THE ANNUAL MEETING  
OF  
THE COTTAGES AT SILVER STAR OWNERS ASSOCIATION**

December 4, 2009

The annual meeting of The Cottages at Silver Star Owners Association was held on December 4, 2009 at the offices of Resorts West, 1795 Sidewinder Drive, Park City, UT.

**Attending in person:**

Rory Murphy, President  
Chris Connabee, Trustee  
Steve Perkins, Silver Star Property Manager  
Gavin Dalton, representing Resorts West  
James Ballstaedt, representing Resorts West  
#40 Ricky Tichman

**Attending via telephone conference:**

#21 Bonnie Quigley  
#31 Gregg Moss  
#40 Alex Smith  
#41 Jim DeMarco  
#47 Mark Ginocchio

The meeting was called to order at 1:05 PM MST by Mr. Rory Murphy.

Minutes of the annual meeting held December 5, 2008 were reviewed. Upon a motion duly made by Mr. Gregg Moss and seconded by Mr. Ricky Tichman, the minutes were approved as written.

**Financial:**

Mr. Gavin Dalton, Resorts West Controller, presented the Balance Sheet as of September 30, 2009. The Reserve Account will be funded according to the monthly budget. A few owners' dues are in arrears. The HOA is paying its bills.

Mr. Steve Perkins, Silver Star Property Manager, discussed the Profit & Loss statement through September 30, 2009.

Overall the HOA is on budget.

Labor, administrative, supply, and insurance expenses are all under budget.

Contract services are over budget due to snow removal and landscape maintenance. The landscaping budget has been altered due to allotting incorrect amounts last year to the different HOAs. Project wide, the amount was correct, just not correct for each HOA's specific use. Snow removal for The Cottages includes the road from the top down to the edge of the parking lot. It also includes hand shoveling the driveways, sidewalks, front walks, roofs, and the clubhouse stairs and walkway.

Utility costs will probably run to budget due to the lift running full time this year. The lift has the required telephone lines and fire system.

### **2010 Budget:**

The Cottages Owners Association, despite adding the lift and clubhouse, will have no dues increase this year.

Mr. Perkins noted that this is the first full year of operation with the lift operating in December. This will enable him to develop some history, making the budgeting process easier in terms of forecasting. The same monetary amount will be budgeted this year as in 2009. There will be a Master Association increase (administrative expense) primarily due to the combined water and sewer expenses. He will continue to look for other areas of savings in the sub-associations. Just under \$10,000 has been budgeted for the Reserve Fund.

Proposed capital expenditures: Repairs on some driveways and staining of several cottages that show signs of sun fading.

At least two cottages changed hands last year. The question of where the transfer fees go was raised. Mr. Murphy stated that transfer fees go to the Master Association budget, as defined by the CC&Rs. Mr. Murphy noted that a cottage sold last year sold for \$3.4, during the height of the financial crisis. He believes that the Cottages are by far the most sought after pieces of the Silver Star project.

A motion to approve the 2010 operating budget for the Cottages was duly made by Mr. Moss and seconded by Mr. Tichman. The motion carried.

A motion to approve the proposed 2010 capital expenditure budget of \$10,000 for concrete repair and staining and painting of siding and decks for the Silver Star Cottages Owners Association was duly made by Mr. Moss and seconded by Mr. Tichman. After discussion, motion carried.

Discussion: Staining will be done in-house as much as possible. Concrete repair will be contracted to a third party. The heat tape and gutters were re-done last year - as much as was fiscally prudent. As part of the landscaping project this year, cobble rock was placed between the cottages to deal with the problem of mud splashing against windows – about 60% completed. The remainder will be done next year. This will help alleviate the water mitigation without adding to the utility expense. The roofs are in good shape.

### **Election of Trustees:**

There is one position open for a one year appointment. It is not mandatory to fill this position. Mr. Gregg Moss expressed interest. A motion to accept the nomination of Mr. Moss to the Board of Trustees was duly made by Mr. Chris Connabee and seconded by Mr. Tichman. The motion carried.

### **The Cottage Lift and Locker Room:**

Locker Room: Mr. Perkins wants direction from owners as to how they want the locker room operated. Benches have been added and a table and chairs have been placed on the 2<sup>nd</sup> floor. Lockers are numbered by owner address. Mr. Perkins will e-mail locker combinations this week. Mr. Murphy noted

that the locker is a great amenity for rental guests. It keeps skis out of the units, helping to prevent damage.

Lift: Will be ready to go by the weekend of December 18<sup>th</sup>. Maintenance will open the lift at 8:00 Am and close at 5:00 PM each day. It appears unlikely that PCMR approval will be required to ski down to the Silver Star chairlift before PCMR is open. Mr. Perkins will have signage to inform guests that there is no PCMR ski patrol available before or after the resort's official hours. Mr. Murphy stated that liability issues preclude the use of the lift after hours.

Discussion ensued as to which amenities should be offered at the clubhouse. The decision to monitor the situation through the first quarter was decided upon.

Codes for owners to use the lift are available. Owners need to inform Mr. Perkins via e-mail of their desired 4 digit code. Each code will be assigned to the owner and his/her immediate family. Rental guests will be assigned a guest code. The only people who are permitted to use the Silver Star lift are Cottage owners and their guests.

Parking issues were discussed – the possibility of non Silver Star people parking illegally and using the lift was mentioned. Silver Star leaves a warning note on the vehicle and if the behavior continues the vehicle is towed. Mr. Murphy and Mr. Perkins expressed confidence that the situation can and will be handled effectively.

#### **New Business:**

Water main break: Question was raised as to its financial impact. There was no financial impact. It was a slow leak and there was no way to quantify it. It did not register on the meter.

A larger leak a year ago resulted in Silver Star receiving a credit of \$1,500 from the water company when Mr. Perkins disputed the bill.

#### **2010 Meeting Date:**

Mr. Murphy suggested piggybacking next year's meeting with the Master Association meeting which will take place on Dec. 3, 2010. A motion was duly made by Mr. Connabee to have the Cottages next annual owners meeting piggyback the Master Association meeting on December 3, 2010 and seconded by Mr. Tichman. The motion carried.

The meeting adjourned at 1:40 PM.