

**Minutes Celadon II Property Owner's Association  
July 31, 2010**

The meeting was called to order by President Monte Miller at 10:00 a.m.

A quorum was in attendance or by proxy as follows:

Carl Adams (Proxy to Miller, lot 12)	Don and Diane Becket (lots 7, 14 and 20)
Jerry and Suzanne Blumberg (lot 19)	Bryan Hondru for Celadon Develop. LLC (lot 24)
Sharon and Brian Clark (lot 15)	Robert Daniels (Proxy to Miller, lot 25)
Charles Dickson (Proxy to Kringel, lot 8)	Kathy Gates (lot 18)
Bryan Hondru (lot 11)	Susan Jancar (lot 13)
Kris Kringle for Justice LLC (lot 17)	Ed Miccolis (Proxy to Miller, lot 23)
Mark Williams (Proxy to Clark, lot 16)	Word Wilson (Proxy to Miller, lot 10)
David Shaw (Proxy to Miller, lot 9)	Durrell LLc (Proxy to Jancar, lot 22)

The reading of the July, 2009 minutes was waived.

The Celadon II POA Financial Results and 2011 Budget, which was distributed before the 07/31/10 meeting, was discussed by those in attendance. It included the 2009 actual, 2010 (6 month) vs. the 2010 twelve month budget and the 2011 proposed budget, which assumed a monthly dues reduction from the current \$650 to \$575, effective 01/01/11.

After much discussion mainly revolving around questions raised by Susan Jancar (lot 13) and Kris Kringle/Fred Arnold (lot 17) it was agreed to form a "Cost Reduction Committee" comprised of The Executive Committee (Miller, Adams and Hondru) and Jancar/Kringle. A few weeks after the 07/31 meeting Susan Jancar requested detailed information concerning various expense items both historically and contained in the 2011 budget. The requested information was provided to Jancar/Kringle in mid September, but as of this writing (10/28/10) they have not formally responded. Thus The Executive Committee has decided to move forward with a slightly revised budget and these minutes from the 07/31/10 meeting.

Attached is a copy of the prior year(s) Results/2011 Budget that was reviewed/discussed at the meeting with hand noted numerical changes, developed by The Executive Committee, yielding additional 2011 budgeted net expense reductions of approximately \$6,000 and a corresponding increase in the "annual reserve" (3<sup>rd</sup> line from the bottom) to \$15,630\*. The main reason for the net expense reduction was the subsequent purchase of a 2010 Dodge truck and three way plow which reduced the "maintenance/snow blower" expense item by \$5,000 (50%). The 2011 revised budget now needs to be voted on by the lot owners. Thus, **please respond to this e-mail with a "yes" or "no" approval vote.**

The manager's salary is to remain at its current level and a \$1,500 bonus is to be paid in August and an additional \$1,500 at Christmas. The preceding was approved with Jancar and Kringle dissenting.

Don Becket informed the meeting that a variance application was being made to the La Plata County Planning Department concerning Lot 14 (location of the manager's house) currently being leased by the POA from Don, the developer. If approved the POA will enter negotiations with Don concerning the value of the manager's house and if possible ownership transfer to the POA.

It was unanimously agreed that The Executive Committee would investigate options for the POA's purchase of a newer truck (i.e. current Ford F350 truck is 13 years old) and a plow. Subsequently, by an e-mail vote of 15 to 3, with one non-vote, a combination truck/plow was purchased (2010 Dodge and new triple plow).

A notice will be sent in the spring 2011 regarding government regulation required lot owner noxious weed control.

Brian Clark outlined the snow removal protocol agreed on by Brian and Grant Smith (manager). Any vehicles that become stuck in the snow will be given the phone number of a towing service in order to not interrupt the POA's Celadon and Celadon II snow removal activity.

The 2010 emergency maximum \$1,000 per lot owner Executive Committee majority vote assessment option was approved.

\* A discussion was held regarding the need for generating, via an "annual reserve" expense charge, a separate account to accumulate funds for future capital needs, specifically an estimated \$100,000 for road chip sealing around 2020 and the probable need for replacing equipment such as the 2010 Dodge truck and 2001 Bobcat and new snow blower, all purchased in 2010. It was agreed that the preceding is appropriate.

The meeting was adjourned at 12:00 noon.

Sincerely,  
The Executive Committee.