



## RECORD OF PROCEEDINGS

### ASPEN HIGHLANDS VILLAGE ASSOCIATION

- Held:** 4:00 p.m. on October 25, 2011 at 0197 Prospector Road, Suite 2105, Aspen Highlands Village, Aspen, Colorado.
- Call to Order:** A meeting of the Board of Directors of the Aspen Highlands Village Association, in the County of Pitkin, State of Colorado, was called to order at 4:03 p.m. A quorum of Directors was present, including:
- Milton Stewart, President & At-Large Director  
Ron Chauner, Commercial Director  
Mark Pisani, Deed Restricted Director  
Nicholas DiMeglio, Commercial Director  
Jordan Sarick, Commercial Director  
Residential Director Adam Goldsmith was absent  
Residential Director Vacancy
- Also present:** Gary L. Beach, Association Manager  
Roy M. Saba, Assistant Manager
- Approve Agenda:** Upon a motion made by Dir. Chauner and seconded by Dir. Pisani, the Agenda was approved by unanimous voice vote, with the addition of a discussion of Association Rules.
- Approve Minutes:** Upon motion made by Dir. Sarick and seconded by Dir. Chauner, the minutes of the November 4, 2010 Board meeting were approved by unanimous voice vote.
- Approve 2012 Proposed Budget:** Dir. DiMeglio advised the Board that he had thoroughly reviewed the budget, agreed that assessments did not need to be raised, and suggested that he had only minor comments to offer. He suggested that the newsletter line item be kept at \$1,000 but that the community may be better served by four one page newsletters than two full color print shop newsletters. A brief discussion of this suggestion showed the Board in agreement. During a discussion of the capital budget, management discussed issues with lighting in the post office and the Board directed management to move \$1,500 of the \$2,000 budgeted for more bike racks to resolve the lighting issues at the post office.

When a question arose about the need to have a reserve study done for the Association, Mr. Beach responded that the only capital items owned by the Association are office equipment and post office boxes and tenant improvements. His opinion is that the need for capital reserves is minor and not commensurate with the cost of a reserve study.

A general discussion of a study to be partially funded by the Association and partially by the District ensued. Dir. Sarick led the discussion and it was agreed that the monies allocated in the 2012 budget should be considered seed money to develop a plan for revitalizing the village core.

**Motion:** Upon a motion made by Dir. DiMeglio and seconded by Dir. Chauner, the proposed 2012 budget was approved, with changes, by unanimous voice vote.

**IRS Ruling  
70-604:**

Following a discussion on the need to adopt this resolution and upon a motion made by Dir. DiMeglio and seconded by Dir. Pisani, Resolution 2011-1 concerning excess revenues, was approved by unanimous voice vote.

**Board Member  
Terms:**

Mr. Beach explained that due to some resignations, reappointments, and a currently existing vacant board seat for Free-Market Residential, that all Board seats are up for election at the end of this year. The seats to be filled are as follows:

At-Large Director - a 3 year term presently filled by Dir. Stewart  
Deed Restricted Residential - 3 year term presently filled by Dir. Pisani  
Free Market Residential - 3 year term presently filled by Dir. Goldsmith  
Free Market Residential - 2 year term presently vacant  
Commercial Director - 1 year term presently filled by Dir. DiMeglio  
Commercial Director - 2 year term presently filled by Dir. Chauner  
Commercial Director - 3 year term presently filled by Dir. Sarick

Mr. Beach asked if all directors would advise him by email of their intent to either continue to serve or to resign from the Board at year's end. He also asked for suggestions of persons that may be willing to serve in the vacant residential director's seat. Jordan Sarick suggested two possible persons and Mr. Beach will follow up with them.

**Manager's Report:** Mr. Beach gave the Board a brief update on the recently settled litigation with General Contractor GE Johnson. Numerous questions were asked about the timing of future repairs and construction and Mr. Beach suggested that if possible the corbel bearing pads and column augmentations would be installed this year but planning on other construction will be held off until next year at the earliest. Much planning

must be in place prior to any future substantial construction commitments being made. Mr. Beach said that to limit impacts to commercial and residential owners, it is likely that a multi-year phased approach would be taken.

Mr. Beach advised that no new construction starts had occurred in 2011 and at this time there were no plans for any construction starts in 2012 in the works. He commented on Ritz Carlton projects that were underway at this time.

**Other Business:** Dir. DiMeglione introduced the matter of reviewing and adopting additional rules to make enforcement of covenants within the village more effective for management. A thorough discussion ensued and the Board was in general agreement that rules should be revised but should not become draconian. Mr. Beach agreed to provide the Board with suggested rule changes and a modified fine schedule prior to the next Board of Directors Meeting. The Board suggested that a meeting in January may be appropriate to discuss this subject further.

Dir. DiMeglione suggested that the Board should adopt an investment policy even though the monies available for investment were not significant. Mr. Beach thanked Dir. DiMeglione for the information he had provided on similar investment policies and said he would review them and draft a policy for presentation to the Board at a future meeting.

**Future Meeting:** The annual meeting of the Aspen Highlands Village Association will be set by email among the Board members. It is proposed that the meeting be held in late December or early January to maximize attendance.

**Adjournment:** Upon a motion made by Dir. Chauner and seconded by Dir. Pisani, the meeting was adjourned at 5:08 p.m.

The foregoing minutes constitute a true and correct copy of the business that came before the Board and the actions taken by the Board at the above described meeting. These minutes were approved by the Board of Directors of the Aspen Highlands Village Association on the date shown below:

By \_\_\_\_\_  
Gary L. Beach  
Association Manager  
Aspen Highlands Village Association

Seal:

\_\_\_\_\_  
Date of Board Approval