

Homestead Owners Association will be holding its annual meeting and election on February 17, 2020 at the Homestead Court Club. The agenda and a proxy form are on the back of this page. Minutes from last years meeting and the 2020 budget are posted on the Association website.

Here at Homestead we look at 2020 as an opportunity to accomplish new and exciting things and to take what we have learned in the past to create a continually improving future. Last year was a busy one in many respects, for both the Board and the community. The items that were consistently discussed at the 2019 Board meetings were: Continued community improvements including a new outdoor tennis court surface, indoor tennis court LED lighting upgrade and Paddle Tennis improvements. We also welcomed a new Tennis Director.

The following segments outline the 2020 budget and remodel loan, information from the Nominating Committee regarding the Board election, an explanation of the Climate Action Plan presentation and an ERWSD water service discussion. These are provided in an effort to clarify some points for the general meeting. If you have any questions please call 970-926-1067 or attend the upcoming Board meeting on February 14, at 9:00am.

The full pro forma operating budget for 2020 and a CPA reviewed financial statement is available at the general meeting and the Association office. Copies will be sent at Association expense, by first class mail to be delivered within five days of receipt of request. Call 970-926-1067.

Budget 2020

Homestead Owners Association prepares its annual revenue and expense budget within the directives of its own governing documents and budgeting policies and procedures. The process begins with general direction from the Board regarding influential factors such as services to be provided within the Association and changes to business operations. The operating budget is traditionally developed by the staff with attention to historical trends in revenue generation, consideration of recent economic factors that may influence revenue or expenses, achievable cost reductions in each department, service levels to be achieved, and staffing levels required. Methods for optimizing revenues while maintaining favorable property owner access and rates were also examined.

For 2020, the Board of Directors approved the budget with no increase to the Homeowners assessment, keeping the dues the same for the seventh year in a row. The capital improvement line item will go to fund the remodel bank loans monthly principle and interest payments and any capital improvements. The budget for 2020 meets the funding obligation of the 2020 reserve study update.

Homestead Court Club Remodel Loan

The 2014-2015 Homestead Court Club remodel cost \$2.7 million dollars to complete. To pay for this project the Board of Directors analyzed our financial picture including existing reserve and capital account balances, 2014-2015 operating budgets, and the reserve study. Funding the project came from three sources: reserve fund, capital improvements fund and a bank loan. While we had enough cash to complete the project, the Board of Directors felt that keeping the reserves properly funded would continue to keep the Association financially healthy for the future.

This meant obtaining a bank loan for \$1.38 million dollars to complete the remodel. The terms were for a 15 year payback schedule.

In 2016, Homestead paid down the loan to \$1.0 million, changed the term to 10 years (5 years shorter) and renegotiated the interest rate down. In 2017, 2018 and 2019 Homestead used excess operating funds to pay down the loan.

As of January 2020 the loan balance is \$425 thousand dollars. Homestead will work to shorten that schedule even further with future operating fund excesses including a proposed \$100 thousand dollar pay down with the 2019 operating budget surplus.

Nominating Committee—Board Candidates

There are two open positions on the Board of Directors up for election at the 2020 general meeting. Matt Drummet and Jim Pyke (incumbents) are re-running this year.

The nominating committee asked the two candidates to submit short bio's for the newsletter. They are listed below.

Matt Drummet

My name is Matt Drummet. My wife, Amy, and I have lived in Homestead for 14 years, and we enjoy raising our children in this family neighborhood. I work at Vail's Mountain Haus as the Director of Sales and Marketing. This position has afforded me the experience of working with a diverse board of directors throughout the years. I have served on the Homestead Board for the last 7 years, and wish to continue my time serving the Homestead community.

Jim Pyke

Jim moved to the Vail Valley as a young child in 1969. He left for several years to attend college but returned in 1992 after receiving a mathematics degree from the University of Colorado, Boulder. He first moved to Homestead in 1999 and lived there for 8 years with his wife and children before moving to Eagle Ranch. He eventually moved back to Homestead in 2014 and has a passion for the community. He and his family are active users of the Club and would like to see the facilities progress and improve to meet the needs of the homeowners.

Climate Action Collaborative

The Climate Action Collaborative for the Eagle County Community is a group of local governments, businesses, schools, special districts and nonprofits tasked to implement the recommendations of the Climate Action Plan for the Eagle County Community. We will be sharing information about the Collaborative, the greenhouse gas emissions profile for Eagle County, and exploring ways in which we can collectively lower our environmental footprint as a community to achieve our climate action goals.

Eagle River Water and Sanitation District

The District will discuss the water and wastewater capital projects and associated rate increases. An informational flyer about the rate increases was included in customers' December billing statements. The presentation will provide context for the increases and show how District rates compare to local and national peers. Staff can also answer other questions that Homestead residents may have.

**HOMESTEAD OWNERS ASSOCIATION INC.
GENERAL MEMBERSHIP MEETING
FEBRUARY 17, 2020
7PM**

Notice is hereby given that a general meeting and election of the Homestead Owners Association will be held at the Homestead Court Club located at 400 Homestead Drive on Monday, February 17, 2020 beginning at 7:00PM. The meeting will be held for the following agenda, election of Directors, and other matters that may come before the Board.

- I Roll Call
- II Proof of Notice or Waiver of Notice
- III Consideration of Minutes from 2019 - Posted Online
- IV Officers' Reports
- V Election of Directors
- VI Matters Pending
Membership Annual Education – HOA Attorney
- VII New Business
Climate Action Collaborative for the Eagle County Community - Presentation by Walking Mountains Science Center

Eagle River Water and Sanitation District - Outreach regarding rate increases and billing changes
- VIII Adjournment

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**PROXY FOR GENERAL MEMBERSHIP MEETING
HOMESTEAD OWNERS ASSOCIATION
February 17, 2020**

The undersigned, being a recorded owner of property at the Homestead, Eagle County, Colorado, does hereby constitute and appoint _____ to act as their proxy, with full power of substitution, to vote for the undersigned at the General Membership Meeting to be held at Homestead Court Club located at 400 Homestead Drive on Monday, February 17, 2020 at 7PM, hereby granting the person mentioned above full power and authority to vote as they might desire, or in the event the undersigned has given written instructions below, then such person shall instead carry out the instructions. For a list of candidates, check the back side of this form or call the club. Written instructions of the undersigned to my proxy are as follows: _____

In the alternative, I hereby instruct my proxy to vote for the following candidates:

- 1. _____
- 2. _____

If no candidate is indicated above this proxy shall be general proxy.

Witness whereof, I have hereunto set my hand this _____ day of _____, 2020.

Signature: _____
Name: _____
Street Address: _____
Member # _____

Recorded owner of Unit # _____, _____ (Association), OR

Lot # _____, Block # _____, Filing # _____, The Homestead

This form must be completely filled out and signed by the RECORDED owner. This proxy will be considered void if illegible, incomplete, owner name does not match our records, or owner account is past due. Homestead is not responsible for distributing mailed/faxed in proxies to proxy holders. Please do not send in your proxy. Thank you.