

**RECORD OF PROCEEDINGS OF THE
STONEGATE VILLAGE BOARD OF DIRECTORS MEETING
FEBRUARY 22, 2016**

MEETING CALLED TO ORDER:

The Board of Directors for the Stonegate Village Owners Association, Inc., met at the Stonegate Community Center on February 22, 2016. Present were: Dave Marshall, Tom McHenry, Frank Silici and Sean Donlin. Also, in attendance was one homeowner member, Jessica Moser and Mark L. Eames, PCAM with PCMS. Director Marshall called the meeting to order at 6:05 p.m. and noted that there was a quorum.

DISCLOSURE OF POTENTIAL CONFLICT INTEREST:

Director Marshall noted that the general disclosure statements for those Board members present at the meeting have been filed on behalf of the members of the Board of Directors as required by Colorado State Statute and are maintained as part of the Association corporate files.

HOMEOWNER MEMBER PUBLIC FORUM:

The homeowner in attendance did not have any public forum items to discuss.

OFFICER REPORTS

RECORD OF PROCEEDINGS:

The first item of business was to review the October 1, 2015 and November 3, 2015 record of proceedings. Upon final review, motion was made, seconded and with no public comment unanimously passed to approve the record of proceedings of October 1, 2015 and November 3, 2015 as presented.

FINANCIAL REPORT REVIEW:

The unaudited financial and delinquency reports through December 31, 2015 were reviewed by the Board. Upon final review, motion was made and seconded and with no public comment, unanimously passed to accept and file for audit the financial and delinquency reports for the months ending through December 31, 2015. The unaudited financial and delinquency reports through January 31, 2016 were reviewed by the Board. Based on discussion at the meeting, management recommended that the Board table action on approving the January 31, 2016 financial and delinquency reports until the next meeting.

LEGAL UPDATES:

The Board reviewed the status of all legal actions that are currently in place and/or pending action with various homes in the community.

COMMITTEE REPORTS:

Modifications Committee: No official report.

10035 Granite Hill Drive-Shed- Appeal/Variance Request: Homeowner from 10035 Granite Hill Drive submitted a letter and was in attendance at the meeting to appeal the decision of the Modifications Committee to install a shed on their lot that exceeds the size requirements per the Community-wide Standards document. Upon review of the information submitted, a motion was made, seconded and without public comment unanimously passed to approve the owners request to install the shed as submitted contingent that the shed is painted to match the body color of the home, lap siding must be used to match the home, roofing material must match the home (home currently has shake shingles so owner is permitted to use composite material that matches as closely to existing material as possible) and must be removed upon the sale or lease of the home.

9959 Millrock Terrace-Shed- Appeal/Variance Request: Homeowner from 9959 Millrock Terrace submitted a letter to appeal the decision of the Modifications Committee to install a shed on their lot that exceeds the size requirements per the Community-wide Standards document. Upon review of the information submitted, a motion was made, seconded and without public comment unanimously passed to approve the owners request to install the shed as submitted contingent that the shed is removed upon the sale or lease of the home.

SALAD Committee: No official report. Mr. Eames noted that he would work with the Association's legal counsel to put together a map of the property surrounding the Stonegate community to try and determine if there is still a need for this committee as it seems that most of the land surrounding Stonegate has already been developed.

Social Committee: The Board requested that Mari Lynott, the Associations Social Coordinator, attend the next meeting to discuss events for 2016 and for future events that they would like to see.

AdHoc Unified Community Trash Service Committee: No official report.

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MANAGEMENT REPORT:

Mark Eames reviewed the correspondence sent out and received for the month. Mark went on to update the Board on the status of all legal activity involving the Association and members in violation of the covenants to the Board of Directors. The Board gave direction to Mr. Eames for responses to several letters of concern, comments pending hearings and/or appeals to the Owners Association.

UNFINISHED BUSINESS:

Community Notice Board Discussion: As a follow up, Mr. Eames noted that he has received the signed letters of acknowledgment from both the Stonegate Village Metropolitan District and the Lincoln Park Metropolitan District that are required for the permitting process for the new signs and that we are just pending the signed letter from NNP II. Mr. Eames noted that another reminder would be sent to NNP II to request that they submit the letter to the Association as soon as possible.

Lincoln Median Update: Based on discussion at the Annual Meeting regarding the condition of the medians on Lincoln Avenue, Mr. Eames reviewed the information that was obtained from Douglas County regarding the median and it was noted that Douglas County does not have any plans to landscape the median. The Board requested that management look at reaching out to both Metropolitan Districts to see if the Districts would have an interest in assisting with funding to enhance the median areas. Mr. Eames noted that a company could do a proposed design plan that could be presented to both Districts as an example of enhancements that can be made. It was determined that before a design is drawn up, that contact should be made with both Districts to see if there is any interest in moving forward with this idea.

NEW BUSINESS:

2014 Draft Audit Report: The Board of Directors reviewed the draft 2014 Audit Report provided by Beichle and Associates. Upon review, a motion was made, seconded and without public comment, unanimously passed to accept the 2014 audit as presented.

ADJOURNMENT:

Motion was made and seconded and in having no public comment unanimously passed to adjourn at 7:55 p.m. The next regularly scheduled meeting of the Board was tentatively set for March 28, 2016 at 6:00 p.m.

IN WITNESS WHEREOF, the foregoing has been duly executed by the Board of Directors as of the 28th day of March 2016.

STONEGATE VILLAGE BOARD OF DIRECTORS

By 
Secretary/Authorized Agent

**RECORD OF PROCEEDINGS OF THE
STONEGATE VILLAGE BOARD OF DIRECTORS MEETING
MARCH 28, 2016**

MEETING CALLED TO ORDER:

The Board of Directors for the Stonegate Village Owners Association, Inc., met at the Stonegate Community Center on March 28, 2016. Present were: Dave Marshall, Tom McHenry, Frank Silici and Debbie Tidler. Also, in attendance was one homeowner member and Mark L. Eames, PCAM with PCMS. Director Marshall called the meeting to order at 6:05 p.m. and noted that there was a quorum.

DISCLOSURE OF POTENTIAL CONFLICT INTEREST:

Director Marshall noted that the general disclosure statements for those Board members present at the meeting have been filed on behalf of the members of the Board of Directors as required by Colorado State Statute and are maintained as part of the Association corporate files.

HOMEOWNER MEMBER PUBLIC FORUM:

One homeowner in attendance to discuss concerns regarding the lack of cross-walks within the community, specifically on Stonegate Parkway between Jordan and Lincoln Road.

OFFICER REPORTS

RECORD OF PROCEEDINGS:

The first item of business was to review the February 22, 2016 record of proceedings. Upon final review, motion was made, seconded and with no public comment unanimously passed to approve the record of proceedings of February 22, 2016 as presented.

FINANCIAL REPORT REVIEW:

The revised unaudited financial and delinquency reports through January 31, 2016 (tabled from February meeting) and the unaudited financial and delinquency reports through February 29, 2016 were reviewed by the Board. Upon final review, motion was made and seconded and with no public comment, unanimously passed to accept and file for audit the financial and delinquency reports for the months ending through January 31, 2016 and February 29, 2016.

LEGAL UPDATES:

The Board reviewed the status of all legal actions that are currently in place and/or pending action with various homes in the community.

COMMITTEE REPORTS:

Modifications Committee: No official report.

SALAD Committee: Mr. Eames gave a brief update to the Board on those land parcels surrounding Stonegate that are currently annexed into the Town of Parker. After his presentation, Mr. Eames stated that he would electronically forward the Board the current Town of Parker annexation map.

Social Committee: Mari Lynott was in attendance to discuss the upcoming social events for 2016 and address any questions from Board of Directors about overall social activities in the community, including the neighborhood events.

AdHoc Unified Community Trash Service Committee: No official report.

MANAGEMENT REPORT:

Mark Eames reviewed the correspondence sent out and received for the month. Mark went on to update the Board on the status of all legal activity involving the Association and members in violation of the covenants to the Board of Directors. The Board gave direction to Mr. Eames for responses to several letters of concern, comments pending hearings and/or appeals to the Owners Association. Mr. Eames noted that he was invited to attend a meeting in April with several Windrift homeowners and a representative from Douglas County regarding continued concerns with the parking from the Mammoth Heights Elementary School. A homeowner on Longstone Drive has a commercial van from Comcast that he has requested a variance to park in front of the home for 9 weeks out of the calendar year. Upon review, a motion was made, seconded and with no public comment unanimously passed to deny the request as it is in direct conflict with the Association's Emergency Vehicle Parking Resolution.

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UNFINISHED BUSINESS:

Community Notice Board Discussion: Mr. Eames noted that he has received the signed letters of acknowledgment from both the Stonegate Village Metropolitan District and the Lincoln Park Metropolitan District that are required for the permitting process for the new signs. Mr. Eames has also met on-site with the sign company to identify locations for all seven (7) new signs. As soon as his office has an update on when the footings will commence being poured for the signs, he will notify the Board.

Lincoln Median Update: Based on discussion at the Annual Meeting regarding the condition of the medians on Lincoln Avenue, Mr. Eames reviewed the information that was obtained from Douglas County regarding the median and it was noted that Douglas County does not have any plans to landscape the median. The Board requested that management look at reaching out to both Metropolitan Districts to see if the Districts would have an interest in teaming up to find an economically reasonable solution to enhance the median areas.

ADJOURNMENT:

Motion was made and seconded and in having no public comment unanimously passed to adjourn at 7:55 p.m. The next regularly scheduled meeting of the Board was tentatively set for April 25, 2016 at 6:00 p.m.

IN WITNESS WHEREOF, the foregoing has been duly executed by the Board of Directors as of the 25th day of April 2016.

STONEGATE VILLAGE BOARD OF DIRECTORS

By *Alma L. Tidler*
Secretary/Authorized Agent

**RECORD OF PROCEEDINGS OF THE
STONEGATE VILLAGE BOARD OF DIRECTORS MEETING
APRIL 25, 2016**

MEETING CALLED TO ORDER:

The Board of Directors for the Stonegate Village Owners Association, Inc., met at the Stonegate Community Center on April 25, 2016. Present were: Dave Marshall, Tom McHenry, Frank Silici, Sean Donlin and Debbie Tidler. Also, in attendance were fourteen homeowner members and Mark L. Eames, PCAM with PCMS. Director Marshall called the meeting to order at 6:00 p.m. and noted that there was a quorum.

DISCLOSURE OF POTENTIAL CONFLICT INTEREST:

Director Marshall noted that the general disclosure statements for those Board members present at the meeting have been filed on behalf of the members of the Board of Directors as required by Colorado State Statute and are maintained as part of the Association corporate files.

HOMEOWNER MEMBER PUBLIC FORUM:

Several owners were in attendance to discuss concerns regarding the Metropolitan District taking away access to the members for the community center and turning it into an office for a new onsite staff program.

OFFICER REPORTS

RECORD OF PROCEEDINGS:

The first item of business was to review the March 28, 2016 record of proceedings. Upon final review, motion was made, seconded and with no public comment unanimously passed to approve the record of proceedings of March 28, 2016 as presented.

FINANCIAL REPORT REVIEW:

The revised unaudited financial and delinquency reports through March 31, 2016 were reviewed by the Board. Upon final review, motion was made and seconded and with no public comment, unanimously passed to accept and file for audit the financial and delinquency reports for the months ending through March 31, 2016.

LEGAL UPDATES:

The Board reviewed the status of all legal actions that are currently in place and/or pending action with various homes in the community.

COMMITTEE REPORTS:

Modifications Committee: No official report.

10283 Rowlock Way-Pergola- Appeal/Variance Request: Homeowner from 10283 Rowlock Way submitted a letter to appeal the decision of the Modifications Committee to require that the pergola be painted or stained the body or trim color of the home as the owner wants to stain it the color of their deck. Upon review of the information submitted, a motion was made, seconded and without public comment unanimously passed to approve the owners request to stain the pergola the deck color rather than the body or trim color of the home contingent that once the exterior of the home is repainted, the entire structure must be painted/stained to match the body color of the home, or upon the sale or lease of the home, whichever may occur first.

15590 Flowerhill Circle-Fencing- Appeal/Variance Request: Homeowner from 15590 Flowerhill Circle submitted a letter to appeal the decision of the Modifications Committee to require that the proposed fence set back of 9' as that would run the fence into a tree on their lot and are requesting approval for a 10.5' set back. Upon review it was agreed to table action on this matter pending confirmation from Mr. Eames on any other reverse corner lots that may have received a variance from the Board in the past for their side yard fence to be extended.

9807 Clandan Court-Shed- Appeal/Variance Request: Homeowner from 9807 Clandan Court submitted a letter to appeal the decision of the Modifications Committee to install a shed on their lot that exceeds the size requirements per the Community-wide Standards document. Upon review of the information submitted, a motion was made, seconded and without public comment unanimously passed to approve the owners request to install the shed as submitted contingent that the shed is removed upon the sale or lease of the home and the exterior portions of the shed must match the exterior materials on the home (color, roofing, etc).

SALAD Committee: No official report.

Social Committee: No official report

AdHoc Unified Community Trash Service Committee: No official report.

Stonegate Village Owners Association

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MANAGEMENT REPORT:

Mark Eames reviewed the correspondence sent out and received for the month. Mark went on to update the Board on the status of all legal activity involving the Association and members in violation of the covenants to the Board of Directors. The Board gave direction to Mr. Eames for responses to several letters of concern, comments pending hearings and/or appeals to the Owners Association. Mr. Eames provided an update to the Board regarding the meeting he attended with several Windrift homeowners and a representative from Douglas County regarding continued concerns with the parking from the Mammoth Heights Elementary School

UNFINISHED BUSINESS:

Community Notice Board Discussion: Mr. Eames reported that work has commenced on all seven (7) new notice board signs. Based upon the current pace of the project and with good weather, the projection is for the project to be completed by the second week of May.

Lincoln Median Update: Based on the current changes coming soon in the management operations for the Stonegate Metropolitan District management has been on hold in reaching out to the District to confirm their interest in teaming up to find an economically reasonable solution to enhance the median areas.

Parker Annexation Update: Mr. Eames reviewed the zoning/boundary map for the Town of Parker that was sent to the Board of Directors based on discussion at the previous meeting.

ADJOURNMENT:

Motion was made and seconded and in having no public comment unanimously passed to adjourn at 7:55 p.m. The next regularly scheduled meeting of the Board was tentatively set for June 27, 2016 at 6:00 p.m.

IN WITNESS WHEREOF, the foregoing has been duly executed by the Board of Directors as of the 27th day of June 2016.

STONEGATE VILLAGE BOARD OF DIRECTORS

By


Secretary/Authorized Agent

**RECORD OF PROCEEDINGS OF THE
STONEGATE VILLAGE BOARD OF DIRECTORS MEETING
JUNE 27, 2016**

MEETING CALLED TO ORDER:

The Board of Directors for the Stonegate Village Owners Association, Inc., met at the Stonegate Community Center on June 27, 2016. Present were: Dave Marshall, Tom McHenry and Frank Silici. Also, in attendance were Bob Rhodes with The Garbage Man and one homeowner member and Mark L. Eames, PCAM with PCMS. Director Marshall called the meeting to order at 6:00 p.m. and noted that there was a quorum.

DISCLOSURE OF POTENTIAL CONFLICT INTEREST:

Director Marshall noted that the general disclosure statements for those Board members present at the meeting have been filed on behalf of the members of the Board of Directors as required by Colorado State Statute and are maintained as part of the Association corporate files.

HOMEOWNER MEMBER PUBLIC FORUM:

One owner was in attendance to request the Boards consideration in looking into the process of amending the governing documents to allow chickens.

GUEST SPEAKER

Bob Rhodes with The Garbage Man was in attendance to update the Board on Large Item Pick-Up and Electronics Recycling Events that took place this month and addressed various inquiries regarding service concerns/comments from the membership that have been brought to the Boards attention.

OFFICER REPORTS

RECORD OF PROCEEDINGS:

The first item of business was to review the April 25, 2016 record of proceedings. Upon final review, motion was made, seconded and with no public comment unanimously passed to approve the record of proceedings of April 25, 2016 as presented.

FINANCIAL REPORT REVIEW:

The revised unaudited financial and delinquency reports through May 31, 2016 were reviewed by the Board. Upon final review, motion was made and seconded and with no public comment, unanimously passed to accept and file for audit the financial and delinquency reports for the months ending through May 31, 2016.

Request to Remove Penalties: Owner at 16915 Cornerstone Lane submitted a written request to have the \$25 fine that was applied to their account removed for a violation regarding a mailbox repair and general landscape concerns. Based upon the information submitted, a motion was made, seconded and without public comment, unanimously passed to approve the owners request to remove the \$25 fine.

LEGAL UPDATES:

The Board reviewed the status of all legal actions that are currently in place and/or pending action with various homes in the community. Mr. Eames reviewed a legal opinion submitted by Rich Johnston regarding an owners concern with their neighbor smoking cigarettes on their deck. Mr. Johnston also provided a legal opinion regarding an on-going neighbor dispute on Millrock Terrace. The Board gave direction to Mr. Eames for responses on behalf of the Owners Association.

RATIFICATION OF ELECTRONIC CONSENT:

The Board of Directors were provided with information for a fence variance request at 15590 Flowerhill Circle that was discussed at the last meeting. Upon review, a motion was made, seconded and without public comment, unanimously passed to ratify the electronic consent to approve the fence placement variance.

COMMITTEE REPORTS:

Modifications Committee: No official report.

10659 Singleleaf Court- Deck-Appeal/Variance Request: Homeowner from 10659 Singleleaf Court submitted a letter to appeal the decision of the Modifications Committee to require that the deck be painted or stained the body or trim color of the home. Upon review of the information submitted, a motion was made, seconded and without public comment unanimously passed to deny the request and request that the owner have the required portions of the deck painted or stained the trim or body color of the home per the guidelines by August 1, 2016.

16301 Rock Crystal Drive-Painting- Appeal/Variance Request: Homeowner from 16301 Rock Crystal Drive submitted a letter to appeal the decision of the Modifications Committee to deny the exterior paint colors submitted as they appeared to similar to adjacent neighbors. Based upon the information submitted, a motion was made, seconded and without public comment unanimously passed to approve the variance as submitted.

9266 Melbourne Court-Painting- Appeal/Variance Request: Homeowner from 9266 Melbourne Court submitted a letter to appeal the decision of the Modifications Committee to deny the exterior paint colors submitted as they appeared to similar to adjacent neighbors. Based upon the information submitted, a motion was made, seconded and without public comment unanimously passed to approve the variance as submitted.

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COMMITTEE REPORTS CONTINUED:

SALAD Committee: No official report.

Social Committee: No official report

AdHoc Unified Community Trash Service Committee: No official report.

MANAGEMENT REPORT:

Mark Eames reviewed the correspondence sent out and received for the month. Mark went on to update the Board on the status of all legal activity involving the Association and members in violation of the covenants to the Board of Directors. The Board gave direction to Mr. Eames for responses to several letters of concern, comments pending hearings and/or appeals to the Owners Association.

UNFINISHED BUSINESS:

Lincoln Median Update: Based on the current changes coming soon in the management operations for the Stonegate Metropolitan District, management has been on hold in reaching out to the District to confirm their interest in teaming up to find an economically reasonable solution to enhance the median areas.

ADJOURNMENT:

Motion was made and seconded and in having no public comment unanimously passed to adjourn at 8:35 p.m. The next regularly scheduled meeting of the Board was tentatively set for July 25, 2016 at 6:00 p.m.

IN WITNESS WHEREOF, the foregoing has been duly executed by the Board of Directors as of the 25th day of July 2016.

STONEGATE VILLAGE BOARD OF DIRECTORS

By *William L. Jidder*
Secretary/Authorized Agent

**RECORD OF PROCEEDINGS OF THE
STONEGATE VILLAGE BOARD OF DIRECTORS MEETING
AUGUST 22, 2016**

MEETING CALLED TO ORDER:

The Board of Directors for the Stonegate Village Owners Association, Inc., met at the Stonegate Community Center on August 22, 2016. Present were: Dave Marshall, Tom McHenry, Sean Donlin, Debbie Tidler and Frank Silici. Also, in attendance were two homeowner members and Mark L. Eames, PCAM with PCMS. Director McHenry called the meeting to order at 6:00 p.m. and noted that there was a quorum.

DISCLOSURE OF POTENTIAL CONFLICT INTEREST:

Director Marshall noted that the general disclosure statements for those Board members present at the meeting have been filed on behalf of the members of the Board of Directors as required by Colorado State Statute and are maintained as part of the Association corporate files.

HOMEOWNER MEMBER PUBLIC FORUM:

Three owners were in attendance. Two of the members came to get an update from the Board on their request to amend the governing documents to allow hens and one member came to discuss parking on the member's cul-de-sac.

OFFICER REPORTS

RECORD OF PROCEEDINGS:

The first item of business was to review the June 27, 2016 record of proceedings. Upon final review, motion was made, seconded and with no public comment unanimously passed to approve the record of proceedings of June 27, 2016 as presented.

FINANCIAL REPORT REVIEW:

The revised unaudited financial and delinquency reports through July 31, 2016 were reviewed by the Board. Upon final review, motion was made and seconded and with no public comment, unanimously passed to accept and file for audit the financial and delinquency reports for the months ending through July 31, 2016.

LEGAL UPDATES:

The Board reviewed the status of all legal actions that are currently in place and/or pending action with various homes in the community.

COMMITTEE REPORTS:

Modifications Committee: No official report.

10370 Longleaf Drive- Shed-Appeal/Variance Request: Homeowner from 10370 Longleaf Drive submitted a letter to appeal the decision of the Modifications Committee regarding the unapproved shed they have installed on their lot that does not comply with the requirements per the Community-wide Standards document. Upon review, it was unanimously agreed that the homeowner will need to seek another location on their lot to install the shed and submit that for consideration to the Modifications Committee.

15651 Crystallo Drive-Painting- Appeal/Variance Request: Homeowner from 15651 Crystallo Drive submitted a letter to appeal the decision of the Modifications Committee to deny the exterior paint colors submitted as they appeared to be similar to adjacent neighbors. The owner was in attendance at the meeting. Based upon the information submitted and after a lengthy discussion, the owner agreed to resubmit with an alternate paint scheme.

SALAD Committee: No official report.

Social Committee: No official report

AdHoc Unified Community Trash Service Committee: No official report.

MANAGEMENT REPORT:

Mark Eames reviewed the correspondence sent out and received for the month. Mark went on to update the Board on the status of all legal activity involving the Association and members in violation of the covenants to the Board of Directors. The Board gave direction to Mr. Eames for responses to several letters of concern, comments pending hearings and/or appeals to the Owners Association.

Stonegate Village Owners Association

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UNFINISHED BUSINESS:

Lincoln Median Update: Based on the current changes coming soon in the management operations for the Stonegate Metropolitan District, management has been on hold in reaching out to the District to confirm their interest in teaming up to find an economically reasonable solution to enhance the median areas.

Owner Request to Amend Declarations to Allow for Chickens: Mr. Zawadowski was in attendance at the meeting to request the Board's consideration in moving forward with the amendment process to allow for chickens in the community. It was determined that before any formal action be taken by the Board, a survey will be put out to the community to see what the level of interest would be.

NEW BUSINESS:

2017 Budget Review: Mr. Eames and Director Silici reviewed the proposed 2017 budget draft with the Board of Directors. Upon review, a motion was made, seconded and without public comment, unanimously passed to approve the 2017 budget (Attachment A) which will be included in the official notice of the Annual Meeting that will be sent to all homeowners of record.

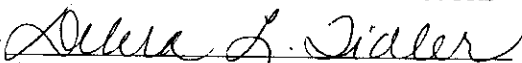
Annual Meeting Preparation: Mr. Eames noted that the Annual Meeting has been scheduled for November 28, 2016 at 6:00 p.m. at the Stonegate Community Center and that there are not any Board positions up this year for election.

ADJOURNMENT:

Motion was made and seconded and in having no public comment unanimously passed to adjourn at 8:35 p.m. The next regularly scheduled meeting of the Board was tentatively set for September 26, 2016 at 6:30 p.m.

IN WITNESS WHEREOF, the foregoing has been duly executed by the Board of Directors as of the 25th day of July 2016.

STONEGATE VILLAGE BOARD OF DIRECTORS

By 
Secretary/Authorized Agent

Attachment A

**Stonegate Village Owners Association
2016 Approved Budget, 2016 Estimated Actual,
2017 Operations Approved Budget and Narrative**

CATEGORY	2016 Approved	2016 Est. Actual	2017 Proposed
Receipts			
Assessments	\$604,208	\$604,208	\$604,218
Legal Fees	\$7,000	\$28,500	\$7,500
Late Fees	\$3,500	\$12,200	\$5,000
Interest/Misc Income/Other	\$3,000	-\$7,400	\$2,500
Carry-Over Funds	\$58,556	\$110,000	\$62,346
Owner's Credit	-\$27,464	-\$27,464	-\$27,464
Accounts Receivable Contingency	-\$5,000	-\$5,000	-\$6,000
Total Receipts	\$643,800	\$715,044	\$648,100
Operational Expenses			
Holiday Lighting	\$29,200	\$29,000	\$30,000
Legal Fees	\$18,000	\$30,800	\$18,000
Insurance Premium	\$5,600	\$5,420	\$5,800
General Administration	\$42,800	\$41,700	\$42,800
Committee Administration	\$6,200	\$5,700	\$6,000
Professional Fees	\$94,000	\$92,800	\$94,000
Audit/Income Tax	\$1,500	\$1,600	\$1,700
Trash/Recycling Services	\$374,700	\$372,450	\$376,000
Social Activities Director (PT)	\$11,800	\$11,750	\$11,800
Social/Recreational Committee	\$50,000	\$50,780	\$52,000
Reserve Contribution YTD Net (Inc/Exp)	\$10,000	\$10,000	\$10,000
Total Operation, Community Services/ Social/Recreational Expenses	\$643,800	\$652,000	\$648,100
Projected Net Income (Loss)	\$0	\$63,044	\$0

OPERATING REVENUES NARRATIVE

Homeowner Assessments

Budgetary estimate is based upon 3433 homes being assessed \$176.00 annually, billed quarterly at \$44.00. Our 2017 assessment will remain the same as 2016. As in 2016, our owners for 2017 will be receiving a credit on their assessments of \$8.00 annually, as the projected budgeted carry-over was in excess of necessary funding for 2016. The credit will be applied to each owners account quarterly on their assessment billing statement.

Income Categories Legal, Late Fees, and Interest Income

Legal fee reimbursements, Late fee, fine revenue, interest earned estimates are based upon historical data from previous year's data. Legal income is based upon projected costs associated with either assessment collection and/or covenant enforcement which the Association would seek to be reimbursed for costs from the owner.

Carry-over Funds

Historically the Owners Association has carried over to the following budget year all carry-over funds from the previous year to help offset operational costs in the coming year's budget which in turn helps off-set those expense costs to its members.

Owner's Credit

Historically the Owners Association has carried over to the following budget year all carry-over funds from the previous year to help offset operational costs in the coming year's budget which in turn helps off-set those expense costs to its members. The Associations carry-over funds exceeded the budgeted projections and therefore the Board of Directors has authorized that each owner receive their proportionate share of this excess carry-over as a credit on their 2017 assessments. See notes under Homeowners Assessments in this narrative.

Accounts Receivable Contingency

This budget category is established from actual previous year's documentation to address from a cash flow perspective potential loss of income by the Association for members that for one reason or another are not paying their assessments in a timely manner or at all in 2016.

OPERATING EXPENSES NARRATIVE

Holiday Decorations

Budget figure reflects the estimated costs associated with purchasing as necessary and installing decorations on the main monuments in the community owned by the Association for the holiday season. All proposed holiday lighting must be approved by the Board.

Legal-General

This budget category includes estimated costs associated with all general legal processes and opinions initiated by the Board of Directors for the benefit of the Association members, along with estimated costs associated with all types of potential legal covenants enforcement activities for the benefit of the Association members. In 2016 the Board was forced to take additional steps in the collection of assessments against several homeowners. In these types of situations, legal costs associated with the collection of assessments against an owner are billed back to the owners, which in turn are reflected under the Associations legal fee income on the 2016 estimated actual category.

Insurance

Budget estimate includes costs associated with maintaining the general liability, hazard and Director and Officer insurance policies for the Association. This figure does not include required and currently maintained insurance costs associated with those homeowners that are also a part of Stonegate.

General Administration

Budget estimate includes costs for copies, letterhead postage, faxes, envelopes, banking service charges, subscriptions and memberships, meeting location expenses, assessment payment billings for four (4) quarters during the year for assessments including the unified trash/recycling program and commencing in 2016 for the postage associated with the monthly community newsletter (The Stonegate Messenger), along with a variety of other office type supplies that may be utilized by the Owners Association through its Board of Directors.

Committee Administration

Budget estimate includes costs for paper, postage, faxes, envelopes, along with a variety of other office type supplies that may be utilized by the Owners Association through its appointed Committees.

Professional Fees

Estimated costs associated with outside professional services to be utilized by the Owners Association that include but are not necessarily limited to, consulting services as may be directed by the Board, costs associated with management and accounting, community courtesy patrol, and basic contracted services for vacated homes that may not be being maintained (all associated vacant home maintenance costs will be billed back to the owner).

Audit, Tax Preparation

This budget category includes estimated costs associated with the preparation of the 2015 audit and tax return for the Association.

Unified Trash/Recycling Services

Budgeted figure includes all trash removal for all single family homes in the Association and reimbursement to all attached home sub-association for collection of trash removal fees. The original contract was executed in 2013, with our Board of Directors in 2015 negotiated for a new five (5) year renewal that commenced April 1, 2016.

Social Committee Volunteer Coordinator (PT)

Budget figures reflect the continued support of a part time Social Committee Volunteer Coordinator whose responsibilities include booking and pricing the activities, finding vendors, advertising the event, inviting correct pocket neighborhoods and overall neighborhoods, ordering food, arranging activities, setting the place the event will be held at, working with vendors when they arrive and setting up and cleaning up the event. Facilitates the events to ensure all goes as planned. Works within budget and may need to solicit discounts and special offers/pricing to stay within neighborhood budgets and guidelines.

Social/Recreational Activities

Budget figures reflect the continued support of the Board of Directors of a social/recreational budget for the Association to continue to convey a sense of "community" to the neighborhood and its respective members. This budgetary line item requires the continued organization and participation of volunteer homeowners.

Reserve Contribution

This account was established based upon not only the net contribution and expense related to the new notice board signs, but also to establish a funding mechanism for future on-going repairs of the notice boards. Annual funding allocations (2016) are based upon estimated repair costs and future useful life calculation cycles for the components of the notice board signs.

**RECORD OF PROCEEDINGS OF THE
STONEGATE VILLAGE BOARD OF DIRECTORS MEETING
OCTOBER 24, 2016**

MEETING CALLED TO ORDER:

The Board of Directors for the Stonegate Village Owners Association, Inc., met at the Stonegate Community Center on October 24, 2016. Present were: Dave Marshall, Tom McHenry, Debbie Tidler and Frank Silici. Also, in attendance was one homeowner member and Mark L. Eames, PCAM with PCMS. Director Marshall called the meeting to order at 6:32 p.m. and noted that there was a quorum.

DISCLOSURE OF POTENTIAL CONFLICT INTEREST:

Director Marshall noted that the general disclosure statements for those Board members present at the meeting have been filed on behalf of the members of the Board of Directors as required by Colorado State Statute and are maintained as part of the Association corporate files.

HOMEOWNER MEMBER PUBLIC FORUM:

There were no public matters presented for discussion.

HOMEOWNER HEARING:

The owner at 16261 Laurelhill Court was not available to attend the meeting to conduct his hearing regarding a commercial semi truck cab being brought to his home on a regular basis. Based upon discussion and a follow up email from the owner stating he would be contacting an attorney regarding this matter, a motion was made, seconded and without public comment unanimously passed to not reschedule the hearing and turn this matter over to the Association's legal counsel for response.

OFFICER REPORTS

RECORD OF PROCEEDINGS:

The first item of business was to review the August 22, 2016 record of proceedings. Upon final review, motion was made, seconded and with no public comment unanimously passed to approve the record of proceedings of August 22, 2016 as presented.

FINANCIAL REPORT REVIEW:

The revised unaudited financial and delinquency reports through September 30, 2016 were reviewed by the Board. Upon final review, motion was made and seconded and with no public comment, unanimously passed to accept and file for audit the financial and delinquency reports for the months ending through September 30, 2016.

LEGAL UPDATES:

The Board reviewed the status of all legal actions that are currently in place and/or pending action with various homes in the community.

COMMITTEE REPORTS:

Modifications Committee: No official report.

SALAD Committee: No official report.

Social Committee: No official report

MANAGEMENT REPORT:

Mark Eames reviewed the correspondence sent out and received for the month. Mark went on to update the Board on the status of all legal activity involving the Association and members in violation of the covenants to the Board of Directors. The Board gave direction to Mr. Eames for responses to several letters of concern, comments pending hearings and/or appeals to the Owners Association.

Stonegate Village Owners Association

Board of Directors Meeting

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UNFINISHED BUSINESS:

Owner Request to Amend Declarations to Allow for Chickens: The Board reviewed the results from the survey and it was noted that out of 1099 responses, 539 (49.04%) replied yes and 560 (50.96%) replied no in moving forward with any type of amendment process to allow chickens in the community. Mr. Zawadowski was in attendance at the meeting and requested that based upon the survey results that the Board consider moving forward with the amendment process to allow for chickens in the community. The Board noted that based upon the number of positive responses from the survey, that 539 responses constituted slightly more than 15% of the community, which would appear to not indicate a very strong support from the members.

After a lengthy discussion on the true responses from the survey, a motion was made, seconded and with no public comment unanimously passed to place a non-binding question/survey on the Annual Membership Meeting ballot to allow all owners to respond to the inquiry if they would like to see the Board consider an amendment to the Association's Declarations to allow for hens in the community.

Annual Meeting Preparation: Mr. Eames noted that the Annual Meeting has been scheduled for November 28, 2016 at 6:00 p.m. at the Stonegate Community Center and that there are not any Board positions up this year for election.

ADJOURNMENT:

Motion was made and seconded and in having no public comment unanimously passed to adjourn at 8:35 p.m. The next regularly scheduled meeting of the Board was tentatively set for January 23, 2017 at 6:00 p.m.

IN WITNESS WHEREOF, the foregoing has been duly executed by the Board of Directors as of the 23rd day of January 2017.

STONEGATE VILLAGE BOARD OF DIRECTORS

By 
Secretary/Authorized Agent