PINNACLE HOMEOWNER'S ASSOCIATION

Minutes of 2008 Annual Meeting

The annual meeting of the Pinnacle Homeowner's Association was held at the Hyland Hills Golf Course Restaurant on October 14, 2008

The five Board members and fourteen additional unit owners were present.

1. **Minutes.** The minutes of last year's annual meeting were approved as corrected on a motion by Vern, seconded by Chuck, all agreeing.

2. Treasurer's Report. John presented a report on the current financial position of the Association as of this month. We have spent slightly less than the amount we received in dues. John's report was approved on a motion by Vern, Earl seconding and all agreeing.

3. 2009 Budget. The Board of Directors has proposed a budget that assumes an increase of $20 in the annual dues for each unit. The largest items in our budget include landscaping, water, snow removal, contingency provisions, and insurance.

4. Nominations for Board of Directors. There were no new nominations for the Board of Directors. While the meeting continued, Earl and Emilie counted the votes.

5. Architectural Review Committee Report. Deana discussed what is allowed to be changed in the exteriors of our houses. Deana pointed out that only one request for architectural changes has been disallowed.. Tony moved we accept the report, Dee seconded, and all approved.

6. Old Business. Rosemary asked about the warranties on our homes.

The windows in our homes bear a ten-year warranty from Lincoln. Home owners should be aware of the ten-year limit.

7. Counting of the Votes. Earl and Emily reported on the votes. There were 13 votes for the proposed budget and one against. The John was re-elected directors..

8. Fastracks. Helen reported that she attended two meetings on the proposed Boulder-Longmont line, which is planned to pass near our subdivision. Her concern is largely about noise. The trains will be diesel-driven, which Helen feels discriminates against our area because the lines serving the wealthier districts will be powered by electricity. Helen is researching the idea of using electric buses on existing roads.

9**. Speaker.** Mary gave an entertaining and informative presentation entitled, "Little Known Colorado History," which was enjoyed by all..

10 Adjournment. Our business complete, we adjourned on a motion by Earl and Vern .

Respectfully submitted:

PHA Secretary

Pinnacle Homeowners Association, Inc.
Profit & Loss
January through December 2008

	Jan - Dec 08
Ordinary Income/Expense	
Income	
5220 · Assessments & dues	6,860.00
5300 · Interest-savings/short-term inv	155.37
5400 · Covenant Fee -Misc. rev.	40.00
Total Income	7,055.37
Expense	
4001 · Reconciliation Discrepancies	0.00
6300 · Consultg.Serv.	
6330 · Legal fees	210.00
6350 · Cons.Serv. - Snow removal	618.00
6360 · Cons.Serv. - Landscaping	2,943.58
Total 6300 · Consultg.Serv.	3,771.58
6400 · Office Supplies	34.52
6440 · Books, subscriptions,	25.94
6460 · Rental Expenses	25.00
6470 · Utilities	
6471 · Water for Common Areas	2,078.70
Total 6470 · Utilities	2,078.70
6700 · Misc. Exp.	
6720 · Insurance - liability	625.00
Total 6700 · Misc. Exp.	625.00
7000 · Taxes & Fees - Organization	
7040 · Taxes / Fees - other	10.00
Total 7000 · Taxes & Fees - Organization	10.00
Total Expense	6,570.74
Net Ordinary Income	484.63
Net Income	**484.63**

Pinnacle Homeowners Association, Inc.
Balance Sheet
As of December 31, 2008

	Dec 31, 08
ASSETS	
Current Assets	
Checking/Savings	
1000 · Bk.Chckg. Acct.	
1016 · 1ST Bank of Boulder - Operating	3,844.00
1018/11 · BALANCE reserves for Fence & Ir	1,617.69
Total 1000 · Bk.Chckg. Acct.	5,461.69
1010 · Savings - CD's	
1011 · Reserves for Fence & Irrigation	1,806.97
1012 · Reserves for Snow Removal	868.23
1013 · Reserves for Legal Expenses	868.23
1014 · Reserves for Contingency	1,074.52
1015 · Reserves for Capital Purchases	434.08
1017 · Reserves for Unpaid Assessment	434.08
Total 1010 · Savings - CD's	5,486.11
Total Checking/Savings	10,947.80
Total Current Assets	10,947.80
TOTAL ASSETS	**10,947.80**
LIABILITIES & EQUITY	
Equity	
C300 · Opening Bal Equity	9,705.73
C301 · Unrestrict (retained earnings)	757.44
Net Income	484.63
Total Equity	10,947.80
TOTAL LIABILITIES & EQUITY	**10,947.80**

Pinnacle Homeowners Association, Inc.
Trial Balance
As of December 31, 2008

	Dec 31, 08	
	Debit	Credit
1000 · Bk.Chckg. Acct.	0.00	
1000 · Bk.Chckg. Acct.:1016 · 1ST Bank of Boulder - Operating	3,844.00	
1000 · Bk.Chckg. Acct.:1018/11 · BALANCE reserves for Fence...	1,617.69	
1010 · Savings - CD's	0.00	
1010 · Savings - CD's:1011 · Reserves for Fence & Irrigation	1,806.97	
1010 · Savings - CD's:1012 · Reserves for Snow Removal	868.23	
1010 · Savings - CD's:1013 · Reserves for Legal Expenses	868.23	
1010 · Savings - CD's:1014 · Reserves for Contingency	1,074.52	
1010 · Savings - CD's:1015 · Reserves for Capital Purchases	434.08	
1010 · Savings - CD's:1017 · Reserves for Unpaid Assessment	434.08	
2000 · Accounts receivables	0.00	
2299 · Undeposited Funds	0.00	
4000 · Accounts payable	0.00	
C300 · Opening Bal Equity		9,705.73
C301 · Unrestrict (retained earnings)		757.44
5220 · Assessments & dues		6,860.00
5300 · Interest-savings/short-term inv		155.37
5400 · Covenant Fee -Misc. rev.		40.00
4001 · Reconciliation Discrepancies	0.00	
6300 · Consultg.Serv.:6330 · Legal fees	210.00	
6300 · Consultg.Serv.:6350 · Cons.Serv. - Snow removal	618.00	
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6400 · Office Supplies	34.52	
6440 · Books, subscriptions,	25.94	
6460 · Rental Expenses	25.00	
6470 · Utilities:6471 · Water for Common Areas	2,078.70	
6700 · Misc. Exp.:6720 · Insurance - liability	625.00	
7000 · Taxes & Fees - Organization:7040 · Taxes / Fees - other	10.00	
TOTAL	17,518.54	17,518.54

DIRECT INQUIRIES TO:

1STBANK OF BOULDER
6500 LOOKOUT RD
BOULDER CO 80301-3383

24-Hour Customer Service: 303-274-5000
or 800-964-3444 outside Denver Metro
New Account or Loan: 303-238-9000
or 877-933-9800 outside Denver Metro
www.efirstbank.com

ACCOUNT NUMBER	XXX-XXX-4594
STATEMENT DATE	12-29-2008
INTEREST PAID THIS YEAR	N/A
RESERVE FINANCE CHARGE PAID THIS YEAR	N/A

2-0637 **********AUTO ****3-DIGIT 800

PINNACLE HOMEOWNERS ASSOCIATION INC
4670 W 90TH AVE
WESTMINSTER CO 80031-3179

ACCOUNT SUMMARY --- CHECKING ACCOUNT - SAFEKEEPING

CLOSING BALANCE FROM PREVIOUS STATEMENT	DATE: 11-25-2008	5,834.46
0 DEPOSITS AND OTHER ADDITIONS TOTALING		.00+
2 CHECKS AND OTHER WITHDRAWALS TOTALING		34.77-
CLOSING BALANCE FOR THIS STATEMENT	DATE: 12-29-2008	5,799.69

MINIMUM BALANCE OF 5,799.69 ON..... 12-16-2008

CHECKS AND OTHER WITHDRAWALS

* SHOWS BREAK IN CHECK NUMBER, # SHOWS NOT MACHINE READABLE

CHECK#	AMOUNT	DATE	CHECK#	AMOUNT	DATE	CHECK#	AMOUNT	DATE
1351#	25.94	11-28	1354*	8.83	12-16			

DEPOSITS AND OTHER ADDITIONS

NO DEPOSITS THIS CYCLE

DAILY BALANCE SUMMARY

DATE	BALANCE	DATE	BALANCE	DATE	BALANCE
11-26	5,834.46	11-28	5,808.52	12-16	5,799.69

EARNINGS AND ACTIVITY CHARGE SUMMARY

BALANCE INFORMATION

AVERAGE ACCOUNT BALANCE	5,806
AVERAGE COLLECTED BALANCE	5,806

ACTIVITY CHARGES

NUMBER	DESCRIPTION	COST	CHARGE	
2	DEBITS	.15	.30	WAIVED
	TOTAL ACTIVITY CHARGES		**.00**	

HOW ARE WE DOING?

We are working very hard to maintain the highest level of customer service possible. But if we make a mistake, or you receive poor service from any of our employees, we want you to let us know. Please call one of our customer representatives at 303-231-2000 (outside metro Denver: 1-800-230-1060) with any question or complaint. We will do our best to solve your problem. If our service was especially good, we'd like to hear about that too. We welcome any suggestions you might have about new products or ways we could improve our service to you. Thank you for banking with us!

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DIRECT INQUIRIES TO:

FIRSTBANK NORTH
PO BOX 745220
ARVADA CO 80006-5220

24-Hour Customer Service: 303-274-5000
or 800-964-3444 outside Denver Metro
New Account or Loan: 303-238-9000
or 877-933-9800 outside Denver Metro
www.efirstbank.com

ACCOUNT NUMBER	XX-XX-3858
STATEMENT DATE	12-09-2008
INTEREST PAID THIS YEAR	155.37
MATURITY DATE	03-10-2009

908 XXXXXXXXXSNGLP XXXX3-DIGIT 800
PINNACLE HOMEOWNERS ASSOCIATION INC
4670 W 90TH AVE
WESTMINSTER CO 80031-3179

SEE REVERSE SIDE FOR IMPORTANT INFORMATION

ACCOUNT SUMMARY -- 91-DAY TIME DEPOSIT ACCOUNT

CLOSING BALANCE FROM PREVIOUS STATEMENT	DATE: 09-09-2008	5,455.10
1 DEPOSITS AND OTHER ADDITIONS TOTALING		31.01+
0 WITHDRAWALS AND OTHER DEDUCTIONS TOTALING		.00-
CLOSING BALANCE FOR THIS STATEMENT	DATE: 12-09-2008	5,486.11

NUMBER OF DAYS IN PERIOD	91
INTEREST EARNED	31.01
ANNUAL PERCENTAGE YIELD EARNED	2.30%

TRANSACTIONS POSTED SINCE THE PREVIOUS STATEMENT

DATE	AMOUNT	DESCRIPTION	BALANCE
12-09	31.01+	INTEREST THROUGH 12-08-2008	5,486.11

RATE DISCLOSURE -- RATE FIXED FOR THE TERM OF THE ACCOUNT — APY -- ANNUAL PERCENTAGE YIELD

FECTIVE DATES 09-09 THROUGH 12-08 INTEREST RATE 2.27% APY 2.30%

SPECIAL MESSAGES AND IMPORTANT NOTICES

THIS TIME ACCOUNT MATURES TODAY. THE ACCOUNT WILL BE AUTOMATICALLY RENEWED AT AN INTEREST RATE OF 2.08% WITH AN ANNUAL PERCENTAGE YIELD OF 2.10% UNLESS WE ARE OTHERWISE DIRECTED.

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INTEREST # 5300

10/11 -	# 1.796.76	=	10.21
10/12 -	863.32	=	4.91
10/13 -	863.32	=	4.91
10/14 -	1.068 44	=	6.08
10/15 -	431.63	=	2.45
10/17 -	431.63	=	2.45
	5,455.10	=	31.01

G.J.E. 8/12 4

POSTED