

**Timber Lake Homes Association, Inc. (“TLHA” or “HOA”)
Annual Meeting – Friday, July 19, 2019
Snow Blaze Conference Room, Winter Park, CO**

Directors Present: Brian Johnson, Dick Kohler and David Schrody

Property Manager Present: Regis Dahl

Homeowners Present: Brian Johnson, John Layman, Linsey Layman, Spencer Brant, Paul Thompson, Jeannie Thompson, Dennis Backstor, Elaine Chapman, Gary and Sarah Farmar, Dave Schrody, Jane Schrody, Jim and Christina Carlson, Margie Todd, Cindy Yallop, Pam Antell, Dick Kohler, Sharon Kohler, Chris Stone and Sue Stone.

CALL TO ORDER

The Annual Meeting of the Timber Lake Homes Association, Inc. was called to order by Brian Johnson, HOA board member at 4:34 p.m. Roll call and introductions were performed. There were 15 out of 20 units represented at the meeting. A quorum was established via attendees and proxy.

APPROVAL OF MINUTES

Reading of 2018 Annual Meeting Minutes was waived and accepted. Motion was passed. (Jim Carlson moved, Gary Farmar seconded)

ELECTION OF BOARD MEMBER

Dave Schrody was nominated to retain his seat on the board. (Gary Farmar nominated, Jim Carlson seconded). Nomination unanimously approved by the members.

FINANCIAL REPORTS Dick Kohler presented

- Review of 2018 year-end
 - Total year-end liabilities and equities was \$49.1k. The HOA is adequately funding maintenance and reserve projects as they come due.
 - 2018 financial results generated \$16.1k net income that will be moved to reserves to fund projects.
 - That included a net \$3800 positive variance to the 2018 budget due primarily to the following items:
 - \$3800 reduction in snow and ice removal cost
 - \$1700 reduction in yard maintenance cost
 - \$1400 reduction in trash removal cost
 - \$2600 increase in deck staining cost (Reserve Project)
 - Several other small variances
 - Motion to approve 2018 financials was accepted. (Cindy Yallop motioned, Jim Carlson seconded)
 - Request to move 2018 net income to reserve balance sheet was proposed by Brian Johnson. Motion by John Layman, Jim Carlson seconded. Motion approved.

- Year-to-Date 2019 Financials
 - Note that the annual budget is allocated across the months for the full year, but the financial costs are not spent evenly throughout the year. Thus the YTD actuals as June 30, 2019 is not that meaningful in terms of variance to budget.
 - Given that, total 2019 expenses appear to be generally on track to meet the proposed 2019 HOA budget targets which would generate about \$11k for our Reserve Account.
 - The following large payments are pending in the next few months:
 - \$22k property insurance payment will be paid in July
 - \$9.6k of asphalt sealing (Reserve Project)
 - Roof repair and maintenance has been ongoing this summer will likely run an overage. Roof repair and replacement is not a reserve item because different roof surfaces have difference sun/snow/shade exposures across the property, and therefore wear out at different rates. Some sections need to be replaced more frequently than others. So instead of reserving for a major one-time replacement project, we budget \$6-8k per year for replacing roof sections as needed. This year we will be \$1-2k over-budget.
 - General repairs are over the annual budget by \$1-2k.
 - Ice dam and ice removal is already over the annual budget by \$2,600 because of the heavy snowfall experienced this year. We do not expect huge expense in November/December.
 - We will see a positive variance from yard maintenance.
 - Fence rails will be topped with Trex boards to provide a longer-term solution to continued painting due to weather damage. \$1600k for Trex boards was purchased, but was not budgeted.
 - Motion to ratify – Gary Farmer moved, Sharon Kohler seconded. Motion approved.

- Reserve analysis
 - 4 categories are included in the reserve budget (deck staining, asphalt sealing, building painting and fireplace maintenance). Projected \$48,417 is needed at the end of 2019
 - Painting the units is the largest Reserve Project and we have assumed a 10 year life. However, the paint is still in good shape after 6 years so we may not have to repaint in 4 years which gives us more time to generate additional reserves. Also, since the paint deteriorates at different rates on different sides of the building, we could opt for a partial painting approach which could also reduce our overall project cost.
 - Excess reserve is currently within \$1,000 of our calculated reserve need at this point in time. Although it is a bit early, it appears the level of reserve for future projects is adequately funded given the current level of HOA dues and the expected future operating and reserve expenses.

HOA GOVERNANCE/EDUCATION

- Regis Dahl presented. HOA governance in Colorado has been disbanded, so we avoided spending the \$1200 insurance cost mandated by community association law. This policy elapsed June 30, 2019.

- HOA Directory – please update as needed. Directory is posted on HOA website – www.associationonline.com User ID: tlhoaowner Password: tlhoahomeowner.

REGULAR BUSINESS

- Rental unit issues have improved in the past year. Please provide regulations document to renters and new quarter-share owners. Document includes trash, parking, marijuana use and deck use. A parking map was requested. Possibly a Google map with approved parking locations highlighted.
- Reminder- Central alarm system installed in the units for heat, smoke, carbon monoxide and low temperature. Do not tamper with the smart system alarms. \$100 penalty to owner if owner causes a false alarm.
 - Additional smoke alarms are maintained by the owners and should be replaced (and the batteries replaced) as needed.
- Seals on windows have occasionally failed through the years. In replacing these failed windows the HOA has in the past paid for the cost of the replacement window and owner has paid the labor cost involved. However, the BOD is terminating this arrangement as of April 30, 2020. After this offer expires, owners will be responsible for the full cost of any window replacement –materials and labor.
 - Required procedure - Prior to April 30, 2020 notify property manager in writing about any window with a broken seal and put tape on the failed window to mark it. Owner will pay labor; HOA will pay for the window cost.
 - Sliding glass doors have never been included in this arrangement, so any sliding glass door issues are the responsibility of the owner.
- To ensure proper fireplace operation, do not move gas logs in fireplace. Replace logs if needed. Fireplace maintenance company will leave a note if log replacement is recommended.

ESTABLISH MEETING DATES FOR 2020 ANNUAL HOA MEETING AND WORK DAY

- Mandatory workday for all units scheduled for July 20, 2019.
- Jobs include – weeding, pruning shrubbery, cut down dead trees, dig up tile line with heat tape unit #1, repair damage to cement unit #1, Trex board installation, spray broadleaf weeds, clean drains between the units to facilitate drainage
- 2020 annual HOA meeting – Friday, July 17, 2020. Work day – Saturday, July 18, 2020.

RATIFY ACTIONS

- It was moved to ratify the Board of Directors’ actions on behalf of the homeowners and the motion was passed unanimously. (Jim Carlson moved, Sarah Farmar seconded)
- With no further business, it was moved to adjourn the meeting. (Moved by Sharon Kohler, Seconded by Jim Carlson). Motion was passed.

These minutes are respectfully submitted on behalf of the Timber Lake Homeowners’ Association. Reviewed by the Board of Directors prior to distribution, these minutes are not formally approved until voted on at the next HOA meeting.

Approved: July 17, 2020