

**TIIMBERLINE COVE HOMEOWNER ASSOCIATION
ANNUAL OWNER MEETING
Fremont Room
Summit County Commons Building
September 21, 2019**

I. CALL TO ORDER

The Timberline Cove Homeowner Association Annual Owner Meeting was called to order at 10:05 a.m.

II. ROLL CALL, PROOF OF NOTICE & INTRODUCTIONS

Board members present were:

Paul Joliat, President, Unit 102

Steve Gustafson, Secretary, Unit 103

Tim Kiehl, Vice President, Unit 304

Stacy Gilbert, Director, Unit 206

Owners present were:

Cynthia Mansour, Unit 201

Carl & Joyce Low, Unit 203

Doug Silver, Unit 205

Barbara & Paul Delgrego, Unit 302

Tim Kiehl, Unit 304

Mike Felderman, Unit 310

Martin Koppers, Unit 410 (teleconf.)

Robert Doran, Unit 202 (teleconf.)

Edmond Gustason, Unit 204

Katie & David Krieves, Unit 210

Karen Murphy, Unit 303

Lawrence & Lois Van Heukelom, Unit 306

Sherry & Duane Abbott, Unit 404

Notice of the meeting was sent August 31, 2019. With units represented in person or by proxy, a quorum was confirmed.

Representing Summit Resort Group was Katie Kuhn. Erika Krainz of Summit Management Resources transcribed the minutes from recording.

III. APPROVAL OF PREVIOUS MEETING MINUTES

Motion: Tim Kiehl moved to approve the September 22, 2018 Annual Meeting minutes as presented. Paul Joliat seconded and the motion carried unanimously.

IV. PRESIDENT'S REPORT

Paul Joliat thanked Summit Resort Group, the Board, past Board members and owners who have volunteered their time and energy. He reviewed significant projects from the past year:

1. The generator was repaired. It is now operating properly and is tested on a regular basis.
2. Phase 2 of the landscaping plan was implemented.
3. Repaired the fire sprinkler system.
4. Repaired the elevator.
5. Repaired the snowmelt system.
6. Repaired the hot tub boiler.

The units are valued at \$725,000 – \$1.5 million. It was first occupied in 2007. The building has aged and is now in need of attention on an ongoing basis.

V. TREASURER'S / FINANCIAL REPORT

Katie Kuhn presented the financial report.

A. Year-to-Date Financials

As of July 31, 2019, the Association had \$28,939 in the Operating account and \$40,824 in the Reserve Account.

The P&L statement reflected \$116,493 of actual expenses versus budgeted expenses of \$137,299, resulting in an \$20,805 favorable variance to budget. She reviewed the following variances:

1. Snow Removal - \$1,725 favorable to budget.
2. Gas - \$1,815 favorable to budget due to the locked rate.
3. Repair & Maintenance - \$2,198 favorable to budget.
4. Security/Fire System - \$1,827 unfavorable to budget due to false alarms caused by a faulty temperature sensor and leaking heads.
5. Heating System - \$1,126 favorable to budget.
6. Grounds - \$3,553 unfavorable to budget due to re-mulching, repairs and spring clean-up.
7. Elevator - \$3,064 unfavorable to budget due to repairs.
8. Window Cleaning - \$1,850 favorable to budget due to timing of the project.

There is an outstanding \$10,000 loan from Reserves to Operating that will be repaid prior to year-end. Reserve transfers have been on hold while the loan is outstanding. The transfers are six months behind.

B. 2020 Budget Ratification

The 2020 Budget as drafted includes an 18.2% proposed dues increase to build Reserves. There will be expenses for required fire sprinkler inspection and various other repairs needed as the building ages. There will also be future Reserve expenses for roof and siding replacement and asphalt and fire sprinkler repairs. The Board reviewed several budget scenarios.

Paul Joliat reiterated that there is an outstanding loan from Reserves to the Operating account and not all Reserve transfers have been made. A Reserve Study was done a few years ago and the Board is trying to address the underfunding. The current funding level is about 10% and a healthy level would be at least 50%. An inadequate Reserve balance puts the Association at risk for Special Assessments. The roof replacement is expected to cost about \$500,000.

Doug Silver asked if the 18% dues increase would be recurring in future years. Tim Kiehl explained that if the Reserve contribution is kept at \$87,996 from 2020 going forward, it is anticipated that there will need to be a \$60,000 Special Assessment in 2024 and the Reserve balance is projected to go negative in 2028. The Reserve money is not currently invested based on the low balance and the need to have funds available but once the balance grows, the Board can consider options to improve the yield.

A suggestion was made to consider solar panels when the roof is replaced.

Motion: Doug Silver moved to ratify the 2020 Budget as presented. Carl Low seconded and the motion carried.

VI. MANAGING AGENT'S REPORT

A. Completed Operating Projects

1. The insurance policy was renewed with Farmers.
2. The annual inspections and tests were completed for the fire extinguishers, fire alarm, fire sprinkler system and backflows.
3. Repaired and inspected the elevator.
4. Power washed the garage.
5. Repaired and replaced the door locks as needed.
6. The trees were deep root fed.
7. Pinhole leaks repairs were made.

B. Capital Projects

1. Repaired the generator.
2. Installed a new pump for the snowmelt system.
3. Replaced the heat exchanger for the spas.
4. Sealcoated and restriped the parking lot.

VII. OWNER EDUCATION

Information was provided in the meeting packet regarding Board and owner authority and responsibilities, for compliance with State law. All Association documents are posted on the website www.srghoa.com.

VIII. OWNER'S FORUM

Owner comments and questions addressed the following topics:

1. Caulking - An owner commented that there are large gaps between the stone and wood patios that need to be caulked. Katie Kuhn said the caulking will be done in conjunction with the stone repairs.
2. Railings - The railings will be addressed before winter.
3. Storm Doors – An owner commented that her storm door on the front side often blows open. Owners should close the storm door securely to prevent damage from strong wind gusts.
4. Spa Hours – The spa hours are 8:00 a.m. – 10:00 p.m. but the door locks at 8:00 p.m.
Action Item: Katie Kuhn will have the broken gate repaired and reset the timer on the door lock.
5. Owner Message Board – There is a message board in the garage where owners can post communications to other owners. An owner suggested setting up an electronic message board. Katie Kuhn cautioned that setting up a Facebook page can cause issues and said she does not recommend it.
6. Landscaping – An owner suggested hiring a contractor to take care of the landscaping on a weekly basis. A comment was made that xeriscaping should be considered to reduce maintenance.

Action Item: Katie Kuhn will get pricing for weekly landscaping.

7. Aspen Trees – An owner commented that some of the trees are losing leaves. Katie Kuhn said they are infested with aphids. The trees can be sprayed next year.
8. Pesticide Flags Along the Path – An owner commented that she has seen flag warning of pesticide spraying along the path. It was explained that Denver Water Board sprays once annually, usually in the fall.

Action Item: The Board will research this matter.

9. Owner Work Day – A suggestion was made to schedule an owner work day. This has been discussed by the Board and will be added to the next meeting agenda.
10. Short Term Rentals – An owner asked how renter nuisances can be addressed and rules can be enforced. Owners should call Summit Resort Group to report nuisances but should call the police to report serious issues.
11. Security – Renters are allowed access to the garage. Owners are encouraged to lock their belongings.

IX. OLD BUSINESS

There was no Old Business.

X. NEW BUSINESS

There was no New Business.

XI. ELECTION OF MANAGERS

The terms of Tim Kiehl and Paul Joliat expired and both were willing to run again.

Motion: Carl Low moved to re-elect the incumbents to the Board. Duane Abbot seconded and the motion carried.

XII. NEXT ANNUAL MEETING DATE

The next Homeowner Meeting will be held on Saturday, September 19, 2020 at 10:00 a.m.

XIII. ADJOURNMENT

The meeting was adjourned at 11:15 a.m.

Approved By: _____ Date: _____
Board Member Signature