



MTN **MANAGERS**

P.O. Box 647  
Frisco, CO 80443  
970-668-3174

## **IMPORTANT ASSESSMENT NOTICE**

October 14, 2008

Dear Timberline Cove Owners,

At the 10/4/08 annual meeting, a special assessment in the amount of \$30,000 was approved (please refer to the attached minutes for more detailed information). In accordance with the Declaration for Timberline Cove, all special assessments are to be divided among owners in accordance with the respective undivided interests in Common Elements (square footage of each unit divided by the total square feet of all units). Dues payments are computed the same way.

The assessment is due in full no later than 12/31/08. You may pay in installments but the full amount must be paid by 12/31/08. We have computed the assessment amounts and attached a breakdown by unit of amounts due.

Please let us know if you have any questions.

Thank you!

MOUNTAIN MANAGERS, INC.

Attachment

# TIMBERLINE COVE

## ASSESSMENT NOTICE – DUE AND PAYABLE 12/31/08

(Please return this entire page with your check made payable to Timberline Cove HOA and send to: MOUNTAIN MANAGERS, INC., P.O. BOX 647, FRISCO, CO 80443)

NAME \_\_\_\_\_ UNIT # \_\_\_\_\_

AMOUNT ENCLOSED: \$ \_\_\_\_\_

Assessment amounts are as follows:

IF YOUR UNIT NUMBER IS:	YOUR ASSESSMENT AMOUNT IS:
101, 201, 301	\$1,158.00
102, 103, 202, 203, 208, 209, 302, 308, 309, 408, 409	\$ 958.00
204, 304	\$ 826.00
205, 305, 405	\$1,652.00
206, 306, 406	\$ 595.00
210, 310, 410	\$1,182.00
207, 307, 407	\$ 609.00
303	\$ 885.00
404	\$1,344.00

**TIMBERLINE COVE  
ANNUAL MEETING  
OCTOBER 4, 2008**

**MINUTES**

Prior to the start of the meeting, George Hart requested the Agenda order be changed to allow Ed Chang a chance to address the owners (he needed to leave the meeting shortly). George also wanted all owners to have a chance to introduce themselves and provide a little personal information such as where they were from and how often they were in residence at Timberline Cove.

Ed went through some of the CFC warranty punch list items (the list was attached to the meeting packet) and let owners know the status on some of the items. Included in his discussion were concrete work, gate strike plates, location of fire extinguishers/sprinklers, parking area problems, drainage, etc.

The problems resulting from the water being left on in 102 for several weeks were reviewed. Several units were affected and repairs are underway. The owner of unit 102 will be paying the HOA's insurance deductible and will also be billed for any additional water and gas costs.

1. **Call to Order.** The meeting was called to order at 2:00 p.m. by President George Hart.
2. **Attendance and Quorum.**
  - A. 19 owners representing 23 units were in attendance. In addition, 6 proxies were received for a total of 29 units represented either in person or by proxy.  
  
A quorum was established.
  - B. Representing Mountain Managers were Eric Gill, Susan Witkowski, and Ed Rojas.
3. **Election of Officers.** There was one position open for a 3 year term. Ed Chang's term was expiring and he expressed his desire to run again. Robert Levin also wanted to serve on the Board. Ed had to leave the meeting prior to elections and George spoke on Ed's behalf. He noted that Ed owns 7 units, has a vested interest in Timberline Cove, and has a great deal of knowledge regarding the complex. Stacey Gilbert spoke up and stated she believed Ed serving on the Board constituted a conflict of interest – other owners felt the same way. Robert spoke about his reasons for wanting to serve on the Board, gave a brief history of his qualifications, and explained why he would be a good candidate.

Both Ed Chang and Robert Levin were duly nominated. It was asked if there were any additional nominations from the floor – there were none.

A secret ballot was conducted. The ballots were counted twice and the results were a tie. Discussion took place on what to do next. Eric was checking the Decs to see if this issue was addressed. George suggested moving on with the meeting and coming back to elections at the end of the meeting.

4. **President's Report.**

George discussed the purpose and goals of the Board. These included:

- Hiring a management company
- Putting together Rules and Regulations

- Reviewing the budget and reserve study after preparation by the management company (make sure all is correct)
- Facilitate complex maintenance and give guidance to management company if needed (i.e. heat and snow melt systems)
- Determine capital improvements such as bike racks
- Getting the audit done

George discussed the e-mail received from Stacey with questions and comments for the Board. He explained that the response was sent to all owners and wanted them to know that the Board puts forth a lot of time and energy at no cost to the Association to ensure dues are kept as low as possible while keeping the complex looking like the premiere property that it was designed to be.

Discussion took place on the change in management companies and how it could have run a little smoother. George apologized for the lack of communication and noted that Wildernest also dropped the ball on this issue by failing to communicate with owners as promised. The Board will do a better job of communicating information to owners in the future.

Any owner who has issues or concerns should e-mail Mountain Managers and voice their opinion. Every attempt will be made to correct previous misinformation, solve problems, and keep owners informed.

Stacey asked that the By-laws be amended to reflect any change in Management Company would require a 2 week advance notice to owners. It was resolved to add this to the By-laws. This will be added to Article VII – Powers and Duties of the Board of Directors, section 7.03 – Manager.

5. **Approval of Minutes from the 10/13/07 Organizational Meeting.** Robert made a motion to approve the minutes as written. The motion was seconded by Doug and passed unanimously.
6. **Financial Report.** Eric explained that he would be going through August financials, year-to-date numbers, and the Reserve Study. The August financials and year-to-date information was put together by Wildernest. He noted that if there are any questions regarding these documents, he would need to do a little research and get back to owners with the answers. Since Mountain Managers was not around for the first 8 months of the year and does not know all the history involved, he won't have all the answers at his fingertips at this time.
  - A. August Financials/Year-To-Date: These were reviewed briefly with little discussion.
  - B. Reserve Study: This was put together by Mountain Managers. Eric explained that this study allows the Board to look at capital projects and is an excellent planning tool to be used for budgetary purposes. It was explained that there are 3 ways the Association can be funded: 1) use dues only to fund both the operational budget and the MCR (Reserve study); 2) use 50% from dues to fund the Reserves and 50% from special assessments; and 3) use dues only for operational expenses and fund everything else by special assessment.

We're at a starting point with the Reserve Study. Timberline Cove is a new complex and the life expectancy of everything reflects this. All items that will eventually need maintenance/repair/replacement are listed on the study (painting, roofing, concrete, decks, hot tubs, etc.) This is a working document that can be changed as necessary. If anyone sees anything that needs adjustment, let Mountain Managers know.

A lengthy discussion took place on a dues increase and special assessment. George elaborated on this issue by stating the Association is under funded. Gas and electric costs were substantially higher last year than budgeted for. George explained that there was no benchmark to go off when preparing the 1<sup>st</sup> association budget and hopefully, a better job will be done for 2009 with actual figures to work with. Unfortunately, the association had to borrow money from savings to pay operational bills. This will need to be paid back and additional funding will also be needed to fund the day-to-day operational costs. At the last Board meeting a \$30,000 assessment was approved. This will need to be ratified by the owners at this meeting for the 2008 budget. Robert made a motion to ratify the 2008 budget with a \$30,000 assessment due and payable by 12/31/08. Motion passed. Owners may pay the assessment in installments but it must be paid in full by 12/31/08. A new assessment notice with the amounts due per unit (based on ownership percentage) will be sent out with the minutes of this meeting.

An increase in dues was also talked about. Eric explained that this will probably be necessary but until Mountain Managers puts together the budget for 2009, the amount is not known. This will be discussed again in the next 30-45 days when the Board meetings again to review the 2009 budget. George stated that owners need to realize they are most likely looking at a 15% increase in dues.

The expense of running the hot tubs was discussed at length and whether or not the expense was worth it. The hot tubs are a luxury amenity and some owners have purchased their units because of the luxury extras. Ways to discourage late night unauthorized usage were discussed at the last Board meeting and it was resolved to go ahead with installing timers on the auto fill system which will allow the tubs to fill with unheated water after hours. Jets will also be inoperable late at night. If tubs are cold people may think twice before jumping in. Additional lights on motion sensors and the addition of cameras were also discussed. Since the sensor on the auto fill needed to be replaced anyway, the Board felt it was worth a try to have the additional work done as well and see if it discourages late night usage. Shutting down the hot tubs at certain times was also discussed but there is danger of pipes freezing if they are not winterized each time they are shut down (this can get expensive). Completely doing away with the tubs was also brought up. Jack Dipple made a motion to shut the tubs down permanently in order to save money. The motion failed to pass.

George spoke about the last couple of sets of Board meeting minutes and what took place during those discussions (owners have seen copies of the minutes).

Eric spoke about budget preparation and the date of the annual meeting. Generally, the budget is prepared in the summer/fall timeframe so there will be 6-9 months of actual figures to look at when looking ahead to the next year's budget. In accordance with the Declaration, once the budget is approved by the Board, owners are sent a summary budget within 90 days along with a notice of the next meetings. Owners will ratify the budget at that time. Eric pointed out that with the annual meeting held in October, the Association will already be 9 months into the budget year before owners vote on ratification. The annual meeting date could be changed to earlier in the year, a 2<sup>nd</sup> semi annual meeting could be held, or the By-laws could be amended to state the annual meeting will take place in the fall. After discussion, it was decided that there would not be enough owner participation if the annual meeting was held in January/February and the consensus was to keep the meeting in the fall. On a motion duly made, seconded and passed, the By-laws, Article IV, Section 4.02 Annual Meetings, will be amended to reflect the annual meeting will be held in September/October of each year. The By-laws, Article IV, Section 4.04, Notice of Meetings, currently state budget meetings will be noticed not less than 14 nor more than 60 days after the mailing of the budget summary. This will be amended to read 90 days in order to agree with the Declaration.

Also discussed was having a Board meeting sometime in the May time frame. All owners are welcome to attend and offer input.

7. **Old Business.**

- A. CFC punch list. Eric noted the list attached to the meeting packet shows everything CFC still needs to finish inside units and also what exterior work still needs to be done. If owners have any problems not addressed or noted on CFC's list, they should e-mail Eric so he can address the issue. Eric noted that owners need to state their case in the e-mail and build their defense. The problem should be clearly stated along with why this is just being brought to CFC's attention now and not before. If applicable, state how CFC should have known about this problem prior to the expiration of the 1 year warranty.
- B. Insurance was discussed and Eric noted the differences between an owner's HO6 policy and the HOA policy. The HOA's policy does not cover owner's personal unit contents. The usual rule of thumb is if a unit is turned upside down, whatever falls out is the owner's responsibility. All owners should make sure they have enough coverage (including paying the HOA deductible if warranted).
- C. Putting a short list of Rules and Regulations into units was talked about. Renters (and some homeowners) might find it useful to have posted where the dumpster is located, how to use hi-speed internet, don't use hot tub after 10:00 p.m., etc. George will work on a sheet that can be posted in units. Stacey will provide a copy of the letter she gives to renters to the Board. It was noted that renters and guests are not permitted to have pets and the rules will be amended to reflect this.
- D. It was noted that the bell in the elevator is very loud and it would be nice if the volume could be lowered.

- E. Discussion took place on rodents. Eric believes it may be voles instead of mice that are destroying grass and getting onto back decks (droppings have been seen on Jack Dipple's deck). Orkin has been out to the complex and will continue to work to decrease the rodent population.

8. **New Business.**

- A. Bruce Mitchell gave an overview on property values, what Summit County is doing right now, and how the market is going. This was very informative. Bruce is the person who sold all units for Ed Chang at Timberline Cove.
- B. George brought up asphalt repair. Ed Chang is willing to give the Association some money to repair asphalt at a later date or fix it right now. After a lengthy discussion a motion was made to do the work now. If this is not possible due to weather constraints, then the work should be accomplished next summer. A letter will be send to Ed notifying him that the HOA wants repairs done now if at all possible instead of putting money into the reserves for the association to use for repairs at a later date.
- C. Doug Silver (owner of #203) said he will work on putting together a handbook for all owners that will contain the names of different vendors that have been used in the past. This will make it easier for owners to keep their properties up and get good, reliable help when they need it.

Stacey was asked if she would like to help with this project. Information will be provided to her to give to the Board.

- D. Payment of 3 months dues upon purchase of a unit was discussed. A motion was made to amend the By-laws to state that full or partial unit sales must pay 3 months dues at closing to go into the reserve account. The By-laws need to specifically state that owners purchasing a partial share of any unit are required to pay their pro-rata share. The Motion was seconded and passed unanimously. Article VII – Powers and Duties of the Board of Directors – Section 7.02, Specific Powers and Duties, paragraph (i) will be amended to reflect this resolution.
- E. A question was raised on whether or not a cap can be set for how many owners can be in each unit. Bruce noted the current law is a maximum of 12 owners for one unit. There was some discussion on limiting this to 4. This will be further discussed at the next Board meeting.
- F. There is a hinge missing on the front door.
- G. Screws are loose on bike rack hooks. There should also be an additional small hook at the bottom that can be used to lock a bike to the wall. These are coming in next week.

9. **Election of Officers** (2<sup>nd</sup> ballot). It was decided to hold another secret ballot to break the tie between Ed Chang and Robert Levin. After the ballots were counted, Robert Levin was the winner and was duly elected to the Board. The Board will decide on officer positions at a later date.
10. **The Next Meeting Date** will be determined at the next Board meeting.
7. **Adjournment.** There being no further business, the meeting was adjourned at 5:00 p.m.

Signed:

Approved via e-mail

10/27/08

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George Hart, President

Date

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Eric Gill/Susan Witkowski, Recording Secretaries

Date