

**THE TIMBERS OWNERS ASSOCIATION, INC.  
MEETING OF THE BOARD OF DIRECTORS  
WEDNESDAY, OCTOBER 4, 2023  
318 ELK AVENUE  
CRESTED BUTTE, COLORADO  
VIA ZOOM**

Those participating:

Reggie Park  
Mike Arth  
Marin Brownell  
Chad Markle  
Alex Summerfelt, Toad Property Management

The meeting was called to order at 5:34 p.m. and Alex confirmed a quorum. Notice of the meeting had been sent October 2, 2023.

Mike made a motion to approve the minutes of the September 28, 2023 meeting. Marin seconded the motion and it was unanimously approved.

Mike made a motion to adopt the special assessment of \$36,112.27 to cover capital expenses, insurance deductible and reserve funds. Marin seconded the motion and it was unanimously approved. Prior to the meeting Alex had prepared a spreadsheet displaying percentages and the actual amount per unit for the special assessment. It was agreed invoices would be sent out promptly with a due date of November 10, 2023.

Mike made a motion to move \$23,000 from the Reserve Account to the Operating Account. Reggie seconded the motion and it was unanimously approved. Alex explained payments collected each month for the Reserve Account were moved to the Reserve Account on a quarterly basis. Mike said the Board could authorize money to be transferred from the Operating Account back into the Reserve Account and by making it a formal process as part of a meeting there would be better control and transparency of the use of funds. Alex suggested adding the wording to the Management Agreement. It was generally agreed monthly financial reporting would make it easier for the Board to track expenses. Tracking the hours Toad spent at the building and those expenses would allow the Board to better understand the total amounts spent.

Mike suggested researching a change to the 2025 Budget to make it May to May or something which would not split snow removal into two separate years.

Alex said he received alerts from AppFolio each month when an expense exceeded Budget and he would be able to email Board members to alert them.

Alex explained Toad employees used an App to log their time and Alex could produce a printout each month showing the date, employee name, time and a very short description of the work performed. Alex said the App was a cumbersome process for the employee working at the building but it would be a way for the Board to track and understand tasks and expenses.

After discussion Alex agreed to follow up with accounting to determine the best way to present a General Ledger for the prior 60 days at least 7 days prior to a Board meeting. In addition to the General Ledger there would be a printout of the timesheets for the Toad hours broken down into the specific expense line items in the General Ledger. Alex said he would circulate an example of the reporting to the Board for discussion and approval.

Mike said the aim of additional oversight of the expenses by the Board would reduce the need for future special assessments and build up reserve funds. Reggie said snow removal was a big unknown expense and difficult to Budget for. Mike expressed concern about Toad completing the work, invoicing and then paying themselves for the work on a monthly basis and it was generally agreed oversight by the Board was useful. Mike suggested collecting several bids for each task would be a method to control expenses. Mike suggested a competitive bidding process for the 2024/2025 season for snow removal might be beneficial and other line items were small and having Toad complete the work was probably the most efficient.

Mike explained a 5% increase each year in dues seemed to be a realistic amount to track inflation and it was agreed inflation was running higher in Gunnison County than the national average. Mike said budgeting for snow could be similar to actual expenses for 2023 and if money was not spent the funds could be added to the Reserve Account for future capital expenses. Reggie preferred to take a more conservative approach and not plan for another big snow year as the weather was difficult to predict.

After a long discussion Reggie agreed to review the draft 2024 Budget line by line and present his version of the Budget for discussion in an attempt to avoid a 5% increase. Alex said the insurance agent was not yet in a position to provide a specific renewal rate and Alex was still responding to insurance agent requests for information. Alex explained there would need to be an owner meeting for review of the special assessment and then an annual meeting. The next Board meeting would be October 12, 2023. It was agreed Reggie and Mike would both present draft 2024 Budgets for review prior to the October 12, 2023 board meeting when a vote would be taken.

It was agreed there was no need for Executive Session.

At 7:00 p.m. Reggie made a motion to adjourn the meeting. Mike seconded the motion and it was unanimously approved.

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Prepared by Rob Harper,  
Toad Property Management