

THE TIMBERS OWNERS ASSOCIATION, INC.
MEETING OF THE BOARD OF DIRECTORS
MONDAY, OCTOBER 21, 2024
318 ELK AVENUE
CRESTED BUTTE, COLORADO
VIA ZOOM

Those participating:

Marin Brownell
Reggie Park
Chad Markle
Mike Arth
Brandon Cvilikas, Toad Property Management

The meeting was called to order at 5:32 p.m. and Brandon said there was a quorum.

Reggie made a motion to approve the minutes of the October 10, 2024 meeting. Chad seconded the motion and it was unanimously approved.

Prior to the meeting an updated draft 2025 Operating Budget had been circulated to the Board for review. Brandon explained the Reserve Fund line item had been renamed as Operating Contingency/Improvement Fund. Brandon confirmed Reserve Funds were still being moved from the monthly unit payments to the Reserve Fund on a quarterly basis. Mike expressed concern that the funds to the Money Market were not being moved on a regular basis.

Brandon confirmed Toad had prepared a letter confirming Toad would cover the approximately \$10,800 paid to Bullet Construction. Toad would apply a credit of just over \$1,000 to the Toad monthly invoices for the next 10 months. Timbers would have no further legal action as Toad would deal with Bullet Construction. Brandon sent the signed letter from Toad to the Board.

Brandon confirmed the Toad accounting team would send a detailed breakdown of the Money Market account to the Board displaying all transactions, including transfers from Operating. Brandon explained the Reserve portion of the monthly payments had to be grouped together to avoid the Association incurring transfer fees from the Bank. The Money Market account, holding the Reserve Funds, had approximately \$51,000 at the end of September.

Mike expressed concern that the payments to Drake Austin and Bullet Construction had been paid from Operating. Mike asked that in the future the transfers be made between Operating and Reserve and Reserve Fund projects were only paid from the Money Market account after a motion by the Board to approve the expense.

Brandon explained Mt. Crested Butte Water & Sanitation District would vote on a rate increase for utilities in mid-November and anticipated an increase of 5% – 8%. Based on actual expenses during 2024 Mike suggested the 2025 Budget should be \$71,000 as expenses had been underbudgeted for 2024. Mike suggested increasing trash collection in the 2025 Budget

to \$6,900 and electric to \$8,800 to reflect the actual 2024 expenses. Roof snow removal could be increased by \$1,000 but Fire Protection would be reduced.

Mike suggested continuing to collect \$27,500 in Reserve Funds during 2025 as a capital charge on monthly invoices and based on square footage. The \$27,500 was close to 10% of operating expenses.

Brandon said some associations were seeing significant increases in insurance renewals. At the present time it was not possible to determine the renewal rate in April.

With the adjustments discussed during the meeting Brandon said dues for 2025 could remain at the current level. Mike suggested increasing specific line items in the 2025 Budget and taking away the Operating Contingency line item. It was agreed the lower insurance premium might make it possible to reduce monthly dues by approximately 2% or transfer additional funds to Reserve.

After discussion Brandon agreed to make the changes discussed during the meeting and email a revised draft 2025 Budget to the Board. Another meeting would be necessary to approve the revised 2025 Budget. Mike asked for a simple spreadsheet showing the Money Market expense and income activity.

Brandon said the Toad accounting team continued to follow up on delinquent dues and an update would be available shortly. Brandon explained any collection or payment plan had to be in accordance with State law and two units were in communication with Toad to establish those payments. Brandon agreed to research and send a written update to the Board regarding the process to collect delinquent dues upon the sale of a unit and detail of the payment plans and interest in addition to collection of the regular monthly payments.

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

Harper,

Management

Prepared by Rob

Toad Property