

**THE TIMBERS OWNERS ASSOCIATION, INC.
ANNUAL HOMEOWNERS' MEETING
WEDNESDAY, NOVEMBER 2, 2022
318 ELK AVENUE
CRESTED BUTTE, COLORADO
VIA ZOOM**

Those participating:

Unit 008	Kendra Fuller
Unit 010	Ahmad Ghazanfari
Unit 012	Bill Cameron
Unit 100	Tim & Jill Weisner
Unit 106	Mitchell Robertson
Unit 107	Erin Stock
Unit 110	Lesley Gagnon
Unit 112	Mike Arth
Unit 200	Chris Seahorn
Unit 202	Marcie Rome
Unit 204	Marin Brownell
Unit 207	Andrew Heltzel
Unit 300	Reggie Park
Unit 304	Stacy Schultz
Unit 309	Chad Markle
Unit 312	Chad Markle
	Joe Robinson, Toad Property Management
	Alex Summerfelt, Toad Property Management

Proxy to Chad Markle:

Unit 103	Scott Kilbourne
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The meeting was called to order at 5:41 p.m.

Joe confirmed that notice of the meeting had been sent on October 7, 2022. Joe said the meeting did not have a quorum.

Joe said minutes of the October 6, 2021 meeting had been distributed with the meeting notice. There were no questions or amendments and Joe explained the minutes could be approved at the next owner meeting when there was a quorum.

Joe introduced himself and explained he had been working with the Board for the past few months following Chet Boyce leaving Toad. Joe explained Blue Dog Home Improvement had performed a screw and glue on the roof in September and Pinnacle Construction had recently repaired a soffit. Joe explained the Board continued to monitor the hot tub. The hot tub was not

a commercial grade hot tub and did get a lot of use and needed frequent maintenance. Joe explained some elevator maintenance had also been necessary.

Joe explained new flooring and better ventilation in the dog wash room was being researched. The Bulletin Board would be locked in the future and the locks had been ordered.

Joe confirmed Complete Coverage had provided a bid (\$89,280) for painting/staining the exterior of the building. Comparison bids would be sought and the work would probably be completed in the 2024.

Reggie said the Board had been meeting frequently and making regular reviews of the financials. Reggie explained the Board wanted to keep the Reserve Fund for capital or large expenses and not use funds from the reserve for operating expenses. Reggie said the Board had tried to keep expenses down and keep dues low despite high inflation and increased operating expenses throughout the valley.

Michael encouraged owners to reach out to the Board with questions or comments and Board members provided their email addresses in the Zoom chat feature.

Joe explained the Board had approved a 2023 Budget and that Budget had been distributed to owners with the annual meeting notice. Joe said dues would increase by 5.8% and the Board had attempted to keep that increase as low as possible. Joe explained the increase would be effective in January 2023 and a breakdown of dues by unit had been included with the annual meeting reminder. Joe said the 5.8% increase was low compared to other associations in the valley.

Joe said the Board had made changes to the Short-Term Rental policy and an annual fee of \$450 would be applied to any unit with short term rentals. The income had been added into the Budget which allowed the dues increase to be lower than originally anticipated. The Toad management fee had increased by 10% for 2023.

Joe explained insurance continued to be high despite attempts being made to get that premium lower. Joe said June 2023, 5 years after the water damage, would be the earliest insurance companies would be willing to consider lower premiums.

Building maintenance expenses in the 2023 Budget had been based on actual expenses from prior years and also based on estimates for some projects. Joe explained the hourly rate for common area cleaning had been reduced. Hot tub expenses and snow removal expenses were expected to be higher in 2023. Utility expenses throughout the valley had increased.

Joe explained that starting January 2023 invoices would look a little different as one line item would show Operating Dues and the second line would show monthly Reserve Fund contributions. The change would allow Reserve Fund income to be easily transferred to a

separate Reserve Fund bank account every quarter. The Reserve Fund would be used for the large projects, such as the exterior staining of the building.

Joe said at the end of September 2022 the Association had \$75,886 in the bank with \$16,000 in the Reserve Fund. Joe explained it might not be possible to transfer the full \$24,000 for 2022 into the Reserve Fund and the Board would discuss how much to transfer later in the year. Joe said in the future money would be transferred to the Reserve Fund on a quarterly basis and the funds would only be used with prior approval from the Board.

Joe explained there would not be a motion to ratify the Budget as there was still not a quorum. Joe said the 2023 Budget would begin in January 2023 as the Board had approved the Budget at an earlier meeting.

Joe said it might be necessary to have a special assessment to fund a portion of the exterior staining project in 2024 if the Association did not have sufficient funds in the reserve. The Board would continue to monitor and Michael said future reductions in insurance premiums would be one way for additional funds to go towards the exterior staining.

Joe explained Marin Brownell and Chad Markle had expressed a willingness to continue on the Board. Joe said as there was not a quorum Marin and Chad would be appointed at a future Board meeting.

Michael explained Toad had prepared a 10-year Capital Plan and estimates were being obtained for the future projects. Reggie said a bid had been obtained for a commercial hot tub and the cost had been much higher than expected and the Board would continue to discuss options. Michael said the Capital Plan would be reviewed carefully by the Board and adjusted as necessary as some projects might become more of a priority and others could be moved back. Funding future projects would also be considered carefully by the Board.

Bill Cameron thanked the Board and Toad for their work.

Joe explained it had been difficult in the past to find an insurance company to insure the building due to the water damage. Once the 5-year anniversary of the damage was reached more companies would be interested. Joe said conversations were already underway with some local insurance agents and American Family had already expressed interest in providing a quote for renewal. Attempts had been made to waive the full 5-year period but that had not been approved by the underwriters.

Mitchell Robertson expressed concern about funds going to the Reserve Fund and not refunded to owners or dues significantly reduced. Joe said the Board would continue to discuss expenses and how to maintain the building and complete essential work. Mitchell expressed concern about Toad Property Management and stressed the need for the Board to consider other management companies. Reggie explained the Board had introduced annual renewal of all contracts and obtaining competitive bids on an annual basis would guarantee the best rate

was being obtained for regular maintenance as well as the larger projects. Mitchell expressed concern about Toad's response time to issues, snow removal, lack of maintenance repairs and expensive servicing of the hot tub. Mitchell explained some owners in the past had been performing maintenance work, including snow removal and parking lot maintenance, but Toad had still been charging hourly rates for the work. Marin encouraged owners to reach out to the Board with concerns and said the Board had been very active in reviewing prior concerns and making an effort to move forward in a manner that worked for everyone.

Mitchell said he would continue to speak with unit owners and the Board but said it was essential to seriously consider a different property management company. The large increases in dues over the years made it difficult for some people to live in the building. Endless growth of the Reserve Fund was a concern of his.

Michael said he had joined the Board the previous year and had completed an extensive review of the financials and did not find any issues of concern. Michael explained that review would continue in the future and said Toad Property Management had been very open and willing to work with him during the review. Michael said other property management companies had been approached as part of the renewal of contracts and the Board had found the Toad product to be reasonable and fair. Michael explained reviews of all contracts would be performed by the Board and by Toad for any work completed at the building.

Michael explained avoiding a special assessment in the future was the reason for the Reserve Fund contributions now. Michael stressed the Board would continue to review the financials in an effort to make savings where possible and be prepared for the larger costs which would come up.

Joe said Toad Property Management wanted to be as transparent as possible and work with the Board. Mitchell stressed value for money was his main concern.

Ahmad expressed concern about switching insurance coverage to American Family and Joe said they would continue to research options and obtain quotes.

Mitchell asked that heaters in common areas be checked regularly and exterior doors be closed securely during the winter months. Mitchell said heaters in units also needed to be working to maintain heat during the winter months. Joe said he would speak to the maintenance crew and stress the need to regularly check heat in the common areas. Joe agreed to have the crew check the door on the mountain side (south) of the building as the door closed but needed an additional pull to completely close. Stacey Schultz expressed concern about the door leading to the hot tub not always operating smoothly. Joe agreed to follow up.

Joe said there would be a Board meeting immediately after the meeting.

The meeting adjourned at 6:55 p.m.

Prepared by Rob Harper,
Toad Property Management

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