

High Timber Townhomes Annual Meeting
Minutes
August 12, 2023
9:00 a.m.
Via Zoom Meeting

1. Call to Order, Quorum

Pursuant to timely notice of the meeting having been given, David Petersen, president, called the Annual Meeting to order at 9:05 AM, August 12, 2023. A Quorum, according to the Association by-laws, is at least 50% of the members present by attendance or proxy. A quorum was confirmed with 7 out of 10 unit-owners present by attendance or proxy. Homeowners present were David Petersen (#1122), Katy Norris (# 1124), Dan Watson (#1110), Dr. J. Karimi (#1128), Emmy Johnson (#1120), Hal and Anne Sargeant (#1126), and Chad and Sarah Covell (#1116). Also attending was Bliss Property Management (BPM) owner and High Timber Managing Agent, Carol Cannon.

2. Approval of the 2022 Meeting Minutes - The minutes of the August 13, 2022, meeting were distributed earlier and provided in the meeting packet.

Motion: Hal Sargent made a motion to approve the 2022 Annual Meeting minutes. Dr. Karimi seconded the motion, which passed unanimously.

3. President's Report – David Petersen, president, welcomed Sarah and Chad Covell, new owners in #1116 High Timber. David announced Ron Sedlack will no longer be on the Board. As a long-term primary resident at High Timber, David thanked Ron for his many years of service on the Board, policing the property, and letting the membership know about any problems related to High Timber. David also thanked Carol Cannon for her continued hard work with the HOA.

David also reported there was extensive roof and drywall repair due to ice dams. The road construction on Mary's Ridge just south of High Timber is due to the 3 homes on Mary's Ridge having to dig up their road and attach to Town of Breckenridge water. David briefly discussed the HT County assessor extremely high valuations. He understands many owners appealed, but the County did not lower the valuations.

4. Financial Report – as of June 30, 202

Operating Cash is \$16,110 Savings/Reserve Account is \$ 23,041. There are no units more than one month past due. Everyone paid the 2022 \$5000 assessment to cover the retaining wall replacement and the 1120 back deck replacement.

5. Repair and Maintenance Report

1. Turner Morris scheduled to do a 2023 Roof inspection this summer. There were extensive ice dams and drywall repairs. Most of these ice dams were in the valleys so TM is going to check them and do an audit. Hoping to have a report by the time of the meeting. The drywall repairs were about \$2000 and are included in the Budget under Miscellaneous Building Repairs
2. #1120 Back Deck rebuild completed September 202s. This was necessary due to an engineer's inspection report showed incorrect original rebuilt and a lack of underlying support.
3. Siding repairs and touch paint completed September 2022 and June 2023
4. Extinguishers inspected (annually).
5. Chimney cleans and inspections occur every other year and were completed in 2022. So the chimneys will not be inspected this summer 2023, but will be inspected in 2024
6. Landscaping and fire mitigation and mowing continuing this summer.

7. Retaining wall replaced September 2022. Due to an increase in materials since the original bid, the project was \$5000 over budget.
8. Still working with Bob Gregory with French, Huntley, Gregory to complete the updating HOA Declarations and Bylaws. They have had numerous delays. They did supply a draft of the updated Decs and Bylaws and the Board reviewed. They have not responded to the Board's questions yet, however, they have recently put another lawyer on this project and hope to respond to HOA in a week.

Hal requested that the law firm provide the changes they made.

*Carol had requested this when the draft was provided, but will request it again.

David P. asked if there were other Repair and Maintenance items or questions. There were none.

6. 2022-2023 Proposed Budget and Financials Review and Discussion – Carol reviewed the Proposed Budget and financial reports as presented. Dues will remain \$625 per month which should cover Operating Expenses. The Assessment will be \$3000 per owner (\$1500 November 15, 2023 and \$1500 March 15, 2024) to fund the Replacement Reserve fund.

Carol reviewed the Budget Notes. HT had unexpected expenses with all the roof shoveling, ice dams and drywall repairs. These extra costs are considered Reserve expenses and are separate from the Operating Expenses. HT's goal is to have all Operating Income cover Operating Costs. HT attained that goal this year with the \$625 HOA Dues. HT was hoping to add to the Reserve this year, but there were too many extra expenses. So the 2023-24 Budget proposes the Dues stay the same \$625 and do a \$3000 assessment per owner to continue to build up the Reserves and cover future roof repairs.

Turner Morris inspected High Timber roof where there were ice dams and leaks. They are proposing more heat tape. (This will be tricky with the electrical connections). Roofers for HT and other HOA's feel 2022-23 was a tough winter due to the extreme warm and cold cycles.

Insurance Rates – Rates generally increase every year due to fire danger in the mountains. Insurance rates were audited with State Farm in 2022 and 2023. There are no fire mitigation discounts. However, if fire mitigation is not done, then the insurance companies can opt out of insuring the HOA. State Farm inspects the complex every year. Some complexes, and single-family homes are not even able to get insurance if they are "red-flagged". This is a state-wide problem. When the insurance was audited in 2022, it showed that HT was underinsured. Attached to the meeting notes is the State Farm coverage information. These align with the current HOA Declarations.

Reserve Funding –

The Replacement Reserve Study spreadsheet illustrates that High Timber Reserve Account is at 2% of Total Reserve Funding. Best practice is to have 10% - 50% of the replacement costs in the Reserve Account. That would be about \$100,000 for the Reserve. The HOA goal is to fund the Reserve by 10% each year. Major expenses this past winter reduced the Reserve Funding.

Ann asked what trees will be cut down for fire mitigation. Carol said the trees marked with tape will be cut down. Dan Watson requested that the tree with tape next to his unit not be cut down. It provides shade to his unit.

*Carol will request another bid to cut down trees.

Dan also reported damage to #1114 roof. David reported the chimney cap at his unit needs to be replaced.

*Carol will request general maintenance and inspection of High Timber's roof.

Insurance rates were discussed. Emmy suggested checking other companies besides State Farm. Hal suggested USAA.

*Carol will request another Insurance audit.

Chad asked if Legal Fees line item was too low since they have more work to do on updating the Decs and Bylaws. Carol said they have been paid to-date and the extra work regarding the current legal questions may exceed the budget. Chad asked Carol if the management fees reflect the standard for management fees. Carol said yes, and explained increasing costs of doing business in the mountains and general costs increases cause management fees to increase. Chad asked if the HOA has asked other management companies if their fees are cheaper. David said no, because it is hard to find a good manager and they have always been happy with the 20-year HOA history with Bliss and felt the fees are fair. He reminded everyone there are only 10 HT owners splitting the cost of all HOA expenses.

Chad asked what the HOA plan is for replacing siding which he feels will need to be done soon. David explained the Board and membership were presented with a \$1m siding estimate in 2018, Every year the membership chooses to keep maintaining the existing siding and feels it still looks satisfactory, and not replace it due to the high cost of replacing. Hal asked if anyone has officially determined the life span of the siding. Carol had contractors and painters say it is generally 40 years. Which, in 2023 makes the siding 40 years old. Hal felt that maybe the siding could still last for a long time.

*Carol will have contractors inspect HT's siding again for future life expectancy.

David P. asked if there were any further questions regarding the financials or the Proposed Budget. There were none. Budget approval will be voted on under New Business.

7.Old Business

David suggested that all the Old Business items had been discussed and asked if there was any other old business. There was none.

8.New Business

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Owners present requested an exchange of telephone #'s, emails, and unit #'s.

*Carol will send this out soon

*Dan Watson noted exterior light posts need new bulbs #1110 and #1114.

*Hal asked if disturbed dirt on Mary's Ridge will be cleaned up, with possible replanting. Carol will ask the contractor. The contractor said, yes, and he feels the disturbed area is on Mary's Ridge lots. (Carol has the survey of this area and agrees with the contractor. Carol is happy to forward the survey to anyone who is interested.)

Vote on Proposed 2022-2023 Budget - David asked if there were any further questions about the Proposed Budget or Financials.

Motion: Dr. Karimi made a motion to approve the Financials and Proposed Operating Budget as presented with \$1500 due October 15, 2023, and \$1500 due March 15, 2024. Dan, seconded. All agreed and the motion was passed unanimously.

6. Election of New Officers – Board nominations were requested. David explained that Ron had preferred to be a Member-at-Large as a non-voting Board member, but he no longer wishes to serve in this position. Also, Jim Norris is no longer able to be on the Board. Chad offered to be on the Board. Hal nominated Chad.

Motion: Dr. Karimi motioned to approve the following slate of officers for the 2023-2024 year. Anne seconded the motion. It was unanimously decided to register the following officers:

David Petersen – President
Hal Sargent – Vice President
Chad Covell – Secretary/Treasurer

7. 2024 Meeting Date – Members decided that the next annual meeting will take place on Saturday, August 10, 2024, at 9 am, via Zoom.
8. Adjournment – 10:00 am

Respectfully submitted 8/12/23
by:
Carol Cannon, Managing Agent
Bliss Property Management, Inc