High Timber Townhomes Annual Meeting
Minutes
August 13, 2022
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 13, 2022. 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 8 out of 10 unit-owners present by attendance or proxy. Homeowners present were David Petersen (#1122), Jim Norris (# 1124), Dan and Sharon Watson (#1110), Dr. J. Karimi (#1128), Ron Sedlack (unit # 1118) Emmy and Jay Johnsons (#1124), and Corey Nakai (#1112) and Jenny Glass (#1116) were present via proxy. Also attending was Bliss Property Management (BPM) owner and High Timber Managing Agent, Carol Cannon.

2. Approval of the 2021 Meeting Minutes - The minutes of the August 14, 2021, meeting were distributed earlier and provided in the meeting packet.

> **Motion:** Dr. Karimi made a motion to approve the 2021 Annual Meeting minutes. Jim Norris seconded the motion, which passed unanimously.

3. President's Report – David Petersen, president, reported the HOA is in good shape physically. Everything looks nice when you drive into High Timber. However, financially, this year, there are three items affecting the 2022-2023 Budget. 1 – Unusual hyper-inflationary expenses in the national economy; 2 – three non-recurring costs = lower level retaining wall repair, #1124 back deck construction and updating the HOA's Decs and Bylaws; 3 – the "Financial Health" of the HT HOA. When David and Carol discovered the retaining wall would need to be rebuilt, they discussed ways to finance its repairs with a local bank lender. The HOA could assess owners for the full cost of the repair. Or the HOA could finance the costs through a bank. The lender said that banks only lend to financially healthy HOA's. This is defined as an HOA with dues covering all operating costs. Reserve fund contributions should be in addition and can included in the monthly assessments/dues or set up as separate assessments. The HT Proposed 2022-2023 Budget is set up to achieve a financially healthy HOA.. The Board is proposing increased dues to cover the operating costs and separate increased Reserve Assessments to cover the 3 large additional projects happening this year.

4. Financial Report – as of July 31, 2022

Carol reported Operating Cash is $ 23,400 and the Savings/Reserve Account is $ 33,013. There are no units more than one month past due. There are multiple banks and bank accounts because HOA is working on transferring accounts from Bank of the West to Alpine Bank. Carol summarized the Financials included in the meeting packet and emails.

5. Repair and Maintenance Report

1. Turner Morris did a 2022 Roof inspection this summer and found some needed repairs of shingles and heat tape $5000.
2. #1120 Back Deck rebuild scheduled for September 2022
3. Siding repairs and touch paint scheduled for September
4. Extinguishers inspected.
5. Chimneys will be cleaned and inspected September 9, 2022 beginning at 9 am.
6. Landscaping mowed/weed whack
7. Received $30,000 bid to replace retaining wall.

8. Working with Bob Gregory with French, Huntley, Gregory on updating HOA 1983 Declarations and Bylaws.
9. Fire Mitigation Report – Carol requested the Breckenridge/Summit Fire Dept to meet with her to discuss HT fire mitigation opportunities in a report. The report is attached. More details will be presented under New Business

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

6. 2021-2022 Proposed Budget and Financials Review and Discussion – Carol reviewed the Proposed Budget and financial reports as presented. Dues will increase to $625 per month which should cover Operating Expenses. The Assessment will be $5000 per owner ($2500 November 15 and $2500 March 15) to cover the large aforementioned expenditures this year.

The Replacement Reserve Study spreadsheet was summarized and illustrates that High Timber Reserve Account is at 3% 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.

Budget approval will be voted on under New Business.

David P. asked if there were any further questions regarding the financials or the Proposed Budget. There were none.

7.Old Business

Deck #1120 had been repaired/replaced in 2020. Deck #1124 will be replaced in September 2022. The engineer inspected all decks in 2020 and felt these were the only decks which needed repairing/replacing because they were not structurally sound enough to hold snow on their roofs. Therefore, the roof supports were getting damaged.

David P. asked if there was any other old business. There was none.

8.New Business

Retaining Wall Repair – Engineer's letter included stating High Timber's lower retaining wall should be replaced because its deterioration will affect the integrity of the driveway. HOA received a bid for $30,000 to replace most of the current retaining wall with a new timber retaining wall. Other options were discussed (Concrete or concrete spray), but the contractor felt these would not be appropriate at this site. All agreed this should be done.

Update HOA Declarations, Bylaws and Rules - The current HOA Documents are from 1983 and have never been updated. David added that fellow board member (not in attendance) Hal Sargent (#1126), who is an attorney and retired judge, agreed with the Bob Gregory's suggestions for updating the Declarations, and Rules.

Fire Mitigation Report - Carol summarized the report as presented. The report states that currently, HT is in the Yellow Zone, meaning the Fire Dept will make some efforts to "save" the structure in an eminent fire. The report states what the HOA can do to work towards the Green Zone, meaning that they will place much more effort on saving this structure because it will have less chance of burning down completely. The Fire Department identified actions that could be taken: weed whack all grasses to 6 "or less around entire building, remove flammable (wood or plastic) items stored on decks, cut off lower limbs of trees ("limb up"), cut down trees too close to buildings, and install drip lines (weed barrier and rocks 1-2ft from exterior walls) around the entire exterior. The group agreed to start "working towards the Green Zone" by weed whacking all grasses while trying to avoid wildflowers. The Board will meet to discuss costs and options for cleaning out dead leaves and greases under decks, install drip lines and limb up and/or remove dead trees.

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 $2500 due November 15, 2022, and $2500 due March 15. Dan, seconded. All agreed and the motion was passed unanimously.

6. Election of New Officers – Board nominations were requested. There were no new Board nominations

Motion: Dan made a motion to continue the same slate of officers for the 2022-2023 year. Dr. Karimi seconded the motion. It was unanimously decided to register the following officers:

David Petersen – President
Hal Sargent – Vice President
Jim Norris – Secretary/Treasurer
Ron Sedlack - Member-At-Large

7. 2023 Meeting Date – Members decided that the next annual meeting will take place on Saturday, August 12, 2023, at 9 am, via Zoom.

8. Adjournment – 9:45 am

Respectfully submitted 8/13/22
by:
Carol Cannon, Managing Agent
Bliss Property Management, Inc