

COLORADO TIMBER RIDGE HOMEOWNERS ASSOCIATION

ANNUAL MEETING MINUTES AUGUST 16, 2008 – CENTERPOINT CHURCH

At 10:25 a.m. President Barbara Parada opened the 2008 Annual Meeting by announcing a close of the balloting. A quorum was established by Secretary David Strathdee, and election managers Frank and Marlene Meiners.

Barbara thanked the following for their efforts on behalf of the Association:

- Dave Strathdee for his work as Secretary, Janie Bard for her work on the website and as Treasurer, Jody McAlister, for being on the IRC as liaison, and Garry Lassman for his work as V.P. in helping to conduct meetings and making sure our insurance is in order.
- Volunteers on the Maintenance Committee who worked with chairman Ivo Brieven, including Garry Gobbato who assisted with obtaining the equipment and spraying the weeds in the subdivision as well as Messrs. Strathdee and Yalom who helped with thistle spraying along with the others who helped with various maintenance projects.
- Chris Harwood and the other members of the Covenant Compliance Committee who have the difficult task of enforcing the various regulations of the subdivision.
- The Finance Committee headed by Janie Bard and assisted by Vicky Wood, Craig Moller and Gary Gobbato who have done a fine job in keeping our finances in order.
- Siri Schuchardt and the rest of the Improvement Review Committee for their hard work in reviewing and approving all the plans submitted for building in the subdivision.
- Frank and Marlene Meiners were also recognized for being ready to activate the Equestrian Committee when the time comes.

Adoption of Agenda: Barbara noted a change in the agenda, moving Final Call for Ballots to after the call for Nominations from the Floor for Board Vacancies. There being no objection the agenda was adopted as revised.

Approval of 2007 Minutes: Ivo Brieven objected to wording in the last paragraph on page 3. Lassman asked if removal of the third from last sentence would be satisfactory and Brieven agreed. Lassman moved that the minutes be approved as amended, seconded by McAlister. Motion carried.

Treasurer's Report: Janie Bard presented the following financial summary:

1. Major expenditures since last annual meeting include:
 - Snow removal - \$17,000

- Road repair - \$9500
- Sealing Bristlecone and Cool Pines - \$63,000 with a balance due of \$37,900

2. Reserve fund status:

- \$100,000 CD with First Federal maturing 8/15/09
- \$35,000 CD with Bank of Colorado maturing 9/24/08
- \$72,365 savings account with Citizens' Bank
- Total - \$207,365 which represents 27.4% funded

3. Financial position:

- \$63,840 in operating fund account with Bank of Colorado
- \$8,000 in contingency fund account with Citizens' Bank
- We are at 65% of our 2008 budgeted expenses as of 7/31/08

4. Website: Bard explained that our website was designed using software requiring use of the Internet Explorer browser for viewing (It can be downloaded free.) We have chosen to maintain our own website to keep cost down, but if there is a significant problem for users we can investigate paying for professional services. The site contains all the governing documents, policies, procedures, and necessary forms along with current news items. Lot owner contact information is not on the web site, but can be obtained from a board member. Bard also urged everyone to keep the board up-to-date with changes of contact information.

Owner Education: Our attorney, Lauren Holmes presented educational information regarding homeowners' associations in Colorado.

- The HOA is a non-profit organization primarily governed by Colorado Common Interest Ownership Act (CCIOA) regulations as well as various Federal laws.
- All owners are members of the association
- Day to day operations are conducted by the elected board of directors who have a fiduciary duty to act in the best interests of the association
- Governing documents include the Declaration which define the property and provide for assessments, architectural control, etc., Articles of Incorporation which set up the organization as a corporation, By-Laws which define how the organization operates, and Rules, Regulations, Policies and Procedures which are adopted by the board to clarify items of the Declaration and By-Laws.
- Owners have an obligation to understand and comply with the covenants. They also have the right to enforce a covenant even if the board does not, to attend board meetings and comment, to review records, and to ratify the budget. Owners are also encouraged to participate as board and committee members.

Questions/Comments:

- Holmes clarified the new statutes regarding energy conservation devices. Basically an HOA can impose aesthetic restrictions, but cannot prohibit the use of energy saving devices such as solar panels, evaporative coolers, retractable clothes lines, etc.
- Owners were encouraged to report possible covenant violations to the board which might be unaware of a situation. Discussion ensued and there was general agreement that rules and regulations need the flexibility to address a variety of circumstances on a case by case basis.
- In connection with the above, President Parada asked for input from owners to the ad hoc committee which is currently revising the CC&R's.
- Siri Schuchardt cited an example of a parked trailer which is in compliance with current covenants, but its location has been the subject of numerous complaints by neighbors. If the rules were changed would such cases be grandfathered? Lauren responded that generally they would not be, but it would depend on complexity, cost, current law, etc. of each case. It is also a good idea to find out if a case is in violation of County regulations and could be resolved in that way.

Developer Status Report: President Parada gave a summary of events involving the developer during the past year. As stated in a letter to owners, we are at a stalemate with Mr. Machock regarding the completion of amenities.

- The board has had three conference calls with some of the developer's investors interested in trying to find a solution. They claimed to have received no money from Machock to date and won't until the remaining phases are developed.
- They believed that completing the amenities hinged on the HOA adopting the new CC&R's, as opposed to the reality that the two are independent. We provided them with a fact sheet containing the history of the situation.
- If we would permit the development to proceed, they proposed giving the HOA a percentage of each lot sale to pay for completion of the amenities. For a number of reasons this is unacceptable to us.
- We have subsequently received a letter from an attorney in California requesting all future correspondence on the matter be directed to him.
- The most recent development is that, in June, Mr. Machock recorded a revised plat called "Timber Meadows" which divides the remaining area into seven 35 acre lots and a 70 acre parcel. Dividing parcels into lots of 35 acres and over does not constitute a subdivision, thus not needing Planning Commission approval. The Board will need to determine what our course of action will be in response to his actions. Discussion followed regarding the pros and cons of having 35 acre lots and what might happen to the equestrian area. In Lauren's opinion, that area is dedicated as part of the HOA common area and could not be sold.
- Bard noted that local realtors are still advertising Timber Ridge as having an equestrian center with miles of trails, etc. Although some have already been contacted, it was decided that a letter should be sent to all the local realtors advising them not to advertise what does not exist.
- Further discussion focused on possible ways to resolve the stalemate, but no clear direction could be identified.

Nominations for Board Vacancies: Parada called for nominations for the two vacant board positions in addition to McAlister and Lassman who are seeking re-election. There being none forthcoming she made a final call for ballots.

The meeting was adjourned for lunch at 12:00 and resumed at 12:46.

Election Results: Strathdee announced the results as follows:

61 votes for Garry Lassman
61 votes for Jody McAlister
1 write-in vote for Dick Babillis

Fire Mitigation Program: The meeting moved to the church vestry for a presentation on fire mitigation by Dan MacVeigh of Fire Ready. Following a slide presentation, Mr. MacVeigh explained some steps which can be taken to lessen the threat of wildfire as well as answering several questions from the audience.

Public Comments:

- Mr. Meiners expressed concern about public use of Bristlecone and the resulting cost of maintenance to the HOA. Parada explained that our roads were dedicated for public use as part establishing the subdivision, but that we plan to address this concern with the County Commissioners after the November election to seek an equitable solution. Lassman pointed out that at some point the HOA will need to decide whether or not to petition the County to take over complete control or to seek a compromise in order to maintain a voice in how the road is managed. It was suggested that Cascade is an alternate route through to Trujillo Road, but it is unpaved and through trucks are prohibited. More discussion followed, but no definitive conclusions were reached.
- Mr. Bard asked about progress on getting traffic control signs at the intersection of Bristlecone, Heath and Sage. Strathdee explained that he has contacted the County and is on a waiting list to review this with the Road and Bridge department. The County needs to approve installation of traffic control signs, so doing it ourselves is not an option.
- During further discussion of traffic control, Mr. Meiners offered to investigate the cost and feasibility of installing temporary speed bumps that can be removed in winter to allow for snowplowing.

President Parada announced that an executive session of the Board would follow. The meeting was adjourned at 2:00.