

**Timber Lakes Property Owners Association
Board Meeting Minutes – Wednesday February 4, 2009**

East Millcreek Library

Conducting, Welcome and Road Call: President, John Blickenstaff - 7:05 p.m.

Board Members Present: John Blickenstaff, Mike Durr, LaMar Hadley, Gary Hume, Rob Roueche', Ole Smith

Excused: Craig Allen

Property owners present: 10

John announced the resignation of Board member Charlie Richards who has sold his property in Timber Lakes. He explained that the Board went back to the 2008 Annual Election and identified Brad Denney as the next candidate in line who received the highest number of votes but was not elected. The Board contacted Brad and he was still interested in serving. The Board determined that Brad was eligible to serve on the board. Brad gave a brief outline of his previous work experiences and stated his desire to serve on the Board.

Motion made by Gary to appoint Brad Denney to complete the remaining term of Charlie Richards (Annual meeting 2009).

Seconded by Mike.

Motion passed unanimously.

Ole administered the Oath of Office to Brad Denney.

John introduced Rex Gale as the Association's Accountant, replacing Dave Kirby. Rex summarized his education and work experience. He received his accounting degree from Brigham Young University and worked as a CPA for Fortune 500 company, before starting his own business. He is now retired and resides in Timber Lakes.

John stated that three accountants were interviewed for the job and all three had great qualifications. Rex will function as a financial advisor to the Board, as well as handle accounting, budgeting, cash flow analysis and cash management. The Board desires to outsource the accounting and finance functions to stabilize that area when the composition of the board changes over time.

Motion was made by LaMar to appoint Rex Gale as the Association's Accountant at the agreed rate of \$325 per week and to authorize John and Rex to work out a contract.

Motion seconded by Mike.

Motion passed unanimously.

John suggested that we change our accounting software from QuickBooks to a new product called QuickBooks Online (QBO). QBO is an internet-based application that can be accessed from anywhere using a browser. The product is sold on a subscription basis and includes all updates, data backup and unlimited technical support. It also includes three logins, which would allow Board members to login to view reports. John has talked to a Timber Lakes owner who can help us obtain a discount on the subscription price and estimated it would cost us approximately \$25 per month. A discussion followed.

Motion made by Gary to convert our accounting data to QuickBooks Online and authorize John and Rex to work out the details.

Motion seconded by Giff.

Motion passed unanimously.

Property Owners Forum:

██████████¹, owner of lots, █████, █████, █████, █████, █████, █████ and █████, asked if the Board would consider any flexibility in how the annual assessments are paid. He stated that it might be easier for owners if the Association would accept credit card payments and if the assessments could be paid monthly rather than all at once. He also objected to being charged late payment fees and being turned over to an attorney for collections.

John stated in the absence of having a Treasurer, he would address █████'s questions. The Board has received other similar requests and is currently investigating getting setup to accept payments by credit card. It is not yet in place, but the Board is committed to getting it in place. As to accepting monthly payments, the CC&Rs require the annual assessment to be paid by March 31st of each year. If the assessment is not paid in full, the CC&Rs require interest be charged on the past due amount. The Association also charges a late fee for processing the overdue accounts. Therefore, the same as with any other entity, the owner has the choice of paying a lesser amount on time or a larger amount over time.

██████████ said he wanted to make sure the Board was not singling him out because he had made some payments for previous year's assessments but had not paid them in full. John thanked █████ for his comments and reminded him that he had ignored the letter that was sent to him in December 2008, telling him that if he did not pay his accounts in full by December 31, 2008, the Association would initiate foreclosure proceedings. █████ responded that he had received no such letter. John asked him if he has received his check back, un-cashed, from the Association. He replied that he had received it. John said that the letter was wrapped around the check in the same envelope.

¹ Owner's name and lot numbers have been redacted at the request of the property owner, who showed reason acceptable to the Board for the redaction.

██████████ objected to the board turning him over to an attorney for collection. John pointed out that ██████████ obviously had the money to pay the accounts in full because he had sent us a check that more than covered what he owed, but he stipulated that if we cashed the check, we would have to give him what amounted to an approximate \$200 per lot discount on his 2009 assessments. We returned his check un-cashed because his stipulation required us to go to all the other lot owners in Timber Lakes and ask them to subsidize his seven lots and the Board did not think that was fair to the other owners.

██████████ asked if no one on the Board was willing to talk to him about settling this matter. John said we have been talking to you for months. The problem is that you do not communicate with us. He reminded ██████████ that we had been more than patient and that he had ignored all the communication we sent to him through the attorney. John said we were going to instruct the attorney to start foreclosure proceedings in the morning. ██████████ offered to write a check immediately if someone could give him the amount. John asked ██████████ for his telephone number and promised that someone from the attorney's office would call him in the morning and give him the number. If we receive a check very, very soon, we will hold off on foreclosure, until March 31, 2009, when we start all over again with ██████████.

John next announced that a property owner is suing the Association over the fees charged for new construction. We will defend ourselves vigorously and are being represented by the Association's attorney, Paul Mortensen, who is present at the meeting. Because of the lawsuit, the Board will not be able to make comments about the construction fees at this time.

Rob Chase, owner of lot 857, stated that even though we could not comment on the building fees he feels they are too high, compared to our mountain developments. He did some research and reported on building fees charged by several private developments. John thanked Rob for his input and expressed appreciation his coming to the meeting and willingness to get involved. However, due to the litigation, the Board cannot respond to Rob's comments at this time. The current building fees remain in place.

Brent Sheets, owner of lot 20, thanked the Board for their work on the proposed Fire Station and asked for an update. John replied that we have received enough Approval Forms from the owners and have communicated that to the Wasatch County Fire Board. The Fire Board is developing construction estimates. John said that Steve Farrell and Neil Anderton were enthusiastic supporters of this Fire Station and had the best interests of Timber Lakes in mind.

Gary stated that although the property owners have authorized us to deed the land for the Fire Station to the County, we will hold the property until we have a firm commitment from the County that they will build the station.

John reported that the trash in the mail house, particularly junk mail, is out of hand. After discussing several options, The Board asked Connie to call Craig Allen and ask him if the security employees can empty the mail house trashcan daily.

Board Reports

Ole Smith: The Vehicle Storage Building is done except for staining the timber façade, which will be done this month. Two companies bid on the project and we awarded the job to Premier Wood.

Gary Hume: An offer was made over a year ago, to the previous Board, by Gordon & Bonnie Huetter to donate some land from lot 407 towards making a turnaround on the Rock Cress cul-de-sac. A discussion was held. LaMar suggested they first check with Ernie Giles and determine how big of an area the Fire Chief might require for a turnaround. LaMar thought it was in everyone's best interest to know if the County was going to require more than the Heutter's were offering for an emergency equipment turnaround. The Heutter's offer was intended to provide a turnaround place for the snow removal equipment. Gary suggested the Board should move ahead in considering this matter. The Board agreed it is a generous offer. Mike Durr was assigned to research any requirements the County may have.

Gary pointed out that the revised Employee Handbook superceded some sections of the Policies and Procedures document.

Motion made by LaMar to eliminate sections 5.5 through 5.5.2.9 of the Policies and Procedures document and replace them with an incorporating reference to the Employee Handbook. (Copy attached to original minutes)

Motion seconded by Rob.

Motion passed unanimously.

Gary and John previously distributed a redline version of Living in the Mountains, originally written for the Board by Clayton Wahlquist. The Board reviewed with the owners present the changes, which clarify snow removal, impose a penalty for pushing snow into the road from a private lot, correct grammar, clarify that snowmobile access through Heber Valley Camp is for owners and their accompanied guests only, and add ATVs and UTVs to the list of recreational vehicles requiring a current Timber Lakes sticker in order to be brought in the subdivision. Gary stated that Utah law requires that ATVs, UTVs and snowmobiles have current state registration just to be transported on Utah roads. The Association will not allow unregistered recreational vehicles into the subdivision and we will not sell stickers for unregistered vehicles. The requirement for stickers on ATVs and UTVs will begin at a date to be specified in the upcoming newsletter. Ole proposed clarifying the language regarding rented machines.

Motion made by Gary to accept the edits to Living in the Mountains, which is available on our website, and to conform our ATV, UTV and snowmobile permits to Utah registration laws.

Motion seconded by Ole.

Motion passed unanimously.

Gary reported the roads are in good shape and that most owners are pleased with snow removal efforts.

Mike Durr: Underwriters for mortgage loans are tightening up their requirements regarding road agreements in private subdivisions. Timber Lakes can make it a bit easier for owners to qualify for loans if we have a Road Maintenance Agreement. The Board agreed and asked Mike to research and draft the Agreement.

Ole: Presented the final version of the Joint Building Construction and Operating Agreement with the Timber Lakes Water Special Services District regarding the Vehicle Storage Building.

Motion made by LaMar to approve the operating agreement and to authorize John and Ole to negotiate edits, if required, with the Water Company.

Motion seconded by Rob.

Motion passed unanimously.

John read the warrant list.

Motion made by Gary to approve the warrant list.

Motion seconded by LaMar.

Motion passed unanimously.

A discussion was held regarding appointing someone from the Board to serve as Treasurer. One consideration is having another person accessible to the Accountant for check signing.

Motion made by LaMar to appoint Mike Durr as Treasurer.

Motion seconded by Rob.

Motion passed unanimously.

Motion made by Giff to adjourn the meeting.

Motion seconded by Rob.

Meeting adjourned at 9:00 p.m.

Minutes taken by TLPOA Office Manager, Connie Hadley