

Highlands of Turkey Canon Ranch HOA

Meeting Minutes
December 13, 2007

I. Call to order

Mark McClurg called to order the regular meeting of the Highlands of Turkey Canon Ranch HOA Annual Meeting at 5:35 p.m. on December 12³, 2007 at Morley Companies offices, 20 Boulder Crescent, Colorado Springs, CO 80903.

II. Roll call

Mark McClurg conducted a roll call. The following persons were present:
Mark McClurg – President
Mark Morley – Vice President
Shannon Saranaa
Susie McClurg
Pete Foster Jr.
Lisa Weiss
Charles Smith
Don Bates

Joining the meeting later were James Wolcott, Susan Wolcott and Jim Morley.

III. Approval of minutes from last meeting

Mark McClurg read the minutes from the last meeting. The minutes were approved as read.

IV. Old Business

A. HOA Insurance Policy

Don Bates of Bales Insurance, Inc. reviewed the HOA D&O Insurance Policy. He reviewed several details of the policy, including: Policy coverage applies to common areas only, we shouldn't expect an increase in the cost of the policy for 2008, it covers autos used for HOA purposes, it covers up to a total of 2 million dollars of loss coverage with the umbrella coverage and there is a \$500 deductible. He reminded us that we should get a certificate of Workman's Comp Coverage for every contractor that performs work for the HOA. This policy will be reviewed annually.

B. Road Completion Report

Pete Foster engaged a contractor to address the areas of erosion along HOA roadways. The contractor has had problems with their machinery, resulting in delays. Pete states that the stacking of rocks shouldn't take much longer and that when completed, they should slow down the water velocity. Mark McClurg shared his concern of water getting behind the rock area and creating future erosion problems. Pete stated that although some erosion is unavoidable, vegetation may need to be added to help avoid water from getting behind rocks. Pete's plan is to complete control erosion efforts and then to install guard rails and repair damaged areas of asphalt. He will also address drainage issues along the southern portion of Henry Ride Heights where water collects along the roadway. He states they will do what they can during the winter and complete their work in the Spring of 2008.

C. Gate Operation Review

Mark McClurg reported on the following gate operations. Presently the gates are open on weekdays and closed other times. He stated that the gate codes are still #HTCR and #VEND, the last code to be given to vendors, workmen, etc. It was noted that in January we will begin to have the gates closed at all times. At that point, there would be a need to notify Fed Ex, and UPS along with other delivery companies.

V. New Business

A. HTCR 2007 Financial Report/Operating Budget

The **2007 Financial Report** was distributed and reviewed by Mark McClurg. Also presented was the **2008 Budget Projection** which included Sealcoating all HOA roads in 2008. A Sealcoat needs to be applied to the roads every two years to prevent cracks and more expensive repairs to the roads in the future. Mark also presented projected costs of an asphalt overlay in 25 years and suggested that funds need to be put aside for this future financial projection. This issue will be addressed in future budgeting efforts. HOA dues for 2008 will be unchanged. The **2007 Income Statement** was distributed and reviewed. Lastly the **HOA Property Owner Listing** for 2007 was distributed.

2007 Financial report and 2008 Operating Budget: Approved

B. Road Maintenance Schedule

Sealcoating is to be done in May or June of 2008. After the 2008 Sealcoat and other budgeted expenditures, the HOA anticipates a year-end 2008 balance of about \$10,000.

C. Future HOA Operation (2008)

Mark Morley reported that Lots 18 and 12 sold. The Developer currently has 7 available lots. There are 23 lots total within the HOA. When the Developer has sold seventy-five percent (75%) of the total lots available, the process of turning over the HOA from the Developer to the HOA will commence. It is anticipated that this trigger will occur in 2008. The turnover process will be reviewed by HOA legal counsel.

D. HTCR Delinquent Dues report

Reconciliation of HOA payments and the need for lien filings on owners who are well overdue on their payments was discussed. Mark McClurg discussed his attempts to contact individuals in order to secure dues. At the end of 2007, we project that we will have only one lot in arrears. Those delinquent dues have been protected by the filing of a Mechanic's Lien against the affected lot.

E. 2007 Expense Reimbursement

Mark submitted the **2007 Expense Reimbursement** report along with the receipts for the items on this report. Bills included for reimbursement for 2007 included gate phone and power service, gate wood preservative, two convex intersection mirrors, lien filings and postage. Mark reported that we had possible lightning damage on the gate and he handled the labor for this and the log preservative application personally.

F. HTCRHOA.com

Mark McClurg's son will build this website where documents can be viewed online.

G. Upper Arkansas Water Conservation District

Mark Morley reported on new administrative procedures that may allow the state of Colorado to monitor private well usage. The Upper Arkansas Water Conservation District has the ability to augment private well usage within their service territory.

VI. Adjournment

Mark McClurg adjourned the meeting at 7:30 p.m.