

**Highlands of Turkey Canyon Ranch  
Homeowner's Association**

**2008 Income Statement**

<b>January 1, 2008 Balance</b>	\$31,197
<b>2008 Income</b>	\$30,000
<b>2008 Expenses</b>	
Don Bates Insurance	\$ 1,474
Custom Landscape (snow removal)	665
Mark McClurg reimbursement	1,532
Avery Asphalt (Sealcoat)	38,307
HOA Tax Return Preparation	<u>1,134</u>
<b>TOTAL</b>	<b>\$43,112</b>
<b>December 31, 2008 Projected Balance</b>	<b>\$18,085</b>

**2009 Budget Projection**

<b>Projected Expenditures</b>	
Snow Removal	\$ 5,000
D&O Insurance	1,545
Legal for HOA Control Transition	2,000
Entrance Gate Operation	900
Log Preservative	250
Guardrail Canyon	2,000
HOA Tax Return	500
Landscaping	<u>150</u>
<b>Total Projected Expenditures</b>	<b>\$12,345</b>
<b>Projected 2009 Monthly Dues (Income) and Resulting Annual HOA Revenue</b>	
18 Undeveloped Lots @ \$100 per month	\$21,600
5 Developed Lots @ \$200 per month	<u>12,000</u>
<b>Total 2009 Dues</b>	<b>\$33,600</b>

## **Highlands of Turkey Canon Ranch HOA**

### **Meeting Minutes**

December 3, 2008

#### **I. Call to order**

Mark McClurg called to order the regular meeting of the Highlands of Turkey Canon Ranch HOA Annual Meeting at 5:45 p.m. on December 3, 2008 at the offices of Morley Companies, 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

Jim Morley-Secretary/Treasurer

Shannon Sarama, Susie McClurg, Susan Wolcott, James Wolcott,

Marsha Hill (via phone), Barbara Ricketts

#### **III. Approval of minutes from last meeting**

Mark McClurg read the minutes from the last meeting. Mark Morley moved approval, James Wolcott seconded. The minutes were approved as read.

#### **IV. Old Business**

##### **A. HOA Insurance Policy**

Barbara Ricketts of Bates Insurance, Inc. reviewed the HOA D&O Insurance Policy coverages and coverage limits. Coverage limits are \$2 million per occurrence with an additional \$1 million in umbrella coverage. She also agreed to research available methods of protecting our roadways against loss incurred by contractor use of heavy machinery.

##### **B. Road Completion Report**

Mark Morley related that final bids have been secured for installing protective guardrails/balusters where needed and two drain pipes to complete the roadway completion project. Residents complimented Mark Morley on the excellent quality of work accomplished to date. It is anticipated that the final elements of project completion will be accomplished in the first quarter of 2009.

##### **C. Gate Operation Review**

Mark McClurg reported the entrance gate is now operating at all times. There have been no problems reported and the gate will continue to control entrance to the HOA at all times going forward.

## V. New Business

### A. HTCR 2008 Financial Report/Operating Budget

The **2008 HOA Income Statement and 2009 HOA Budget Projection** were distributed and reviewed by Mark McClurg. The January 1, 2008 HOA balance was \$31,197. Received income for the year was \$30,000. Total expenses for 2008 were \$43,112. The largest expenditure related to sealcoating all hard-surfaced roadways in the HOA at a cost of \$38,307. The budgeted amount for that work was \$44,000. The HOA had a 2008 year-end balance of \$18,085.

Budgeted expenditures for 2009 are \$12,345 with anticipated HOA dues collections of \$33,600.

**2008 HOA Income Statement and 2009 HOA Budget Projection:** James Wolcott moved approval, Mark Morley seconded. Approved

B. 2009 HOA dues were recommended to remain the same as 2008. James Wolcott moved approval, Mark Morley seconded. Approved.

### C. Road Maintenance Schedule

The 2008 sealcoating process went well. The roadways will be monitored and it is anticipated that all roadways will be sealcoated again in 2011.

### D. Future HOA Operation (2009 and beyond)

Election of Officers/Establish Position Terms of Service

Current terms of office for the position of HOA President will expire on December 31, 2011, for the position of HOA Vice-President will expire on December 31, 2010 and for the position of HOA Secretary/Treasurer will expire on December 31, 2009. James Wolcott moved approval, Susie McClurg seconded. Approved

### E. HOA Turnover Process

Sufficient lots have now been sold to facilitate the transfer of HOA control from the Developer to the Owners. Mark McClurg and Mark Morley will meet with Leonard Rieth, transition legal counsel to the HOA, to begin the transfer process. It is anticipated that a special HOA meeting will be held near the end of the first quarter of 2009 to finalize the transfer process.

Motion made to direct Mark Morley and Mark McClurg to meet with legal counsel and commence the Transfer of Control of the Highlands of Turkey Canon Ranch HOA from the Developer to the Owners. Mark Morley moved approval, Susan Wolcott seconded. Approved.

**F. HTCR Delinquent Dues report**

Two lot owners are in arrears for payment of dues currently assessed. Each will have Mechanic's Liens filed with the El Paso County Recorder's office against their Highlands properties. Per existing HOA policies, each owner in default will be required to pay the Dues and/or Special Assessment amounts itemized in the Lien and interest at the legal rate of eighteen percent before the lien will be released. Any lot owner failing to pay dues as required by the HOA will have a Mechanic's Lien filed against their property, requiring the owner to pay the Dues and/or Special Assessment amount plus interest at the maximum legal rate. Motion to commence in 2009, an administrative charge of \$500 will be applied to any property that has a Mechanic's Lien filed against it in addition to existing HOA collection procedures. Susan Wolcott moved approval, seconded by James Wolcott. Motion approved. It was noted that our HOA dues are our only source of income and that prompt payment of dues provides our only means of maintaining our HOA. Thanks to the vast majority of our owners that pay their HOA Dues in a very timely manner.

**G. 2008 Expense Reimbursement**

Mark McClurg submitted the **2008 Expense Reimbursement** report in the amount of \$1050.33 along with the receipts for the items on this report. Bills included for reimbursement for 2008 included gate phone and power service, replacement bulbs for the entrance gate, Mechanic's Lien and service filing fees and the commercial cost of website hosting of HTCRHOA.com for two years. Shannon Saramaa moved approval, Susan Wolcott seconded. Approved

**H. HTCRHOA.com**

HTCRHOA.com is now functional. All HOA documents, including minutes from all past HOA meetings are posted on the site. Various owners offered suggestions on content that might be helpful to display on the site. Additional content will be added in 2009.

**I. HOA Workday**

We will have an HOA Workday in the Spring of 2009 to plant trees and landscape various common areas of the HOA. The date will be determined closer to the actual workday. Every owner is invited to attend.

**J. Additional Business**

It was suggested that we offer an annual hike for all owners to participate in.

**VI. Adjournment**

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