

Tamarron Association of Condominium Owners

Virtual Executive Board Meeting

February 26th, 2021, 8:00 am

Minutes – Unapproved

Board Members Present:

President Scott Gillen and Vice President Rick Kues were on property. Secretary Ron MacLennan Eric Tibbetts, Greg Collins, Boyd Hodges, and Kathy Puglise attended the meeting electronically. The President being in chair and the Secretary being present.

Officers Present: Treasurer Joe Carey (electronically).

Staff Present: General Manager Tim Broeren, Business Manager Allisa Olinger and Director of Owner Relations Gary Prisby.

President Gillen called the meeting to order at 8:00 am. Mr. MacLennan verified a quorum was present. Mr. MacLennan stated the meeting had been properly noticed including an email sent to all owners. Mr. MacLennan made a motion to accept the minutes from the November Board Meeting. The motion was seconded by President Gillen with a vote of 7/0.

President Gillen provided the following President's Remarks –

The Basecamp restaurant is off to a good start and will increase daily hours as more services are available. The General Store has been busy as well. Overall reception by the community has been excellent.

Mr. Carey provided a report of the 2020 year-end financial reports (see attached) -

Mr. Carey stated we are early into the new 2021 budget cycle with just one month completed so reporting on current activity is not meaningful. Quarterly Assessments are on track.

Accounts Payable are off slightly due to Tamarron holding back on a portion of water payments from Glacier as the ongoing water dispute continues.

The Maintenance Revenue is off slightly due to Covid-19 issues causing delays.

Commercial Space Rentals are down slightly as the budget number was incorrectly added to two separate accounts. This has been corrected.

Transfer Fees are up significantly due to heavy real estate sales at Tamarron.

Legal Fees have dropped significantly.

Investment accounts have dropped slightly due to the cut in interest rates.

There were no protests received from the owners regarding the 2021 Budget. Therefore, the 2021 Budget was ratified by the owners.

Mr. Tibbetts asked about Reserves, and Mr. Carey responded that with 1) contributions to Reserves of more than \$90,000 and, 2) significant expense for elevator replacement, the Reserves at the end of 2020 were actually \$5,000 less than a year ago.

Mr. Tibbetts asked Mr. Carey and Mr. Gillen about a motion to move the 2020 budget surplus to Reserves. Mr. Carey informed the Board that a new accounting policy has been adopted, with the blessing of our accountant and auditor, to move any surplus funds from the current year's annual budget to Reserves as of the end of that year.

Vice President Kues provided the following Architectural Review Committee Report (see attached) –

Unit #776 is requesting the installation of an outdoor security camera. The request will be deferred pending the formation of a policy for security cameras. The request was approved as part of the new Camera Policy with a motion by Mr. Kues for approval and seconded by President Gillen. The vote was 7/0.

Unit #605/606 is requesting to replace existing front windows with standard windows for continuity. Mr. Kues made a motion to approve the request seconded by President Gillen. The vote was 7/0.

Unit #823 is requesting to add new windows around the fireplace and make an exterior penetration on the building side instead of the roof. Mr. Kues made a motion to approve the request seconded by President Gillen. The vote was 7/0.

Units #621/#622 is requesting the installation of a gable, windows and sliding glass door in the back area increased 8 feet in height. The owner is in the process of major remodeling. Mr. Kues made a motion to have an opinion from a second structural engineer. Pending that review, this request could be approved. Mr. Tibbetts asked that the motion be amended to reflect the Board's opinion that approval of this request for 8-foot windows be largely dependent on the unit's unique location relative to other units and that any similar requests should be reviewed independently of 621/622. Mr. Kues approved the amendment. The motion was seconded by President Gillen. The vote was 7/0.

President Gillen provided the following report on the new proposed Camera Policy (see attached) - The policy ensures a consistent process for the review, installation, and operation of security cameras at the outlying areas. Tamarron Maintenance staff will be involved in the installation and overview of the camera system. The policy has been reviewed by Tamarron Legal to ensure privacy issues are followed. A motion was made by President Gillen to adopt the Camera Policy that provides the purchase, installation, and operation of camera equipment. Future requests for cameras will be approved based on compliance to this policy. The motion was seconded by Mr. Kues. The vote was 7/0.

President Gillen provided a report on the water and sewer contract negotiations. Negotiations with Glacier continues with an attempt to implement a new water contract. Further updates will be provided as new information develops.

President Gillen provided the Rental Report –

Rental property is becoming more popular than hotels. Travelers feel more secure in rental properties than in hotels.

A refresh of rental property at Tamarron is available for owners to complete. Heather Dawson can provide costs for upgrades of kitchen, bathrooms and living areas. Tamarron maintenance can provide the labor.

Mr. Broeren and Ms. Olinger provided the property report (see attached) -

A total of eight employees are participating in the voluntary portion of the retirement program.

Owners are encouraged to join the Vinteam program to facilitate payments, work orders and requests.

Employees are utilizing a clock in/clock out program for time management issues.

The internal work order process has been automated for efficiency and management efforts. Past activity and detailed costs can be accessed immediately.

A new stone sign, budgeted for 9K, is under review. It was agreed to move forward with a sign standard font with no logos. President Gillen will review and advise.

Issues with power to heat tapes at Gamble Oak and Pinecone have been identified. A map of the circuitry was done and placement of circuits on protective breakers was also completed.

The replacement of cast iron stacks is under review. The current option involves cleaning of the stack from the top and applying an epoxy coating. The cost savings are substantial using this option. Additional feedback is under review for compatibility issues.

Storage units are fully occupied as are the twelve units recently built.

Cost estimates for the Lodge roof are under review with replacement targeted for 2023-24. Roof materials have risen substantially in cost due to COVID-19 and winter weather concerns.

President Gillen provided a report on a bylaw change regarding Tamarron voting (see attached) -

The bylaw change involves using electronics to handle the voting process and use of recording equipment for official meetings.

A motion was made by President Gillen to implement the changes in the bylaws as noted. The motion was seconded by Mr. Kues. The vote was 7/0.

There were no updates or changes regarding the Fannie/Freddie finance issues.

Anne Dixon presented an overview of the new Tamarron apparel available for purchase. Updated materials are available on the Tamarron website and at the Basecamp restaurant.

There was no old or new business for discussion.

President Gillen moved the meeting to Executive Session. The Board came out of Executive Session where no decisions were made.

President Gillen made a motion to adjourn. The motion was seconded by Mr. Collins. The motion passed 7/0.

Ron MacLennan
TACO Board Secretary

ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors
Tamarron Association of Condominium Owners, Inc.
Durango, Colorado

The Directors are responsible for the accompanying financial statements of Tamarron Association of Condominium Owners, Inc., which comprise the Balance Sheet as of December 31, 2020, and the related fund and departmental Income Statements for the year then ended, in accordance with accounting principles generally accepted in United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by the Directors. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The Directors have elected to omit from the compiled interim financial statements substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Association's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The supplementary budget and memorandum information is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. We have not compiled, audited, nor reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

Meadows & Associates, LLC

Certified Public Accountants
Durango, CO



R. Thomas Meadows, CPA
February 19, 2021

Tamarron Association of Condominium Owners
Balance Sheet
As of December 31, 2020

	<u>Dec 31, 20</u>
ASSETS	
Current Assets	
Checking/Savings	
101 · Alpine Bank - General	
101.1 · Alpine Bank - General	230,918.20
101.3 · Alpine Bank - Service & Security	37,170.20
Total 101 · Alpine Bank - General	<u>268,088.40</u>
102 · Alpine Bank - Capital	177,089.58
103 · Bank of the San Juans - Reserve	152,381.03
105 · Alpine Bank Resort Fees	51,833.22
106 · Alpine Bank-Special Projects	3,000.00
107 · 1st Int Bank of Ind - Reserve	214,856.30
108 · Stearns Bank - Reserve	247,119.17
Total Checking/Savings	<u>1,114,367.70</u>
Accounts Receivable	
132 · Accounts Receivable	513,477.03
140 · Accounts Receivable-Rental Prog	5,085.00
133 · Estimated Bad Debt	(10,000.00)
Total Accounts Receivable	<u>508,562.03</u>
Other Current Assets	
170 · Parts Inventory	7,876.32
Total Other Current Assets	<u>7,876.32</u>
Total Current Assets	<u>1,630,806.05</u>
Fixed Assets	
150 · Units A-N 110,114,115	983,996.49
156 · Restaurant Remodel	208,226.15
158 · Equipment & Leasehold Improv	563,955.34
164 · Accumulated Depreciation	(799,258.00)
Total Fixed Assets	<u>956,919.98</u>
TOTAL ASSETS	<u><u>2,587,726.03</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
220 · Accounts Payable	179,375.05
Total Accounts Payable	<u>179,375.05</u>
Other Current Liabilities	
240 · Deferred Revenue	565,775.41
Total Other Current Liabilities	<u>565,775.41</u>
Total Current Liabilities	<u>745,150.46</u>
Total Liabilities	745,150.46
Equity	
320 · Unrestricted Fund Beg Balance	1,064,058.54
321 · Reserve Fund Beg Balance	861,786.70
Net Income	(83,269.67)
Total Equity	<u>1,842,575.57</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,587,726.03</u></u>

Tamarron Association of Condominium Owners
Income Statement - Operating
 January through December 2020

	Jan - Dec 20	YTD Budget	Annual Budget
Ordinary Income/Expense			
Income			
400 · Assessment Fees	1,958,542.94	1,959,327.00	1,959,327.00
404 · Maintenance Revenue	101,968.32	120,000.00	120,000.00
407 · Owner Fines Assessed	600.00	1,000.00	1,000.00
408 · Storage Unit Rental	20,521.69	17,000.00	17,000.00
409 · Sale of DVR's to Owners	250.00	500.00	500.00
412 · Commercial Space Rental	1,975.00	11,200.00	11,200.00
416 · Service and Collection Fees	7,148.41	12,000.00	12,000.00
420 · Transfer Fee	15,950.00	12,000.00	12,000.00
428 · Laundry Machine	5,570.87	4,500.00	4,500.00
436 · Vending Machines	653.55	900.00	900.00
440 · Interest Income	0.86		
Total Income	2,113,181.64	2,138,427.00	2,138,427.00
Gross Profit	2,113,181.64	2,138,427.00	2,138,427.00
Expense			
500 · Administrative Expenses			
501 · Insurance			
501.857 · Insurance account 857	0.00		
501 · Insurance - Other	95,591.46	107,438.00	107,438.00
Total 501 · Insurance	95,591.46	107,438.00	107,438.00
504 · Accounting	31,675.00	61,200.00	61,200.00
508 · Assessment Fees - Uncollectible	0.00	10,000.00	10,000.00
512 · Legal Fees & Consulting	21,945.95	35,000.00	35,000.00
520 · Directors Expense	8,261.34	11,000.00	11,000.00
524 · Auditing & Consulting Fees	41,000.43	45,000.00	45,000.00
528 · Supplies & Printing-Accountant	1,558.13	2,500.00	2,500.00
532 · Annual Meeting	1,521.29	7,500.00	7,500.00
533 · Golf Tournament	0.00		
536 · Web Services	3,434.51	1,200.00	1,200.00
540 · Payroll processing & misc	4,225.65	3,000.00	3,000.00
544 · Property Taxes	2,530.00	2,500.00	2,500.00
560 · Service & Security Desk	78,830.04	78,830.00	78,830.00
Total 500 · Administrative Expenses	290,573.80	365,168.00	365,168.00
600 · Operations			
612 · Building Maintenance	104,338.78	115,000.00	115,000.00
616 · Snow Removal	50,226.78	75,000.00	75,000.00
620 · Roof Repair & Ceiling Reparis	23,462.27	25,000.00	25,000.00
624 · Grounds	32,806.89	29,800.00	29,800.00
636 · Window Washing	18,925.00	19,000.00	19,000.00
637 · Highpoint Exterior Maintenance	17,550.00	20,000.00	20,000.00
638 · Gambel Oak Exterior Maintenance	18,044.03	20,000.00	20,000.00
639 · Pinecone Exterior Maintenance	13,681.01	15,000.00	15,000.00
640 · Fire Sprinklers & Extinguishers	10,382.65	34,000.00	34,000.00

See Accompanying Accountant's Compilation Report

Tamarron Association of Condominium Owners
Income Statement - Operating
January through December 2020

	Jan - Dec 20	YTD Budget	Annual Budget
641 · Lodge Exterior Maintenance	7,147.18	15,000.00	15,000.00
648 · Elevator Maintenance	14,235.16	15,000.00	15,000.00
649 · Communications Systems Maint	1,549.27	5,000.00	5,000.00
652 · Computer Copier & Office Supplies	17,198.29	6,500.00	6,500.00
656 · Energy Monitoring and Alarms	4,939.21	9,500.00	9,500.00
660 · Cell Phone	1,920.72	1,700.00	1,700.00
662 · Fogged Windows	10,261.47	10,000.00	10,000.00
674 · Lodge Janitorial & Carpet Clean	6,126.59	4,500.00	4,500.00
Total 600 · Operations	352,795.30	420,000.00	420,000.00
600.1 · Personnel Expenses			
601 · Salaries	525,053.49	507,000.00	507,000.00
604 · Employee Benefits	64,044.70	94,000.00	94,000.00
608 · Payroll Tax	40,760.29	43,100.00	43,100.00
632 · Workers Comp Insurance	7,695.00	12,000.00	12,000.00
Total 600.1 · Personnel Expenses	637,553.48	656,100.00	656,100.00
700 · Utilities			
701 · Water & Sewer	331,156.30	336,000.00	336,000.00
710 · Satellite TV	122,905.59	120,685.00	120,685.00
720 · Electricity	113,089.86	113,000.00	113,000.00
730 · Internet and Telephone Service	224,458.18	227,474.00	227,474.00
750 · Refuse Service	17,482.38	20,000.00	20,000.00
Total 700 · Utilities	809,092.31	817,159.00	817,159.00
Total Expense	2,090,014.89	2,258,427.00	2,258,427.00
Net Ordinary Income	23,166.75	(120,000.00)	(120,000.00)
Net Income	23,166.75	(120,000.00)	(120,000.00)
 Memorandum Only:			
Prior Year Carryover Income	120,000.00	120,000.00	120,000.00
Net Budget	143,166.75	0.00	0.00

Tamarron Association of Condominium Owners
Income Statement - Capital
 January through December 2020

	Jan - Dec 20	YTD Budget	Annual Budget
Ordinary Income/Expense			
Income			
400 · Assessment Fees	204,282.00	204,282.00	204,282.00
Total Income	204,282.00	204,282.00	204,282.00
Gross Profit	204,282.00	204,282.00	204,282.00
Expense			
800 · Capital Expenses			
805 · Bat Mitigation	32,500.00	30,000.00	30,000.00
806 · Half of PC front railing paint	13,700.00	14,000.00	14,000.00
807 · Sinkhole repairs in Highpoint	1,725.57	3,800.00	3,800.00
808 · Rear Deck Railing Paint GO	2,250.00	2,500.00	2,500.00
811 · Gamble Oak Irrigation PRV	2,000.00	2,000.00	2,000.00
812 · Under Bldg & Storage Cleanup	1,507.55	2,000.00	2,000.00
818 · HP Parking Lot Resurface	15,800.00	15,800.00	15,800.00
819 · Lodge Landscape Irrigation	5,056.87	9,800.00	9,800.00
820 · Lodge South Elevator Upgrade	189,057.71	191,000.00	191,000.00
821 · South Elevator Cab Remodel	10,219.35	16,000.00	16,000.00
822 · Lodge Lighting Improvements	5,623.53	8,900.00	8,900.00
823 · HP Pump Issue	1,152.23	14,000.00	14,000.00
824 · Lodge Back Deck Furniture	300.00	1,200.00	1,200.00
825 · Lodge 4th 5th floor water valve	7,940.00	3,500.00	3,500.00
826 · Replace RPZ's in Highpoint	0.00	2,000.00	2,000.00
828 · Central Tower Doors	0.00	13,500.00	13,500.00
829 · Signage	573.46	5,000.00	5,000.00
832 · Improve area North of Lodge	0.00	20,000.00	20,000.00
831 · Lodge Heater Upgrades	1,893.62	3,000.00	3,000.00
830 · Unplanned Capital Expenses			
830.1 · Electric Charging Station	4,691.96		
830 · Unplanned Capital Expenses - Other	12,559.50	25,000.00	25,000.00
Total 830 · Unplanned Capital Expenses	17,251.46	25,000.00	25,000.00
Total 800 · Capital Expenses	308,551.35	383,000.00	383,000.00
Total Expense	308,551.35	383,000.00	383,000.00
Net Ordinary Income	(104,269.35)	(178,718.00)	(178,718.00)
Other Income/Expense			
Other Expense			
901 · Transfer to Permanent Reserve	87,282.00	87,282.00	87,282.00
Total Other Expense	87,282.00	87,282.00	87,282.00
Net Other Income	(87,282.00)	(87,282.00)	(87,282.00)
Net Income	(191,551.35)	(266,000.00)	(266,000.00)
 Memorandum Only:			
Prior Year Carryover Income	75,000.00	75,000.00	75,000.00
Elevator Project	191,000.00	191,000.00	191,000.00
Net Budget	74,448.65	0.00	0.00

See Accompanying Accountant's Compilation Report

Tamarron Association of Condominium Owners
Income Statement - Permanent Reserve
 January through December 2020

	Jan - Dec 20	YTD Budget	Annual Budget
Ordinary Income/Expense			
Income			
440 · Interest Income	7,602.77	11,500.00	11,500.00
441 · Rental Revenue Unit 110	8,665.00	10,200.00	10,200.00
900 · Transfer from Capital	87,282.00	87,282.00	87,282.00
Net Income	103,549.77	108,982.00	108,982.00
 Memorandum Only:			
Prior Year Carryover Income	700,647.00	700,647.00	700,647.00
Elevator Project	(191,000.00)	(191,000.00)	(191,000.00)
Net Budget	613,196.77	618,629.00	618,629.00

Tamarron Association of Condominium Owners
Income Statement - Service & Security Desk
 January through December 2020

	Jan - Dec 20	YTD Budget	Annual Budget
Ordinary Income/Expense			
Income			
406 · Contribution from General Fund	78,830.04	78,830.00	78,830.00
460 · All Admin Fees	53,130.81	35,000.00	35,000.00
472 · Long Term Rental Admin Fees	7,830.00	13,500.00	13,500.00
473 · Contribution from Rental Units	26,940.00	37,800.00	37,800.00
Total Income	166,730.85	165,130.00	165,130.00
Gross Profit	166,730.85	165,130.00	165,130.00
Expense			
500 · Administrative Expenses			
573 · Manager's Contract Fee	15,000.04	14,000.00	14,000.00
576 · Marketing & Promotions	11,256.06	10,500.00	10,500.00
580 · Computer Services & Supplies	3,646.69	3,500.00	3,500.00
584 · Office Equipment	686.33	800.00	800.00
592 · Ski Shuttle	3,232.50	5,500.00	5,500.00
594 · Coffee Service	838.74	3,000.00	3,000.00
Total 500 · Administrative Expenses	34,660.36	37,300.00	37,300.00
600.1 · Personnel Expenses			
601 · Salaries	137,550.96	125,000.00	125,000.00
604 · Employee Benefits	0.00	8,500.00	8,500.00
608 · Payroll Tax	11,454.37	10,625.00	10,625.00
632 · Workers Comp Insurance	1,500.00	1,500.00	1,500.00
Total 600.1 · Personnel Expenses	150,505.33	145,625.00	145,625.00
Total Expense	185,165.69	182,925.00	182,925.00
Net Ordinary Income	(18,434.84)	(17,795.00)	(17,795.00)
Net Income	(18,434.84)	(17,795.00)	(17,795.00)
 Memorandum Only:			
Prior Year Carryover Income	17,795.00	17,795.00	17,795.00
Net Budget	(639.84)	0.00	0.00



Operating at 50% capacity

Menu & Market are continuing to grow

Follow us on Instagram | @basecampdurango

HAPPY HOUR

Thursday thru Monday 2:30-5:30PM

\$5 Draft Beer | \$6 Well Drinks | \$5 House Wine

STARTERS

Housemade Chili
Cheese Board
Buffalo Cauliflower Bites
Roasted Broccolini
Sweet Potato or Regular Fries

GREENS

Chopped Salad
Detox Salad
Warm Seasonal Salad

MAINS

Impossible Burger
"Crab Cake" Sandwich
Pulled BBQ Sandwich
Mile High Meatloaf
Spaghetti Squash Casserole
Seared King Trumpets with Mash

FOR THE GROMMETS

Grilled Chz
Spaghetti with marinara

Wine Flights | Specialty Cocktails & Mocktails

MARKET

Beer * Wine * Spirits * Snacks
Drinks * Personal Care * Gifts

Grab & Go items | Specialty Cocktails To Go
Tamarron Merchandise

Produce & Staples by the Pound
Cream Bean Berry Ice Cream

Hours: Open Thursday through Monday | 11:30AM – 9PM
Closed Tuesday & Wednesday

RESERVATIONS STRONGLY RECOMMENDED

970-382-6776

PROPOSED CHANGE TO THE TACO BYLAWS

The following proposed change to the TACO Bylaws will be discussed during the Executive Board Meeting on September 10, 2020. All owners are invited to submit comments to the Board members before or during the meeting.

See the current TACO Bylaws at <https://www.tamarronhoa.com/hoa-documents>

Section 3.12 Electronic or Email Voting. Voting by written ballot as described in Section 3.11 above shall also include voting by electronic means or by way of email. The Executive Board or its designated agent may email a form of ballot to the last known email address of record of the Owner certified to vote or the Executive Board may send an Owner a link to an electronic voting site. The emailed ballot or electronic ballot shall comply with Section 3.11 (a) through (d), as applicable. In order to ensure that ballots are secret, the Owner will be directed to email or otherwise return their ballot response to a designated neutral third party. Electronic signatures, email signatures or an affirmation by the Owner in the return response email that they are the Owner of the ballot response may be relied upon and may be counted as a valid ballot unless the ballot is otherwise rejected by the Secretary or other officer or agent authorized to tabulate votes by the Executive Board. Results of votes shall be reported as required by Section 3.8 (g) above.