

**THE TIMBERS CONDOMINIUMS OWNERS' ASSOCIATION, INC.
BOARD OF DIRECTORS REGULAR MEETING**

Held at Villas at Southgate, St. George, Utah

November 24, 2018 – 10:00 A.M (MST)

MINUTES

I. CALL TO ORDER AND ESTABLISH QUORUM

Following board member training and a discussion concerning personalities and identifying colors, Board President Mike TenEyck called the meeting to order at 11:10 a.m. (MST) on November 24, 2018. A quorum was established with the following in attendance:

Board Members Present:

Mike TenEyck	President
C. Kelly Pearce	Vice President
Gordon Bown	Secretary
Alma Ernst	Treasurer
Earl Cluff	Director
Bruce Lawrence	Advisor to the board (non-voting)

Management Company: Trading Places International, LLC.

Douglas Wilcox	Sr. Vice President of Resort Operations
Angie Illum	Resort General Manager

II. APPROVAL OF AGENDA

Mike TenEyck reviewed the agenda and explained that he had a president's report to begin with and other changes were needed.

A motion was made by Kelly Pearce and seconded by Alma Ernst to approve the November 24, 2018 agenda as modified with the addition of the president's report, moving the board officer election and adding discussion of loan extension. The motion was approved by a unanimous affirmative vote.

III. PRESIDENTS REPORT

Mike TenEyck explained that he had some thoughts he wanted to discuss with the board. Mike submitted a written report to the board which is attached as Exhibit "A". He informed the board of their successes and certain concerns he had with the clubhouse construction. At the end of his report he resigned his position as president of the board and excused himself from the balance of the meeting.

IV. APPROVAL OF MINUTES

September 7-8, 2018

A motion was made by Alma Ernst and seconded by Earl Cluff to approve the minutes of the September 7, 2018 with the correction to Alma's name, the addition of Doug Wilcox participating in the comment card discussion, added language concerning the motion to approve Roy Bosley to pursue the water rights and added motion to move December meeting to November 24 in St. George Utah. The motion was approved by a unanimous affirmative vote.

September 8, 2018 annual meeting minutes review

The board of directors reviewed the annual meeting minutes and made numerous corrections. These minutes will be delivered to members for approval with the 2019 annual meeting notice.

V. REPORTS

A. Financial Reports

1. September 2018 Unaudited Financial Statement

Doug Wilcox reported on the month-end September 30, 2018 financial. This is the 12-month year-end report. Doug reported that the Association had a surplus of \$128,411 creating a variance to budget of \$155,411. Subject to the final audit these funds can be utilized in the Reserve account if the board so decides and possibly save owners from increased annual fees.

2. Delinquency Report

Doug Wilcox indicated the delinquency rate as of September 30, 2018 is 16.27% compared to 15.7% this time last year. There are 165 uncollectible accounts, 113 that have been suspended and 178 that are in collection.

4. Reserve & Replacement

The board reviewed the Reserve and Replacement fund showing that \$174,000 had been spent on roofing, doors, locks, appliances, mattresses and televisions. There is \$514,790 in reserve funds on account at the 9-30-18 date. Doug noted that a 20% of loan balance payment was due in December 2018 to Colebrook Finance for the construction loan.

3. Collections Report

Doug Wilcox reviewed the Meridian Collection report with the board. Of 86 accounts turned over to them in January 45 have paid in full, 8 were removed because the owners paid current. 61% of the accounts were successfully collected for a total of \$40,392 paid to the association.

4. Occupancy Reports

The board reviewed the occupancy for the previous months. Angie Illum discussed the owners using 32% with 19% of owners exchanging their weeks through RCI to TPI thus leaving 38% of the resort unoccupied. This is a report on nightly occupancy and not weekly.

5. Inventory Report

The board discussed the HOA inventory. 274 accounts are now owned by the association with 160 of them in process of being sold to Starpoint/Geo Holiday. This should be completed in December 2018.

6. Comment Cards

The board reviewed the RCI comment cards. The resort currently has the Silver Crown designation from RCI. Trip Advisor reports, Trading Places Comment Cards and Interval International comment cards were all reviewed.

7. Geo Holiday Maintenance Fee Payments

The board of directors was reminded of the Associations agreement to permit the quarterly payment plan with the first payment due January 1.

B. Management

1. GM Report

Angie Illum reviewed her GM report with the board and reported on housekeeping completing deep cleans, maintenance completing winterization projects, Front desk working with her on identifying policies and procedures for the new clubhouse and how well they are doing with being tour guides.

Angie reported on the projects she is engaged with including the furniture and fixtures for the clubhouse, purchasing new sauna and hot tub, phone system and internet. She has been very busy in support of Roy Bosley's interaction with contractor and resort projects such as the metal roofing install.

2. Action Items

The Board discussed the action items from the prior meeting, many of which have not been completed. They included: Roy Bosley securing detailed map of electrical, sewer, and water locations in clubhouse, wells research and permits, sofa sleeper purchase, MROP interval research, bathroom remodel plans and purchasing new Bobcat for resort.

VI. OLD BUSINESS

A. New Clubhouse Update

Roy Bosley of PROMAC joined the meeting by telephone and updated the board on the clubhouse progress. He reported that the finish work had begun, pool area dehumidifier had been shipped and would be installed soon, painting has been completed, pool will be filled just prior to occupancy when the final coating is applied.

He discussed the well option. The board needed to decide concerning the extent of the fire suppression system which the county can approve but that they must also have a separate potable water approval. Roy Bosley asked for permission to meet with the DEQ and learn about all the water permits in the Island Park area. He will meet with them to talk specifics about the Timber resort needs as well as meet with Mr. Harris in the county public works dept concerning fire suppression. He also mentioned that the association needed to hire a hydrologist to complete some extensive testing.

Roy Bosley anticipated that he would follow the strategy discussed to be careful not to create any problems at the county. Strategy is as follows:

1. Wait for application to be filed by water attorney (Budge).
2. Then, meet with proper DEQ authorities to discuss specifics for resort needs.
3. Discuss the redundancy question of having another well that can meet 150 GPM but also more if ever needed.
4. He reported that IPVA has two wells with one producing 1,000 gpm and another producing 300 gpm.
5. He will then research with legal counsel Timbers rights to have its own wells and the 2-5-year period when the water rights were to be transferred to Timbers.
6. Roy Bosley will meet with Ken Bitner and Mr. Budge to work out best options for association
7. Roy Bosley will meet with Rocky Mountain Environmental to work out best procedures to complete wells.

Roy Bosley was given direction to move forward with securing potable water needed and to investigate the fire suppression options.

Motion was made by Gordon Bown and seconded by Alma Ernst to have Mr. Budge proceed to submit a formal application and to authorize Roy Bosley to meet with and coordinate with Ken Bitner and Mr. Budge to establish Timbers water rights and secure wells construction. Motion was approved by unanimous affirmative vote.

Motion was made by Alma Ernst and seconded by Earl Cluff to give authority to Roy Bosley to have conversations with Mr. Budge and Ken Bitner to create a plan for approaching the DEQ and the county director to secure the well and water rights Timbers requires. Motion was approved by unanimous affirmative vote.

Motion was made by Gordon Bown and seconded by Alma Ernst to authorize Roy Bosley to contact the DEQ and speak with Roger Wayne of Rocky Mountain Environmental as well as with Mr. Harris of the Public Water Works to secure Timbers ability to hold water rights and drill wells.

Roy Bosley explained some matters that must be considered with the wells. They included: Determining where the wells must be drilled, what style of wells and housing would be installed (commensurate with cost), having two wells would require the installation of a generator adequate to the need, use of Fullmer Company to drill the wells as they are a leading well driller in area.

Roy Bosley explained that Angie Illum had identified a need to change the doors that were being installed to be hollow metal doors instead. A Change Order was needed.

Motion was made by Earl Cluff and seconded by Gordon Bown to exchange clubhouse interior doors to a hollow metal door at a cost of \$546 which would be paid from the contingency fund. Motion was approved by unanimous affirmative vote.

Roy Bosley explained to the board that the construction was going well, it was on target for opening to owners on January 12, 2019

VII. NEW BUSINESS

A. Snowmobile Vendor

Angie Illum introduced a program where Island Park Rentals would provide Association members with a discount program for rental of snowmobiles and other equipment.

A motion was made by Earl Cluff and seconded by Alma Ernst to approve establishing a vendor relationship with Island Park Rentals who would provide

discount snowmobile service to owners and guests at Timbers. Motion was approved by unanimous affirmative vote.

B. Clubhouse Rules

Angie Illum provided the board with proposed rules to be implemented for the clubhouse.

A motion was made by Earl Cluff and seconded by Gordon Bown to approve the proposed rules as modified and to notify the owners of these changes. These rules are attached as exhibit B to these minutes. General Manager was given permission to adjust the rules as experience dictates. Motion was approved by unanimous affirmative vote.

VIII. OTHER BUSINESS

A. Clubhouse Furniture Purchase

Angie Illum provided the board with options and photo samples of the furnishings she proposed the association install in the Clubhouse.

The board agreed on her recommendations and directed her to proceed to complete the purchase. This included: 2 custom leather sofas, 2 custom leather lounge chairs, 1 ottoman and 2 televisions. Exercise equipment including recumbent cycle, elliptical trainer, treadmill, bench, dumbbell set, and other items. For the kitchen it included: refrigerator, gas range, microwave, dishwasher. For the game room: foosball table, air hockey table, ping pong table and basketball game. Pool area: lounge chairs, tables and towels.

B. Election of Board Officers

The board had postponed the decision on officer positions following the annual meeting. *A motion was made by Gordon Bown and seconded by Earl Cluff to establish the slate of officers as follows:*

President	Kelly Pearce
Vice President	Alma Ernst
Treasurer	Alma Ernst
Secretary	Gordon Bown

Motion was approved by unanimous vote.

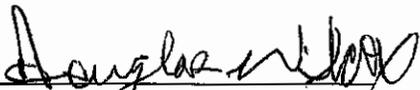
IX. EXECUTIVE SESSION

The board recessed regular session at 4:19 PM and conducted an executive session to discuss construction and loan agreements and employee matters. Regular meeting reconvened at 4:36 PM.

X. ADJOURN MEETING

A motion was made by Gordon Bown and seconded by Alma Ernst to adjourn the board meeting at 4:36 pm (MST). The motion was approved by a unanimous affirmative vote.

Submitted By:
Trading Places International, LLC



Douglas Wilcox
Sr. VP of Resort Operations
Trading Places International, LLC

Approved By:
The Timbers Condominiums Owners'
Association, Inc.



Gordon Bown
Secretary

2018 Timbers' President Report

November 24, 2018

As we close out CY 2018, I share with you some observations of this year as well as some points of emphasis Timber board should embrace as the Timber's board moves forward into the new year.

1. Timbers continues to do well following the separation from IPVA. The board should feel good that our efforts in separating from IPVA has led to the better financial health of the association.

It is noted that the IPVA owners for the most part have reached out to us to be good neighbors and want a good relationship with Timbers.

Timbers should strive to become as independent as we can, and it is very important that we continue to take the "highroad" when there are differences and never fall into a trap of being petty.

2. Timbers should feel good that efforts to date have resulted in the construction of the clubhouse that soon will be operational. Yes, things have not always gone smoothly, and this project has had some hiccups'; but problems for the most part have been addressed and we should have a new clubhouse built close to the original cost estimate. This is notable recognizing the tight labor market and the shortness of some materials needed for construction.

3. The subject of conflict of interest is and will always occur within organizations like ours. Therefore, it is important to properly understand what conflict of interest really is and how it should be understood and addressed. Conflict of interest is not unusual for a board or management company to experience. In fact, the situations that cause conflict of interest may be beneficial for the organizations. Board members might have some very unique attributes that help the association but will result in a conflict of interest. For our management company there might not be any choice but to hire employees with conflicting interest. Some key points to remember:

(a) Once the conflict is known and identified, the conflict of interest remains. It doesn't go away once known.

(b) Once the conflict is known or recognized, the proper handling of the situation is not just left to the individual(s) that has the conflict, but the board

or organization must now embrace the conflict as well to ensure the situation is properly handled as long as the conflict exist. Those on the outside will see the conflict as a board or organization responsibility to properly administer the conflict—not the individual.

(c) In almost all cases when a conflict of interest occurs, there is usually nothing bad done. However, there is always a perception by the outside world that wrong things are being done so a great responsibility is placed on the board or management company to prevent this negative impression.

4. Oversight of vendors needs to improve. Examples will be cited when this report is presented to the board and TPI in order to maintain this report classified as non-privilege. Details will be presented orally.

5. Maintenance week and all what it entails still needs to be addressed to ensure harmony exists among all participates, work is done properly, and there is a cost benefit to Timbers. It appears some new and very good practices were initiated this year by our GM, Angie. However, it is too early to declare victory and by the nature of this combined work effort of owners and employees working together, will always need continuing and diligent engagement and oversight.

6. TPI has provided the board members numerous books explaining the duties and responsibilities of a board member. TPI has provided training on this subject. The Timbers board has approved specific guidelines of the duties and responsibilities of a Timber board member. Two take away from all of these documents and training are:

(a) Do not fall into the trap and use one sentence from these documents to justify ones' action. Read the entire section; better yet, read the entire manual to put the statement into the correct perspective. This also applies to understanding conflict of interest identified above.

(b) These documents were not written for the other guy; they are written for the man or woman that is seen when looking into the mirror.

In summary, the health of Timbers is good. As always, self- critical evaluations, objective thinking, and total engagement by everyone will ensure a good running organization.

Mike TenEyck, President
The Timber Condominium Association

2.3 BONUS TIME USE CONFIRMATION

Bonus Time reservation requests are confirmed on a first-come, first-served basis. Bonus Time reservation requests will be confirmed by the Owner Service Department or the resort in writing, or by email or telephone if time does not allow for mail to reach the owner. No Bonus Time reservation requests will be honored unless they have been confirmed. **Your Bonus Time reservation will not be confirmed if you are delinquent in payment of any amounts owed to the Association, or if your use rights have been suspended by the Board of Directors.**

2.4 BONUS TIME USE LIMITS

Bonus Time reservations will be limited by availability. Subject to availability, Bonus Time reservations may be made as often as you like for any days of the week in any season of the year. In addition, no less than two (2) nights may comprise a Bonus Time reservation.

2.5 EFFECTS OF BONUS TIME ON OTHER ENTITLEMENT

Bonus Time does not affect any other entitlement you may have to occupy a unit.

2.6 BONUS TIME REVENUE

The Association will deposit revenues generated from Bonus Time into its general account to help defray costs of the Association.

2.7 BONUS TIME CANCELLATION

If you cancel your Bonus Time reservation you will be charged a cancellation fee of a one nights stay. Cancellations or changes to Bonus Time can only be made prior to check-in. No cancellations or changes will be honored upon check-in. If you do not check-in within twenty-four (24) hours of your scheduled arrival time, you shall be considered to have used the entire Bonus Time period for which the reservation was made. No refund of Bonus Time fee paid will be refunded.

3.0 EXCHANGE

The Timbers Condominium Owners Association is affiliated with Trading Places International (TPI) exchange department, Interval International (II) and Resort Condominiums International (RCI). Please consult exchange materials directly from each affiliated company for more information on memberships, benefits, or for rules and regulations and procedures governing exchange requests. Maintenance fees must be paid in advance for all weeks prior to depositing your use time for exchange, with any exchange company. Weeks can be deposited as early as two (2) years in advance for exchange. If requesting to deposit a reservation that is more than a floating lead time of twelve (12) months in advance of the arrival date, the week assigned for deposit must be the contracted week and unit number owned.

4.0 DAY USE

A limited number of owners (those that are not here on their use time) may enjoy the Timbers Condominium Owners Association Resort daily subject to the provisions outlined herein. The facilities which may be used daily are the Club House (swimming pool, spa, exercise room, game room, and owners lounge) Upon your arrival **YOU MUST CHECK-IN AT FRONT DESK. Ownership will be verified before daily use will be permitted. YOU MUST CHECK-OUT UPON DEPARTURE.**

4.1 DAY USE PROCEDURE

Limited Day Use of the resort is available on a first-come, first-served basis ONLY. All owners and guests staying at the resort have first right of use. To reserve the owners lounge for private parties please contact the resort. Reservations will be accepted twenty-four (24) hours in advance. A deposit to cover potential property damage will be collected and refunded upon check-out. Deposit amount is established by the Board of Directors.

5.0 CHECK-IN/CHECK-OUT PROCEDURES

Check-in Time is 4:00 PM Check-out Time is 9:00 AM

Owners will be required to present a major credit card or \$100 cash deposit, as approved by your Board of Directors upon check-in. To keep costs down, please turn off all lights, TV, radios. In the winter we ask that you set the thermostat to 65 degrees. Close all windows and patio doors. Please return your key to the front desk upon departure.

5.1 OCCUPANCY RESTRICTIONS:

The maximum allowable occupancy is:

2 Bedroom	6 people
1 Bedroom	4 people

5.2 DAMAGES AND LOSSES

Per the Association's governing documents, each owner/owners guest is responsible for any loss, damage, destruction or violations caused by either the owner or the owner's permitted occupants, which occurs during the occupancy.

Upon check-out any damage or loss will be billed directly to owner.

5.3 TIMBER'S EMPLOYEES

Personnel for The Timbers Condominium Owners Association, including front desk, housekeeping, and maintenance staff are employees of the Association and are under the sole direction of the Resort General Manager. The staff are here to ensure that you have an enjoyable and relaxing time. No abuse, either verbal (foul language or threats) or physical (gesturing or contact) toward any employee will be tolerated. These acts are not permitted by the employee and will not be allowed by Owners or others. If you have a concern about an employee's behavior, please contact the Resort General Manager. Please direct special requests for services and assistance through the front desk.

5.4 PERSONAL ITEMS/STORAGE

You are responsible for personal items brought into the resort. Personal belongings shall not be stored on the premises other than in your unit. Neither the management company nor the Association is responsible for any personal items left by you or your guests at check-out. Any item(s) left behind by an owner or guest, either in the room or in the public area identified by any staff and brought under the notice of housekeeping is termed as a "Lost and Found" item. All nonperishable items Lost and Found items are stored safely for thirty (30) days from the date the item was brought under the notice of housekeeping. All perishable items are safely stored for three (3) days from the date the item was brought under the notice of housekeeping. Any unclaimed Lost and Found items will be disposed of or

donated after the storage time frames stated herein. Owner(s) and/or owner's guest are responsible for cost to mail Lost and Found Item.

5.5 GUESTS (PERMITTED USERS)

You may permit another person to occupy your assigned unit during your use period without charge by the Association. Renting Bonus Time is strictly prohibited. Owners found to have done so are in violation of these rules and regulations and will lose Bonus Time privileges. You may invite others to share occupancy of your assigned unit during your use period(s), provided that the maximum allowable occupancy limit for the interval is not exceeded. The Resort General Manager will not give access to any interval unit to any such permitted user without permission from the owner in whose name there is a confirmed reservation.

If you intend for a person other than yourself to use your period or to accompany you during your use period, you must inform owner serves department or the front desk prior to the first day of your use period. Please indicate the name and address of such person(s). When checking in, your guests will be asked to show proof of identification, sign a registration card, and present a major credit card or cash deposit, as approved by your Board of Directors.

5.6 AGE RESTRICTIONS

No one under the age of 18 is permitted to occupy any unit, nor utilize day use privileges. Persons under 18 years of age must be accompanied by a parent or guardian.

5.7 HOUSEKEEPING

The six (6) hour period between check-out and check-in time is reserved exclusively for cleaning, inventory, repair and maintenance of units by housekeeping and maintenance staff.

Upon arrival you will find your unit fresh and clean. Thereafter, housekeeping will provide the following services at no additional charge:

- Fresh Linens
- Fresh Towles
- Housewares

Additional housekeeping services are available by contacting the front desk. A charge for additional housekeeping services will be made and must be paid at or prior to your departure.

5.8 PASSKEY

Owners are to be aware that the Resort General Manager, Maintenance, and Housekeeping are provided a passkey to all unit. At the managers reasonable discretion, the manager, maintenance, or housekeeping, may enter any unit. In such instances the occupant will be notified prior to entry, of the reason for such entry.

5.9 PARKING

Parking by members, their family, guests and invitees, will be limited to one (1) space per occupied unit used within the on-site parking area. Members, their families, guests, and invitees bringing more than one (1) vehicle within the resort may park their additional vehicle(s) in the overflow/trailer parking area or any parking stall marked guest. All members, their family, guests, and

invitees must always display a parking pass on the dash of their vehicle. Parking passes can be obtained from the front desk.

- Parking of recreational vehicles is permitted in the overflow/trailer parking areas only. **NO OVERNIGHT CAMPING IS ALLOWED**
- Parking is not permitted in fire lanes, or loading and unloading zones
- Parking violations—notice will be given, owners will have twenty-four (24) hrs. to comply. Vehicles not in compliance will be towed at owners' expense.

The Association is not responsible for lost/stolen/damaged vehicles or other property of Owners and/or guests. Damage to cars and other objects or common areas shall be the responsibility of the person causing the damage.

5.10 Laundry Facilities

Coin-op washers and dryers are in the housekeeping facility. There is a change machine located inside. They are available for your use.

5.11 PLAYGROUND/BBQ PAVILION

Use of the BBQ pavilion and playground area by Owners and Timeshare guests is on a first-come first-serve basis. Reservations must be made with the front desk. The pavilion can accommodate 50 or more people, thereby allowing several groups to use the pavilion at the same time. Please be courteous and respect others just as you would have them be courteous and respect you. Children should be supervised when playing in the playground by a parent or legal guardian.

5.11 PETS

Pets are not allowed on resort property, inside units, or left in parked cars. Permitted ADA Service Animals are allowed in units provided proper documentation has been completed at time of check-in. Any owner, guest, or invitee found to have an animal on site will be in violation of Owners rules and subject to a \$100 fine per day.

5.12 APPEARANCE OF RESORT

Draping of any articles such as towels, bathing suits, hammocks, etc., in the balcony areas is not permitted.

6.0 SWIMMING POOL RULES

Pool rules are posted within the pool areas and listed in the Welcome packet materials. Use of the pool is exclusively at the user's own risk. **NO LIFEGUARD IS ON DUTY.** Children ages fourteen (14) and under are not permitted within the pool area unless accompanied by an adult (age 18 or older). Any person violating any of the pool rules will be refused further access and use of the pool. Owners, guests, or invitees of owners must check-in at front desk and receive a wrist band. Wrist bands will be issued as follows:

2 Bdrm unit = 6 wrist bands

1 Bdrm unit = 4 wrist bands

Additional wrist bands may be purchased at the front desk for \$3.00 per additional guest. Wholly owned owners or their guests will be treated like any other guest of the resort. You must

check-in with the front office and receive your wrist band. Wrist bands will be dated and are only good for the length of your use period or for the day.

Swimming pool hours are as follows:

Adult Swim

Monday-Sunday 9am-10:30am

Open Swim

Monday-Sunday 11:00am-9pm

6.1 USE OF SPA

The spas or hot tubs are intended to be an adult only amenity. It has been recommended by the American Academy of Pediatrics that children under the age of 14 should avoid using a hot tub due to its potential health hazards. Any person between the age of 15-17 years of age must be accompanied by an adult (18 yrs. or older) when using the spa. Any person violating the spa hot tub rules will be refused further access and use.

6.2 USE OF SAUNA

The sauna is intended to be an adult only amenity. Children under the age of fourteen (14) are not permitted to use the sauna. Any person between the age of 15-17 years of age must be accompanied by an adult (18 yrs. or older). Any person violating the sauna rules will be refused further access and use.

6.3 USE OF EXERCISE ROOM

The exercise room is intended to be an adult only amenity. Children under the age of fourteen (14) are not permitted in the exercise room. Any person between the age of 15-17 years of age must be accompanied by an adult (18 yrs. or older). Machines are to be wiped down after each use, no dropping of weights on floor, use of foul language or playing or listening to music of a foul nature is not prohibited. Any person violating the exercise room rules will be refused further access and use.

6.4 USE OF GAME ROOM

Children under the age of fourteen (14) must always be accompanied by an adult (18 yrs. or older). Any horseplay, climbing on game machines or foul language will not be prohibited. Any owner, owners' children, guests, or invitees violating these rules will be asked to leave and may have their game room privileges suspended.

6.5 SOLICITING

No commercial soliciting is permitted, whether within a Timeshare unit or the common area, at any time by any owner, guests, exchange user, or member of the public.

6.6 FRONT DESK

The front desk is open from 9:00am to 9:00pm Monday through Sunday. Office hours are subject to change during Holidays and off season.