

The Woods Townhouse Condominium Association

Minutes

2009 Annual Meeting

DATE: Saturday, December 5, 2009

TIME: 8:30 AM to 11:15 AM

PLACE: The Woods Exercise Room

Jim Anchustegui called the Meeting to Order and welcomed those in attendance, and introduced the new Property Manager, Peyton Holmes Bowen, and Katherine Paison-Senn from Select Management.

1. Michelle Burns (#2), Coupar Lester (#3), Brad & Danna Munson (#6), Jim Warner (#8), Ann Pettus (#10), Phil & Nancy Besancon (#11), Jim & DeAnn Anchustegui (#15), Steve Clark (#17), Peter & Amanda Ford (#19), Allison and Kyle Webb (#20), and Doug Tisdale (#21) were in attendance, and. Units #7, #9, #13, and #18 were represented by Proxy. There was no representation for Units #4, #5 12, #14, and #16. A Quorum (75%) was present as 15 of the 20 Owners were in attendance or represented by proxy.
2. It was moved, seconded, and approved to waive the reading of the 2008 Annual Meeting Minutes. Jim gave a brief summary of the Minutes, and they were approved as written. Owners were reminded that the Minutes, and other important information, is posted on the Woods Web Site at: www.woodscondoassoc.com.
3. The Financial Statements for the 10 months ending October 31, 2009 and the 2009 Year End Projections were distributed. At this time it appears that we will end the year with a surplus of approximately \$6,450 in Operating Expenses, most of this favorable variance was due to many maintenance items not being done as they were included in the Capital Project, while water, sewer, and pool repair/maintenance were over Budget.
4. Jim gave a quick summary of the 2009 Capital Repairs and the status of the Project, which is estimated at about 98% complete. The siding and roofs have been repaired or replaced as needed, the decks have been completed, and the buildings have been painted. Most doors, and the trim at the Club House need to be painted, most of which will not be completed until the weather warms up in the spring. If the weather cooperates, the contractor will attempt to get all

front doors painted before Christmas. A new trash enclosure was constructed, and new lights were installed on the back side of all buildings and in the common areas (lamps [bulbs] are on back order, so only a few of the new lights are working). Jim thanked the Exteriors/Finance Committee (Tony Fridovich, Elliott Ross, and Kyle Webb) for their efforts in this project. A major sewer line repair was completed at the Club House, and a pine tree was removed, but the surface area with asphalt will not be finished until spring. 14 Owners have paid the 2009 Special Capital Assessment, and 6 owners will participate in the loan starting in January 2010. The loan will be for 7 years, at 7.55% interest, and a participating Owner can pay off its portion on the annual anniversary date if so desired.

5. Peyton discussed the areas that have occupied his time since joining the Woods in mid-October. The pool has numerous leaks and needs some work in order to be in compliance with safety drains/shut offs. Peyton has trimmed and cleaned the over grown trees and shrubs in and around the trash enclosure, and coordinated the sewer line repair, and got snow removal started. The Owners asked Peyton to schedule window washing earlier in 2010 (May/June timeframe), and right after tree spraying.
6. A Replacement Cost Appraisal was completed in February as approved by the Owners at the 2009 Annual Meeting. This resulted in an increase in property coverage from \$8.5 Million to \$9,128,017 (approximately \$182 per square foot). Owners were reminded that the HOA Policy covers replacement of the original design and construction, and that Owners are responsible for any upgrades, and should have Condominium Owner insurance to cover these. In April, our Agent sent the Certificate of Insurance and a letter outlining these provisions to all Owners.
7. After Peyton updated the Owners on his findings concerning the pool and hot tubs, and after much discussion, the Owners elected to form a Club House Committee to address these issues, including being out of compliance with some safety issues. The following motion was made, seconded, and approved:

“The pool will close on January 4, 2010, until further notice, pending approval of reopening the pool by the Board, upon recommendation of the Club House Committee and advice of legal counsel, while these issues and the exploration of possible liability issues are addressed by the Committee. The Committee members will be Jim Warner, Peter Ford, Michelle Burns, Kyle Webb, and Elliot Ross, and they will have their initial report to the Board by March 31, 2010”.

Owners will be updated via e-mail and postings to the web site, and reminded that use of the pool and hot tubs is at the users’ risk.
8. The 2010 Budget (for Operating Expenses only) was presented, and in summary, it is very similar to the 2009 Operating Budget. Monthly Operating

Assessments will remain the same as they were in 2009, as well as 2008. It was moved, seconded, and approved that the 2010 Operating Budget be accepted as proposed, with the understanding that Capital Assessments are not included in this Operating Budget, and that capital requirements will be addressed by the Board and the Exteriors/Finance Committee.

9. While 2010 would be a great year to relax and enjoy the Woods without a major project, and think about future requirements at the Woods, but we don't have that luxury as we need to build our Cash Reserves. The Club House will be addressed with the Club House Committee, but other major areas will need attention in the near future: doors, windows, upper decks, irrigation system, asphalt, concrete, etc. In 2007, the Reserve Study indicated that we should have annual assessments of approximately \$200,000; in the last two years, we have more than doubled those assessments. However, we have accelerated many deferred maintenance items that were projected for later in the Reserve Study. The result is that the Physical Assets (Buildings) are in better shape than projected by the Reserve Study, but the Cash Assets (Reserves) are less than projected because of the acceleration of repair and maintenance.
10. An Owner had expressed moving the Annual Meeting to July. After some discussion and lack of interest, it was decided to leave the Meeting schedule as is in the November/December timeframe.
11. There was no formal update on the Eagle-Vail Trail other than a rough path has been completed. The Owners wanted to reiterate that the Woods would not grant any easements for the Trail or access.
12. The Flood Plain issues have apparently not been resolved even though the Urban Land Institute is working with FEMA. Peter Ford (Unit #19) stated that he had resolved the issue with his lender and was not required to obtain Flood Insurance, while Coupar Lester (Unit #3) had not, and was being required by his lender to have Flood Insurance.
13. The question of contact information for Multiple Owner Units was discussed. It was determined that these units would have a single contact for to/from communication with the HOA, but that other owners within the unit could be considered for Board or Committee positions. It was also approved that a unit could have only one representative on the Board. This will be addressed in the revisions to the Condominium Document review and update. Multiple Owner units should provide Management with a copy of partnership/ownership agreement, and a list of their owners.
14. There were three Board Nominations/Applications to fill the two open positions. After a review of the candidates, Jim Warner (Unit #8) withdrew his application, and volunteered to chair the Club House Committee. Tony Fridovich (Unit #13) and Phil Dawkins (Unit #6) were elected to three year

terms to the Board of Directors. The new Board will meet in the near future and elect its officers:

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| Doug Tisdale | 12/31/2010 |
| Katy Buchanan | 12/31/2010 |
| Allison Krausen | 12/31/2010 |
| Tony Fridovich | 12/31/2012 |
| Phil Dawkins | 12/31/2012 |

Next year, three terms will expire, and will need to be replaced with two new Members with three year terms, and one with a one year term. There was a comment that the Board communicate via e-mail everything with Owners during discussion and review. After a short discussion, it was determined that the Board should only communicate as decisions are made, or Owner input is necessary.

15. A question of compensation (or dues reduction) for the Secretary Position was raised as there was a concern about the time required and commitment to availability. After with much discussion, it was determined that some of these concerns may be resolved with the new property manager, paying closer attention to the detail, and that the board of Directors can address these concerns and progress, and decide if compensation is justified.
16. Doug briefly reviewed the Condo Documents and stated that preliminary legal analysis has commenced with outside counsel. The bylaws need updating to comply with current COLA statutes. The Board will work with these recommendations and advise Owners accordingly.
17. As there was no further new business, it was moved, seconded, and approved to adjourn. The 2009 Annual Meeting adjourned at 11:15 AM.