

**WOODS MANOR BOARD MEETING**  
***Budget Meeting***

Sat., May 23, 2009  
12:00 Noon  
Four Seasons Office

Call to Order: 12:10 PM

**Board of Directors Present:** Jay Rust, Karen Schilling

**Board of Directors by Proxy:** Chuck Sebald (Jay Rust), Wes Cobb (Karen Schilling)

**Board of Directors by Teleconference:** Len Vest, Mary Lee Van Meter

**Four Seasons Management by Teleconference:** Bob Springer

**Four Seasons Management Present:** Steve Erlandson

**Guests:** Kathleen Rust

**Approve 3/7/09 Mtg. Minutes:** Karen Schilling made the motion to accept the March 7, 2009 Board Meeting Minutes as written and Len Vest seconded. Passed

**Maintenance Report:** Steve Erlandson reported the progress on maintenance issues as follows:

Date issue reported	Description of issue	Who reported issue	Date confirmed (by FSL)	Date fixed	Checked by	Cost	Comments
3/7/09	Remove marks on walls with Windex	Jay	3/7/09	ongoing		N/A	Ongoing policy
3/7/09	Scratch on A 1st floor elevator door	Jay	3/7/09	4/4/09	Steve	\$17.50	Repainted door
3/7/09	Add extension to B bldg PVC drain	Chuck	3/7/09				
3/7/09	Repair dripping eaves over club/A bldg	Chuck	3/7/09				
5/11/09	Repair hole in wall - club rec room across from windows	Jay	5/12/09				
5/11/09	Repair flower box on east side of house	Jay	5/12/09				
5/11/09	Check door closers on B bldg	Jay	5/12/09	5/14/09	Bob	\$17.50	Adjusted striker

+ denotes completed item that will be eliminated from list

The Board discussed if all the carpet in common areas needed to be cleaned at the regularly scheduled Spring Maintenance since it is just one year old. Four Seasons was asked to obtain a bid for partial carpet cleaning of the heavy traffic areas or just stairwells in each building and report back by email to the Board.

Steve reviewed other maintenance items completed including replacing the heater for the hot tub, repairing door edge on A building 2<sup>nd</sup> floor, repairing a light that was falling through drywall A building 3<sup>rd</sup> floor, exterior grounds clean-up complete and irrigation system operational. Spraying of weeds and grass seeding completed after a break in the weather after a very wet spring.

WMI maintenance included minor maintenance items, many involving TV's and their remotes, and replacing #203's washer & dryer.

Karen exclaimed that the buildings look great and Kathleen commented that it was nice to drive into a clean garage. Jay thanked Steve for the thorough efficient job Four Seasons is doing maintaining the complex.

**Financial Report:** Bob Springer reviewed the WMA balance sheet as of April 30, 2009. A discussion of accounts included combining two separate reserve accounts

into one reserve account and one operating account. Jay stated that operating money could be borrowed from the reserve account in an emergency cash flow situation but it would have to be paid back in same fiscal year. Bob reviewed the P&L for WMA next noting late fees are still coming in from owners late in paying their dues, general insurance is over budget due to a timing issue in accounting for the payments, fire security monitoring was \$0 as the Apex contract was cancelled and the new Allied contract included one free month, and legal and accounting was over budget due to the \$2000 expense for having the building appraised. Bob then review the aging accounts receivable report noting that negative balances are for owners with prepaid dues and some owners are still paying their assessments but that the final \$10,554 will eventually be collected.

Bob reviewed the WMI balance sheet as of April 30 noting the operating accounts have \$50,000 in an operating checking account and \$25,000 in a operating CD. Reserve accounts include \$53K in a reserve CD and another \$20K+ in a reserve savings account. The accounts receivable is carrying bad debt of \$46K consisting mostly of owners more than one-year past due including late fees applied monthly. The P&L included weekly housekeeping over budget due to a timing issue. A discussion was had about renting WMI units that have dues that are grossly over-due. Many options were considered and Four Seasons was asked to identify owners past due and relay to Board via email and contact RCI for options of renting units. Four Seasons was asked to research natural gas use for WMI and report to Board at Annual Meeting pre-meeting. Accounts receivable list is getting shorter with more owners paying their past due fees. Len asked why legal fees is only \$200 and inquired whether any owners are being pursued legally for past due accounts. Bob answered that Mr. Werner had been authorized to pursue some owners per an email dated March 13 and he was waiting to hear back from Steve Werner. Len stated that there are 13 owners that owe at least \$1000 and asked Four Seasons to have Steve Werner contact those 13 week owners and pursue legally if need be and to have Mr Werner present updates to the Board before the July 5 annual meeting.

Karen Schilling made the motion to accept the financial report as presented. Len Vest seconded the motion. Passed

**2009 Budget Review** – As determined by the Board during the budget planning process for 2009 in October 2008, the budget was approved without raising 2009 HOA dues. The Board requested Four Seasons to review vendor contracts, track expenses and further examine building maintenance for cost savings. The process of review would continue for 6 months with a mid year budget meeting scheduled in May to determine the cash flow status for adjustments.

Bob Springer with Four Seasons Management summarized that this year's budget was under funded. The WMA saved funds by changing the fire security vendor. Our insurance policy's agent changed to Farmers with full replacement cost coverage of both A & B buildings, clubhouse and the resident manager's house. To determine the actual replacement cost, the Board hired Ebert Appraisal Service to do a detailed insurance replacement cost analysis. Thus, our insurance and legal fees were greater than anticipated. Budget lines for club house maintenance, grounds maintenance, repairs and maintenance were increased.

Besides the above, the following were increased to meet actual 2009 costs: management fee, phones, trash/snow removal, cable/water/sewer. And the following were decreased: clubhouse maintenance, carpet cleaning, and taxes.

Jay thanked Bob and Steve for the tenacious budget work the Board requested. The Board believes this process has been accurate thorough and current in every WMA and WMI expense performed for Woods Manor Homeowners.

**2009 Budget Adjustments:** Len Vest made the motion to approve the revised 2009 WMA Budget as prepared by Four Seasons Management less the reductions made after Board discussion starting July 1, 2009. The HOA dues increase will be an average of \$44 per unit per month as determined by the WMA Declarations dues formula. Karen Schilling seconded the motion. Passed

**Other:**

**Asphalt Driveway** - Steve presented quotes to both replace or repair and seal the driveway asphalt. The Board discussed the processes and determined if repair and seal were contracted the Existing Special Project Assessment could fund the project. Steve stated that doing this work would extend the life of the asphalt 3-5 years.

Len Vest made the motion to accept the bid of \$6,143 to patch and seal the drive way this summer with anticipated completion by July 4, 2009. Karen Schilling seconded the motion. Passed

**WMI Unit Replacements** – Steve presented, as requested, the quote to replace the television sets in the WMI units. TVs along with washer and dryers had been reviewed on the Long Term Planning schedule for WMI Spring Maintenance Week

2009. It was determined that more detail was needed on exactly which units needed new washer and dryers and closet dimensions accurately measured per unit before purchase could be finalized.

Len Vest made the motion to accept the Four Seasons presented bid for 32” Vizio TV’s for the living rooms and 22” Vizio TVs for the bedrooms. The total expenditure is anticipated to be \$4500. Mary Lee Van Meter seconded the motion.  
Passed

Jay appointed a committee to evaluate the WMI Unit art for updates with the hope some of the nature pictures the WMA owns can be hung. Len Vest, Karen Schilling and Kathleen Rust will meet in June. The committee will also meet with interested WMI owners, after the annual HOA meeting on July 5, 2009, to review each of the units’ condition and recommend to the Board changes to the long range replacement plan.

**Next Meeting:** Sunday July 5, 2009 at 12:30pm Board followed by Annual HOA at 1:30pm. Woods Manor Clubhouse meeting/party room.

**Adjourn:** 3:50pm