

WOODS MANOR BOARD MEETING

Buck Recreation Center, Littleton, Colorado
1pm
January 28, 2012

Board of Directors: Jay Rust, Chuck Sebald, Lisa Cobb, Karen Schilling, Larry Brutlag

Four Seasons Management: Steve Erlandson

Homeowners: Kathleen Rust

Call to Order: President Jay Rust 1:00PM

Approval of Agenda: Chuck Sebald made the motion to accept the agenda as presented. Larry Brutlag seconded. Passed.

Approval of Minutes Oct 1, 2011: Chuck made the motion to approve the minutes of Oct 1, 2011. Karen Schilling seconded the motion. Motion passed.

Maintenance Report:

WMA

Steve reported the following maintenance work for the common areas:

- Installed new kitchen faucet in WM property manager's residence
- Replaced hot tub skimmer basket and tub cover
- Replaced A building luggage cart wheels
- Replaced concrete project
- Reattached B roof vents
- Installed a new door closure and added insulation for WM Manager's house
- Replaced all fire extinguishers per inspection

WMI

Steve reported the following maintenance work for the Interval Units:

- Minor repairs this month installed new kitchen faucet B304, electrical B102 and plumbing complaints – B101 washer and toilet lever in B204;
- Yearly units' fireplace inspection completed;

- Fall Maintenance Week complete with deep clean, change light bulbs, batteries in fire and carbon monoxide alarms and new blind wands along with installation of new towel bars.

The Board thanked Four Seasons and their staff for their excellent proactive approach to maintaining the Interval units.

Financial Report: WMA – Four Seasons

Steve reviewed the 2011 year end financial reports for the WMA and the WMI with the following notations:

WMA – Steve reviewed the financial reports as of 12/31/11: Operating cash flow is low but should return to a comfortable level once 302A dispute is resolved; ended the year \$14,000 over budget due to Legal/Professional expenses, clubhouse maintenance (replacing the steamer unit), grounds maintenance (multiple irrigation repairs) and Repairs/Maint. (concrete repairs/replacement). All owners are current with payments except 302A.

WMI—Steve reviewed the WMI financial reports as of 12/31/11: Prepaid dues totals for 2012 is \$76,000 in operating and \$52,000 in the reserve accounts; legal/accounting fees are over budget but several categories are under budget; reserve account paid for all units' carpet replacements. Steve reported 50 WMI homeowners are not current with 2012 dues payments. It is expected that many interval owners will pay late. The Board unanimously agreed to send 29 additional delinquent accounts to the contracted collection agency.

The Board requested updated quarterly account reports from the collection agency and a review of the contract work time for each account. Some of the accounts may require further legal action.

The Board requested Steve to discuss with the accountant a method to post the breakdown of the year end WMI Operating Checking account balance to reflect the 2011 balance, 2012 prepaid dues, 2012 prepaid bills and 2012 reserve fund payments so as to reflect year end money on deposit. Furthermore, the Board requested to separate posting of 2012 billed dues in Accounts Receivable if supported by the CPA.

Chuck Sebald made the motion to accept the 2011 year end financial reports of the WMI and WMA as reported by Four Seasons. Lisa Cobb seconded. Motion Passed.

Old Business:

Ratify Bd. Email votes and Legal Review of Policy Drafts since 10-1-11 Meeting:

1. WMA Homeowner 302A letter 12/16/11 -

Chuck Sebald made the motion to ratify the Board's email sent to 302A Cox homeowner dated 12/16, and 12/28 2011 sent by WMA legal council. Larry Brutlag seconded the motion. Lisa Cobb recused herself due to conflict of interest. Motion passed.

2. WMI Homeowner Fenner letter 12/19/11 –

Chuck Sebald made the motion to ratify the Board's approved written decision sent to WMI Homeowner Mr. Fenner , 12/19/2011 by the WMA legal council. Larry Brutlag seconded the motion. Motion passed.

3. Conflict of Interest Policy

Chuck Sebald made the motion to ratify the Conflict of Interest Policy. Karen Schilling seconded the motion. Motion passed.

4. By-Laws 4.1

ARTICLE IV

Board of Managers

4.1 Number and Qualification. The affairs of the Association shall be governed by a Board of Managers initially composed of three persons. The number of Managers shall be at least three and no more than five, subject to amendment of these By-laws and the limitations contained in the Articles of Incorporation. Until the annual meeting to be held in 1987, the members of the Board of Managers shall be appointed by Declarant. Thereafter, the members of the Board of Managers shall be elected as provided in Paragraph 4.5 hereof. Adopted 12-21-11.

Chuck Sebald made the motion to ratify the By-Laws 4.1 adoted wording. Lisa Cobb seconded the motion. Motion passed.

5. Remodel Policy Homeowners' Responsibilities

The Board tabled the vote and requested further revisions. Jay will send new draft for review and email vote.

6. Rules & Reg. Change: The following Rules and Regulations Policy change was presented for Board review Oct 1, 2011 meeting and referred for legal review before ratification. This has been approved by legal council and ready for ratification.

Late Fees: All penalty, damage (see 32 above) payments, monthly HOA dues payments, and special assessment payments must be received by the Management Company within thirty days of the date stated on the notification letter sent to the unit Owner to avoid a \$25.00 late fee. An additional \$25.00 late fee will be added for each 30 day periods that the total charge (fine and late fee) has not been paid in full.

The Board of Directors may, at any time, request assistance to secure payment of all amounts owed. Such assistance may include, but is not limited to, hiring a

collection agency/attorney, filing a lien or court ruling against the unit Owner's property. The unit Owner shall reimburse the Woods Manor Homeowners' Association all expenses for securing payment of all amounts due.

Chuck Sebald made the motion to ratify the Rules & Reg. change as reviewed by legal council. Larry Brutlag seconded the motion. Motion passed.

WMA Capital Plan: The comprehensive January draft was prepared with updated replacements and cost estimates the Board is responsible for as directed by WMA documents for common areas and limited common areas.

The Board reviewed each line item of the WMA Capital Improvement 10 year Replacement Plan refining priority replacement year and cost projections. The cash flow analysis will be updated according to the agreed upon discussion.

The WMA Capital Improvements will be funded thru dues and project specific assessments of all Woods Manor homeowners.

Projects tentatively scheduled for 2012: patch and seal asphalt; repay house carpet loan to WMI; replace window and door weather stripping as needed; window glass replacements, repair driveway asphalt holes in front of the two dumpsters.

The Board asked Steve to inventory actual replacement numbers for foggy windows, weather and door weather stripping and cranks, crank mechanisms and locks for the April Board meeting.

The Board asked Steve to schedule a structural engineer to inspect all unit decks and determine replacement options including whether Trex flooring would require any additional support.

The Board agreed to continue capital improvement discussions at the next Board meeting.

Steve noted the Bldg. A&B elevators should not need replacement due to:

Elevators constructed before 1974 were constructed with what's called a "single wall cylinder". The elevators run on a long steel hydraulic cylinder that raises and lowers the car that you ride in. This hydraulic cylinder has to go down a hole in the ground when the car is lowered and this hole in the ground now requires a "double wall" construction. Basically a double wide casing that the cylinder goes down through the ground.

Woods Manor already has “double wall” construction as it was built after this was already required so no replacement of the hydraulic cylinder/walls of hole it goes down is required.

The actual elevator cars and the pumps/mechanical equipment in the garage closet should last anywhere from 30-50 years depending on the equipment so some of those components may need to be replaced down the road but at the meeting we were discussing the actual hydraulic cylinder and the hole it goes down. The elevators are inspected every year by the State of CO as well as the manufacturers representative (Thyssen Krupp Elevators) each year and no problems have been reported. I wouldn't anticipate any major work on the elevators for the next 10-15 years at least.

Jay thanked Steve and Bob, Four Seasons, Larry Brutlag, Chuck Sebald, and the entire Board for their contributions to WMA and WMI updated plans. These plans will be used for analysis and planning by the Board and homeowners.

WMI Units' Plan: The Comprehensive January draft was prepared with updated items and cost estimates that the Board is responsible for as directed by WMA documents for Interval unit interiors.

The Board reviewed each line item of the WMI Capital Improvement 10 year Unit Replacement Plan refining priority replacement year and cost projections. The Cash Flow analysis will continue to be updated this year from the discussion for use when preparing the WMI 2013 budget. WMI Unit Capital Improvements are funded thru the portion of the WMI yearly dues budgeted and deposited into WMI Reserve Account. The Budget is prepared and deposited calculated on 100% ownership payment. The \$40,692 for WMI reserve dues was transferred from the operating checking account into the reserve money market account.

Projects for 2012 interior replacement of the WMI units: unit painting and door/woodwork staining, and additional furniture replacements including mattresses for all beds except Murphy beds.

The next priority to work towards is planning for bath and kitchen upgrading starting in 2013. Four Seasons will gather estimates for cabinets, counter tops, tile flooring, tile walls, shower enclosures, appliances, sinks, lights and fixture replacements.

WMA & WMI plans will be posted on the WM website.

The WMI budget for 2013 will need to include funding to write off bad debt from delinquent HOA Dues.

New Business

Collection Policy / Rules & Regulations Policy: The Board discussed ways to coordinate all WMA violation fees and penalties. Jay will continue to revise these along with the Remodel Policy and email drafts for Board review.

Insurance Policy Review: Larry Brutleg gave a *summary of highlights* of the WMA Insurance review he had with our agent, Dianne M. Trausch, Farmers Insurance Group, Breckenridge:

- Over all building coverage is \$12,595,000.
- This is not building specific. 2009 appraisable value was \$11,500,000.
- Our coverage is repair and replace to the original building design and specifications.
- The Policy includes \$123,000 of Business Personal Propert. It would cover WMA/WMI owned equipment in our Club house such as the kitchen appliances, Sauna and spa and exercise equipment.
- This policy does cover the personal property in the WMI units again to the original building design and specifications only.
- The policy covers the personal property in the all units to the original building design and specifications. All owner upgrades are not included and would need to be insured by individual homeowner policies.
- Annual premium is \$24,322 billed monthly to the WMA. The WMI pays the WMA \$1400 to pay for their share of insured property.
- Umbrella Liability Coverage is \$5 million billed separately for \$3,140.

Jay thanked Larry for the detailed report. The Board will schedule Ms. Trausch, insurance carrier agent, to meet with us at an upcoming meeting.

Agent Dianne Trausch stated she is available at Trausch Insurance 130 Ski Hill Rd. #210, Breckenridge; phone 970-453-7190 if homeowners are interested in personal unit liability insurance or questions about interfacing their current coverage compatible with WMA.

Woods Manor Website: Larry Brutleg has volunteered to manage the Woods Manor website. He is coordinating the transition with Len Vest. This is a valued communication asset for all homeowners.

Board Resignation: The Board regrettfully accepted the resignations of Len Vest and Jon Schutz from the Woods Manor Board effective at resignation date requested respectfully.

Unit Floor Policy: Jay reported he spoke with the TOB Building Department concerning the difference in floor noise when carpet is changed to hardwood or tile without noise abatement. They confirmed this is a problem common to many

complexes in Breckenridge and it would be helpful for homeowner association Remodel Policies to require noise abatement installation if floor coverings are changed from the original product.

Lisa Cobb volunteered to work with the TOB to formulate such a policy for Board review.

TOB Landscape Requirement: Jay also reported that the TOB Building Department requires all major landscape changes to be approved before installation.

Other:

Homeowner Comment:

- There were no comments from the guest to report.
- Steve Erlandson reported Four Seasons had received some calls and a few notes expressing homeowner concerns about both WMA and WMI 2012 dues increases.
- The Board received an email letter from an Interval owner requesting copies of governing documents, past meeting minutes, and stating disapproval of 2012 dues increase and suggestions for budgeting WMI in the future.

All homeowner suggestions and comments are taken into advisement by the Board. The Board can be reached thru the Woods Manor website, attending scheduled Board meetings or correspondence mailed to Four Seasons. Written responses, when appropriate, may be sent by email or from Four Seasons Lodging.

2012 Annual Meeting: July 7, 2012, WM Clubhouse, 1PM;
Homeowner social will follow the meeting.

Next Board Meeting: April 28, 2012, Woods Manor Clubhouse, 12:30PM

Adjournment: 4:17PM

Executive Session: Four Seasons Contract & other legal matters.

WMA website: www.woodsmanorcondos.com

WMA Address:

Woods Manor-WMA
Attn: Board of Directors

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Breckenridge, CO 80424

WMA Phone:

Four Seasons Lodging
WMA Management Company
1 970 453 1403