

## WOODS MANOR BOARD MEETING MINUTES

Woods Manor Clubhouse  
1:00 pm  
February 7, 2016

I. Call to Order at 1:07pm

In attendance: Jay Rust, Chuck Sebald, Larry Brutlag, Lisa Cobb, Tiana Wales, Jared Wales, Jeni Shelton, Steward Squires, Stephen James, Kelly Tormaschy, Kathleen Rust

II. Approval of Agenda

Larry motioned to approve, Chuck seconded. All approved.

III. Comments from Homeowner(s):

Stewart Squires, (spoke later, see IVe.)

Stephen James said he loves his unit. He is concerned about Association owned weeks and what's being done to sell them. Jay stated that the Interval Conversion Plan relates to his concerns.

IV. Interval Conversion Plan:

a. Lisa read the plan that the Board had approved after consulting with legal council.

b. Jay spoke about the history of interval units in Woods Manor and their current sustainability. The Board has a fiduciary responsibility to avoid bankruptcy and to be fair and equitable to all owners. That led to the plan. Squires asked, what will happen with the units owned by HOA board? He requested that we add a clause that specifies the sale proceeds will only go into the budget of WMI owners, not to WMA owners. Also, that reserves would allocated to time share owners. He also asked about those that don't want to sell? What options are being considered? Board agreed that week's value is different and compensation should reflect that. Mr. James concerned about human nature – understood about assessments, and would like to continue to use his week(s). He asked, how long will it take to implement the plan? Concerned about how the budgets split responsibility for costs between WMI and WMA. WM is operates with WMI separate financial accounts and that is how WM has operated since the beginning. There had been discussions at annual meetings with homeowners about the increasing number of unit weeks in arrears for years. This year there is not a dues increase for whole and time share owners. Past time share assessments were paid from TS reserves. The reserves are not sufficient to cover their share of the current assessment that is required renovate critical buildings' needs. A Board member and wife worked

pro bono to supervise several projects over the years in order to save money. This special assessment covers rocks falling off the chimneys (recent), railings on balconies which must be replaced and comply with town code, and replacing all stucco which has been falling off the buildings due to being originally installed poorly. The buildings are also close to needing new paint. The Board had an engineer inspect balconies and luckily the joists do not need to be replaced. The exterior issues have been in discussions at annual meetings. Delaying the exterior renovation is not an option.

Tubs in the building: four jetted tubs had cracked. The Board decided it was prudent to replace the tubs in the time share units before water damage due to additional tubs cracking and leaking. The cost averaged \$7,000 per tub which included safety window glass replacements required by town code, structural work for the drop in tube and new tile.

c. Four units sold recently: A104 \$499,000, 104B \$435,000, 103A \$330,000, and 201B \$349,000. There is little inventory available within the town and a solid market for condo sales exists.

d. Discussed the option of an investor purchasing weeks for whole ownership conversion. The Board doesn't consider that to be in the best financial interests of timeshare owners.

e. Mr. Squires commented on the plan. He had been talking to 100 week owners, most not interested in selling. Claimed the Board could change anything in the Declarations with 2/3 votes, so whole owners could make the conversion happen. Said that if sales of units go to only timeshare owners, he's all for it. Doesn't want it to take years. As of 2/3/16, 106 delinquent accounts (Larry reported – 57 are new this year). If deeds are turned over to the HOA, he didn't want to pay to make up the difference, only 1/50<sup>th</sup> %, until unit sales completed. Chuck clarified that TS owners who want to participate in the plan need to keep their payments current and thus would have to make up the difference with additional assessments. Lisa said that it would be Mr. Squires' choice to participate in the plan or not.

f. Initial information will go to TS owners, with outline of plan, information from realtor about property values, and a participation form that needs to be returned to determine their desires. Participants would be asked to sign a contract agreeing to wait until all 50 owners agree, then deeds would be allocated from units sold.

g. Asked if there was any alternative? Larry reported that if nonpayment continues, another dues bill would have to go out to remaining owners. Budgets would be reviewed, keeping expenses as low as possible. RCI dues would not be accepted. Squires and Brutlag discussed delinquent number of owners and impact on the WMI budget.

h. Sales of timeshares. One realtor in town tried to market the owned units weeks. Few weeks were sold over the years. She didn't want to sell them any more since sales have been unsuccessful -- no market for them currently. A homeowner commented that it is not the board's responsibility to sell timeshare units.

i. Jay confirmed that Ski Country will rent interval weeks that are owned by HOA, in foreclosure, as well as any that timeshare owners wish to rent. This will help the WMI budget.

j. Mr. Squires requested the Board move forward quickly to complete the conversion plan. Larry stated that delinquent accounts will no longer be submitted to collections, but rather may be foreclosed in order to obtain clear title more quickly. Group foreclosure is saving money and time. The plan includes costs that would be involved in sale process. Also the homeowner letter will include real estate information from a local agent including projected fair market value. Owners do not want to sell their week will have to accept increased expenses of HOA owned weeks. There is a possibility of consolidating remaining timeshare owners to a remaining condo unit. Len Vest, time share owner, agreed to work with Jay on the Time Share Conversion Plan.

k. Mr. Squires wrote a request to access to WMA & WMI information. The Board's legal council was asked to work on this request.

l. Chuck moved to approve the plan, with the understanding that WMI owners, that have current fully paid accounts, receive their fair share of net unit sales proceeds and remaining reserves; reserves will be allocated to time share owners, that participated in the plan, after all remaining accounts have been paid in full. Larry seconded the motion. All approved.

## V. Maintenance Report

### a. WMA

1. Jarrod reported that most things were going well, except the garage doors were being run into by cars, requiring repairs. Suggested that a large yellow warning bar be hung in front of doors. Board approved his suggestion.
2. Railings of 304A – concerns expressed that it needs reinforcement. Tiana checked the railings. Jarrod will inspect them too and let us know.
3. Spa functioning very well, had to repair a button to the pump.
4. Jarrod stated that roofs need snow removal. The Board insisted that the house needs be added to the contractor

order.

5. Lights in clubhouse stairway seemed to be on most nights. There was a lockbox that needs to be removed next the lower clubhouse door. Board president expressed thanks for keeping our hallways vacuumed & dusted, elevator stainless steel polished and windows clean – it makes the place look well taken care of.

b. WMI – units are in good shape and positive comments received from guests.

#### VI. Financial Report

a. Ski Country is transitioning to a new accountant and thus the end of year 2015 financials still need to be worked on. Board members volunteered review invoices and payments, and financials at Ski Country offices on this Monday.

b. Audit was requested, but board explained that a CPA, tax accountant, has always reviewed our books in the past, and it was deemed sufficient and is more cost effective.

VII. Ratify Time Share Rental Agreement with Ski Country Vote  
Motion to approve Lisa, Chuck seconded. All approved. Vote done by email on 12/3/15. Contract dated 12/8.

VIII. Ratify Collection Policy Update  
Board voted on January 8, 2016 by email to update the policy by allowing delinquent accounts to be submitted to WM attorney to start foreclosure procedures after sending a demand letter. Larry motioned to approve. Chuck 2<sup>nd</sup>. All approved.

Tiana and her father worked on the Budweisser snow sculpture, all encouraged to go see.

#### IX. New Business

a. Garage Doors – Jarrod reports the springs in A and B have failed and had to be replaced. Board requested the doors be inspected to determine if and when they may need to be replaced. If we can avoid huge expenditures that would be best since the repairs to the house resulted in \$17K expenditure. Work still needed to replace a rotten once floor joist that is located the length of the deck. Managers reported that window are OK for now.

- b. Surveillance System – will wait to see if the warning bar helps. Chuck can make up a sign if needed.
- c. Parking issue for house – Managers suggest that we need a sign to reserve manager's spaces. Also suggest parking permits in cars so that would allow managers to know who owns the cars on the property (cars have parked in the fire lane and some have parked parallel). Ski Country (SC) can issue permits to owners, guests and rental guests. SC will design the pass and notify rental companies of this requirement. Lisa moved to approve a pass, Chuck seconded. Larry asked how it would be enforced. Tiana said that they will take care of it, and it's a very common practice around town. Extra passes will be provided for owner guests. All approved.
- d. 301A Remodel Request – email information received. Larry motioned, Lisa seconded. Discussion about whether permits needed, but determined none are needed. Contractor has submitted his license in the proposal. Mr. Squires commented that our remodel policy is very complete and asked if it has worked well for us. Jay relayed several stories about why the policy is needed.

#### X. Old Business

Timeshare owners emails/comments regarding 2016 dues and special assessment were discussed.

#### XI. Time Share Rentals

Some time share owners are renting their weeks through Ski Country. SC will accept more weekly rentals.

#### XII. Exterior Capital Project Plans

Jay reported that when Columbine renovated their building, lawsuit claims of over \$1 million due to poor workmanship were filed. Corral also had a lawsuit with claims in millions. The Board has two bids from Travis and WoodMark. He suggests Board agree to hire Travis because they have a top-notch record in town for good work and timely completions. Jeni agreed that they have a very good record and reputation in town. We have spoken to owners that hired Travis at Tannenbaum One and heard excellent comments about their performance and workmanship. Motion to proceed and contract with Travis after final specifications are determined – by Lisa, Chuck 2<sup>nd</sup>. We will meet and review plan with Travis and get a solid bid after ski season. All approve.

Kelly would prefer to see this project deferred until timeshare conversion is resolved. Jay agrees that Board may have to consider changing scope of project if it is necessary depending on submitted special assessment funds. Value of

units will increase 10-20%. New buyers do not need to pay the special assessment and can see the planned improvements submitted by Marc Hogan.

XI. Next Meeting

Chuck recommends that there be communication at the end of February to reassess the budget for WMI (email or physical). Jay says we need to work on the conversion package that will be mailed to TS homeowners. Won't be able to get Realtor letter to include in the package before March 1. The Board agreed to meet on March 4<sup>th</sup> at 1pm in Woods Manor Clubhouse meeting room.

XII. Adjourn: 3:06 pm