

WOODSTREAM FALLS CONDOMINIUM ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING
ASSOCIATION CLUBHOUSE
MINUTES OF OCTOBER 28, 2006 8:00 AM

1. CALL TO ORDER

Jay Fluet called the meeting to order at 8:10 AM

2. ROLL CALL

Four members of the Board were present: Jay Fluet, Juanita Rucker, Christian Thompson and Forrest DeYoung. Also present were Mitchell Powell and Joe Ryan of the property management company (hereinafter referred to as PMCo).

3. NOTICE AND WAIVER OF NOTICE

Homeowners were informally notified of the board meeting. The President announced the time, date and place at the last Board meeting on September 30, 2006. Notices were put up on all mail kiosks and at each of the five entrances to the community.

4. DETERMINATION OF QUORUM

Four members of the Board were present and constituted a quorum.

5. READING AND APPROVAL OF MINUTES

The Minutes from the September 23, 2006 and September 30, 2006, meetings were read and approved.

6. HOMEOWNER'S FORUM

7. PROPERTY MANAGEMENT REPORT

Since being hired on September 30, 2006, Mitchell Powell and Joe Ryan (PMCo.) have set up various continuing projects, some of which are beneficial to the entire community. PMCo. will distribute an accounts receivable report to the Board showing the findings of the reports Westwind turned over to PMCo. Four thousand documents were given to Mitchell Powell by Westwind on electronic data ten days ago. It will take PMCo time to go through all of the information. Mitchell presented a brief analysis of the budget:

- A. All bills are current;
- B. There is \$600,000 in all three accounts;
- C. There might be minor adjustments to the HOA dues by the Board after seeing the water, sewage and gas accounts.
- D. Mitchell Powell said that he would like to take any overage charges and move that money to the reserve for any future projects.
- E. One project that should have been done was the replacement of all the building roofs. There needs to be more money available for this. Mitchell would like to obtain financing from GE/Mansfield for the roofing project, tree care, asphalt problems and curb appeal. Information on all these issues should be available to the community around May 1, 2007.
- F. There appears to be about 200 delinquencies with various balances. PMCo will meet with the Association's attorney to pursue any outstanding delinquencies.
- G. Right now the reserve money is in a savings account at 2-3% annually. There is no benefit to leaving the money in this account. The reserves should be invested, thereby producing a profit for the whole community. Mitchell mentioned that it might behoove the community to buy two units in foreclosure with the reserve monies. Those units could then be used to try the electric plan for heating/cooling (in lieu of replacing the pipes at \$9M), rent the units out for income during the interim, holding for about a year, and then selling. This would be a good investment for the reserve monies and everyone in the community could actually see what is taking place for the electrical/heating/cooling situation along with providing actual costs of the project to each homeowner.
- H. Mitchell believes that Westwind was overpaying the bulk rate of gas taxes going back about 18 months, totaling approximately \$20,000. He wants to move that money over to the reserve fund.

8. UNFINISHED BUSINESS

- A. Office renovation

Jay reported that the renovations of the HOA office have been completed. Either Mitchell Powell or Joe Ryan will be on the property Monday through Fridays from 9:00 AM to 5:00 PM, and may include some Saturdays. Homeowners are welcome to visit the HOA office whenever they are open.

B. Office Telephones

The telephone situation is being taken care of. The phone number will remain at 303-755-4226 and new messages and options will be changed according to the needs of the community. Mitch Powell plans to check other telephone companies for better options and prices, showing that we pay too much for this service.

C. R Units refurbishment

Allegedly the former Board acknowledged responsibility of the mold and asbestos in two units in Building R from water leaks and started gutting the units to prepare for renovation. Jay Motioned that Mr. Jones should be permitted to go forward with his renovation pursuant to the Appraisal quoted, that the Association would reimburse him for up to \$8,000 as long as the owner of that unit signs all legal documents releasing the Association from any further liability, that Mr. Jones presents to the Board and the Board's attorney, documents proving the former Board assumed responsibility for the mold and asbestos; written approval from the City and County of Denver for any renovations; and the contractor will be responsible for obtaining and purchasing all necessary legal permits. The HOA will put a lien on the unit for unpaid HOA dues for the months of February 2006 through the month that the unit is sold.

The other unit owner has been in touch with the property management company, and Mitch suggested that maybe the same contractor that will be doing Unit 277 could come in and take care of the other unit also. Mitch will contact both the contractor and the other unit owner to discuss.

Forrest was very concerned that we not create any precedence for the HOA paying for repairs which are not its responsibility, and was informed that we have nothing in writing yet showing WFCA was responsible. Until documents are presented to the Board that the former Board accepted responsibility there will be no further action.

D. Election of new board members

The Board was informed at the time that they were going to appoint a new board member, that Vice-President Christian Thompson is resigning from the Board, effective immediately, thereby leaving two open positions. The two people who had applied for the one open position were now appointed to the two open positions. The new Board members are Barry McConnell and Pansy Moore. ✓

10. NEW BUSINESS

A. Review of Rules and Regulations

Each Board member was given a copy of the Rules and Regulations that Westwind had previously sent out. Jay wants the Board to make appropriate changes to the Rules and Regulations and have them available for the next Board meeting on November 18th, 2006.

B. Budget 2007

The property management company provided a sample of a coupon book that WFCA might use as a template for their 2007 HOA Coupons.

The dues will remain the same for January 2007 and parking will show up as a separate charge.

Jay Motioned that the coupon book should be purchased and distributed beginning in January 2007. Motion passed.

C. Winterization Process

Jay reported that the maintenance team has winterized the property: the sprinkler systems have been blown out and turned off, and the pool is winterized. The maintenance team will continue to work on the rooftop gutters and property due to the constant falling of pine needles.

Wayne has been taking daily intake and output water readings. To date there have been no breaks in 155 days.

D. Purchase of units for HVAC study/ rentals/ investment

Jay Motioned to investigate and evaluate buying property units via liens for association investment. Motion passed.

E. Turn in of old computer equipment for refurbished unit, turn in of old batteries for recycling

The basement is being used as a storage area for various electronic devices that no longer work. We should recycle, sell, or trash the items. The batteries will have to be properly disposed of as hazardous materials. If we make any money from the sale, or recycling, we might be able to use that money for a new computer and copy machine for the office.

Jay Motioned to clean out the basement. Motion passed.

11. COMMITTEE REPORTS

A. HVAC

Barry McConnell asked to be seated as Chairperson on the HVAC Committee.

B. Management

C. Financial/Audit

D. Reserves and Insurance

E. Communications

Pansy Moore asked to be seated as Chairperson on the Communications Committee.

F. Restoration

The restoration committee has been improved to include architectural elements and trees.

G. Services Management

A new committee was formed: Rules & Regulations, which will be chaired by Jay Fluet.

12. NEXT BOARD MEETING

Jay Fluet announced that next Board meeting for November 18th, 2006 at 9:00 AM.

13. ADJOURNMENT