

DRAFT

WOODS MANOR HOMEOWNERS ANNUAL MEETING MINUTES

Woods Manor Clubhouse

1:00 pm July 6, 2019

I. Welcome and Introductions

Board Members present: Chuck Sebald, Jay Rust, Lisa Cobb.

Management Company representatives: Keith Chamberlain, Noah Orth

New Owners – Deb Frey Grim & Russ Grim, Mark & Becky & Joseph Lauriha (son – 9), Pat O’Keefe, Denise & Lance Thatcher

Current owners – Don and Michele Schesser, Mitch Seek, Wes Cobb, Kathleen Rust, Allen Steinhardt

II. Call to Order 1:12 pm

III. Establish Quorum - Exceeded requirements for quorum with proxies and attendees.

IV. Approval of Agenda – Kathleen moved, Mark Louriha 2nd, all approved.

V. Approve July 2018 Annual Meeting Minutes – Kathleen moved to approve, Mitch 2nd, no changes, all approved.

VI. Maintenance Report

1. WMA Noah discussed the manager’s report submitted with meeting packet: Bi-weekly grass cut; Noah sank mutt sign post in concrete to secure it. 3/weekly common area cleaning; daily inspection; remodels progress; security questions because keys were found on grounds after spring thaw; timeshare deep clean done in spring. He will offer fireplace services to all owners. Garage leaks this winter were repaired. Asphalt company will give us an estimate for maintenance. Board approved an autofill, and fan replacement for spa. No drain in spa currently, discussed current cleaning schedule.

2. Question – why was hot tub out for 2 weeks? Circuit breaker faulty -- arced wire in circuit breaker, exchanger failed. Now all fixed. Took time to reheat the water after being emptied and repaired.

3. Question - Window cleaning of exterior windows? Noah will send an email to owners requesting who would like these services, and to be included in group rate.

4. Noah explained about the lights above the dumpsters – trash trucks broke the light fixtures. Noah replaced them with shorter depths that would not get hit. Owner requested adding a light over key entrance to garage. It

requires additional wiring, expensive. Jay suggested adding reflective tape to the key stand.

5. Question about concrete walkways and the divot by the front door of bldg. A. Noah agreed to repair door sag issues, which will realign the door.
6. Question – can renters use garage? Yes.
7. Comment about caulking outside windows, it needs to be inspected and repaired – Mark found some missing.
8. Question - Mark asks if can convert garages to LED lighting. He knows a company who could bid the job.
9. Noah explained about the iron drain conduits in garages. PSI (plumbing co.) inspection revealed that the cast iron lines are beginning to bubble and corrode. We may need to install new iron lines. Above garage lines are PVC. Board and Noah are investigating other repairs or solutions.
10. Question – Are the floors concrete? – gypsum concrete floors between units, concrete above garage.
11. Comment - Yellow paint on columns in garage is great. Helps make them more visible.

VIII. Financial Report

Keith walked through financials, year-end 2018. Timeshares have a reserve account with funds from the sale of the first two units.

1. Question about several numbers in WMI budget.
2. Question about phone fee – required for elevators.
3. Question about why no recycle bins? Many people don't separate properly which causes rejection. We should encourage people to use the public recycle stations outside of town. Also, we don't have space for other bins. Waste companies are having difficulty with finding buyers for recycled material and expenses are increasing.
4. Comment about dumpsters not getting locked. Signs explaining how and why to lock them should be installed. Dumpsters are provided by waste company. Noah mentioned bear bars that are installed. Comment that it might be too heavy for some residents to use as well.

5. Question -What's our tax status? Whole owners property taxes are paid by individual unit owners. Timeshare owners' tax payments are included in their annual dues budget.
6. Keith continued WMA report. Operating cash is down. Transferred some to fortify the account, but garage problems have added up to a couple of items over budget. Electricity over budget, because cold winter, but also garage heaters were turned up too high, that's been fixed.
7. Jay discussed our capital expenses; in the past we have financed large projects with assessments; economy of scale, having only 24 units to cover expenses causes higher dues rates. Reserves are for unanticipated projects and repairs, and owners decided to assess for major projects rather than build up reserves, which would have to be invested very conservatively. Better to let owners see what is coming up in our 10-year plan and allow owners to plan their finances accordingly. Jay discussed the structural background problems, which resulted in needing to do the recent exterior renovation.
8. Question about relining cast iron pipes came in around \$8,500. Board discussed how long this would last, guarantees from contractors, decided more research is needed before finalizing best option to authorize.
9. Jay asked for a motion to ratify the 2019 budgets for WMI and WMA.
10. Question about what happens to budget after sale of timeshare units. Answer - budgets can be amended. Mark motioned to ratify, Denise 2nd. All approved.
11. Keith left at 2:23 pm to attend another meeting. Noah also left, but said he will bring business cards so people can contact him. He promised to send out information about windows cleaning and fireplaces services.

IX. 10 Year Capital Plan

1. Chuck discussed possible assessment in 2024 for south facing window replacements and wall repairs. The wood window frames have dry rot. The amount would be collected the previous year. This plan is a tool to help us keep on top of upcoming capital expenses. Asphalt replacement bid came in at \$140K; not currently available in reserves; repairing yearly as needed. Trying to avoid total asphalt replacement as long as possible.
2. Question – What can be done about cloudy windows? That means the seals have ruptured, and the window needs to be replaced. Owners should let the board know which windows need replacement.

X. Time Share Conversion Plan Update

1. Jay reported on why we have been forced to create this plan: the non-payment of dues by timeshare owners increased dramatically over the years; private investigator hired to help find delinquent owners; four rounds of foreclosures; less than half dues paid as of 2016. Attorneys advised -- we have a fiduciary responsibility to solve the problem. Conversion was the best answer, all moneys collected from sales go to timeshare owners. Our website lists progress on this plan, including a listing of options for timeshare owners to buy weeks in Breckenridge. Some are being sold for \$1.00. The money that our TS owners will receive far exceeds the sale of each week on the open market. The spike in delinquencies over many years has forced the implementation of the conversion plan.
2. We also have two owners who are refusing to relinquish their seven weeks. We were able to sell two of six units. Their deeds were all clear. The remaining four units' sales are being delayed due to these two TS owners. The reserve account money from owned weeks will be distributed to all TS owners after the conversion to whole ownership of all units is completed.
3. Good news...of the remaining 200 weeks 62 are owned. That leaves 138 weeks of owners who have paid their dues. Results of the recent ballot about a declaration change and possible partition suit(s) – all 122 returned ballots voted yes on both questions. One timeshare owner didn't vote, because he didn't support the partition suit due to increased expenses. Unfortunately, the first partition suit had to be filed.

4. One of the two entities filed suit against the board. The suit claims they won't receive revenue after the sale of the units they have weeks in. If TS people are paid up on their yearly dues, they are entitled to their share of converted units funds. Another part of suit refers to owned weeks and claims they should be owned by all -- whole and TS owners. This would cause these reserve funds to be split between whole owners and TS owners, which means less money for TS owners. The board is working to reach settlement with the lowest legal fees possible.

5. Right now, it is a sellers market in Breckenridge. TS owners stated they would like to sell the remaining four TS units in 2019. Further discussions by owners: it would be a shame to have to go to court and spend more money on legal issues.

XI. Unit & Building common door locks

Chuck shared the locks Noah located for us to consider to replace the locks on units as well as all common doors. There was discussion among the residents present. Advantages include accountability; unit codes can be easily changed by owners; improved security. Keys needed at outside doors as well as keypads in order for fire department to have easy access. Suggested that a disadvantage is how to inform residents when codes for common doors are changed? This can be done by sending email notification updates, and in monthly bill statements. Board needs to see where the budget is after roof, heat tape, gutter repairs before making final decisions.

XII. Cable TV & WiFi Upgrade

1. We have another year with our current contract with Resort Internet for wifi, currently Comcast is our cable TV provider. The town of Breckenridge is doing some major infrastructure improvements as well. Board has discussed the possibility of switching both our internet and cable to Comcast. This would give us stronger signals, the ability to individualize our service codes and upgrade if desired. Units will have individual modems.

2. Question – what is the cancellation fee and would Comcast possibly cover that fee? Board agreed to explore this further.

XIII. Board of Directors Election

1. Jay Rust discussed his years of experience as the president of our board and his interest in continuing to serve. He invited attendees to read the bios for Denise and Sandra who are also running for the two open positions.
2. Denise Thatcher said she wants to bring a new perspective and insights. She is here a lot, and has already met many owners. She would be happy to serve.
3. Lisa mentioned her work with Sandra Hahn on the design of the exterior remodel. She mentioned that Sandra is also a full-time resident and helps keep an eye on things around the complex. She is a great team member.
4. Jay asked folks to tear off a piece of their handouts and to mark down the two candidates they want to vote for.

XIV. Other

1. While Lisa and Chuck tallied the ballots, Jay shared some Breckenridge news .
2. The votes re-elected Jay Rust and Sandra Hahn for the board positions.
3. 2020 Annual Meeting Date – Since the 4th of July falls on a Saturday and the management representatives wouldn't be able to attend, the meeting date may move one week either way. The board will consider which week works best for the following year and inform owners of the meeting date within future communications .

XV. Meeting adjourned at 4:08 pm and those in attendance had social time with snacks and drinks.