

Villas of Winding Ridge Owners Association, Inc

Board of Managers meeting resume for November 18, 2008

Due to the timing of the open discussion on the 2009 budget with residents and non-assembly of Board members prior to, the Board was not formally convened for regular business. The following, therefore, is a resume of issues discussed in open session with all Board members present except for President Roger Long. Approximately 35 residents were in attendance:

Larry Leeds, Board treasurer, spoke on the 2009 operating budget of \$187,205. He went line by line: Administration, utilities, snow removal, ground maintenance, swimming pool, building maintenance (paint and caulking), taxes and insurance. Discussion centered on Kirkpatrick Management requesting a .03% in fee and where the Villas were with respect to other condo associations. We are competitive and at the lower end when comparing. There will not be an increase in the 2009 assessment for the operating part of the budget.

Dave Crook, Vice President, discussed the Replacement Reserve. The Replacement Reserve is mandated by the Villas by-laws. It is a fund set up for anticipated future expense. Among examples are; roofing, clubhouse, pool, waterfall, erosion control, storm-drains, street signs, postal boxes, asphalt repairs, security lighting and a contingency for unexpected issues. Most projected expenses were the result of a 2003 study which included a .025% inflation factor and projected for 20 years. The Board has up-dated the projections with recent bids for re-roofing. In order to achieve a degree of solvency in the future (without going in the hole) there was actually a need to increase the assessment by \$20... However, a recommendation of a \$10. Increase in the assessment was recommended as being more palatable. This recommendation plus the fact that operating expenses will undoubtedly increase in 2010, was in line with keeping our costs to a minimum. The Replacement Reserve now stands a \$365,127... Reroofing alone is projected to be in the \$700,000. Range beginning as early a 2014 through a five year period.

Other concerns during the evening discussion were the temperature of the pool water, trespassing through owner areas only, refurbishing natural gas lines leading to the condo bricking and fencing.

Finally, there was a reminder that the Annual meeting would be on Tuesday, December 2nd. In order to approve the recommended budget a quorum of one half of the units (65) would be needed. If it known that any resident could not be present a proxy would be appreciated. Additionally, two Board members term expires and recommendations for nomination are being solicited.

The meeting disintegrated approximately 8:45 pm.

Submitted by: Jack Morehead, Secretary