

CROSS CREEK CONDOMINIUM ASSOCIATION BOARD OF DIRECTORS MEETING

December 2, 2006

CALL TO ORDER

A meeting of the Board of Directors for the Cross Creek Homeowners Association was held on December 2, 2006 in the Center Building conference room. Directors in attendance were: Rob Luhrs, Tim Nimmer, Bryce Hunt, Don Crino, Daniel Spivack, Bruce Fleet and David Falk. Carol Horn participated via teleconference and Mr. Luhrs held a proxy for Bob Rappold. Present from Wildernest Property Management were Tony Snyder – President, Barb Walter – Operations Director, Daniel Vleck – Director of Property Management and Don Wagner – HOA Liaison, who joined the meeting in progress. Gaston Feuereisen was introduced as the new Resident Manager of the Property. President Falk called the meeting to order at 8:13 a.m.

APPROVAL OF MINUTES

The minutes of the 2006 Annual Meeting were reviewed and approved for posting on the website. The October 14, 2006 Board meeting and the September 3, 2006 Board Meeting following the Annual Meeting were also reviewed.

Resolution: Upon motion made by Ms. Horn, duly seconded by Mr. Hunt and unanimously carried, the minutes of the September 3, 2006, Board of Directors meeting were approved as presented.

Resolution: Upon motion made by Mr. Hunt, duly seconded by Ms. Horn and unanimously carried, the minutes of the October 14, 2006, Board of Directors meeting were approved as presented.

FINANCIAL REPORT

As of the October 31, 2006 Balance Sheet, HOA assets were \$388,147.00 and the liabilities were \$60,284.63, resulting in equity of \$327,862.37. A current dues report as of 11/30/06 was reviewed; it was noted that two owners have paid dues in advance and only one owner is 30 days delinquent in dues. Two other owners owe minimal amounts of \$15.13 each for firewood.

The Board approved budget was briefly reviewed and it was noted that all owners were invited to this meeting today to ask questions regarding the budget. One Board member asked if a second dues reduction was going to be discussed today but it was clarified that this discussion was previously tabled until the April Board meeting.

RESOLUTION: Upon motion made by Mr. Luhrs, duly seconded by Ms. Horn and passed by a majority with three negative votes, the Board approved budget for the 2006-2007 fiscal year was ratified.

Ms. Horn reported that in the course of her review of the monthly invoices, she also reviews the Daily Hours report which details the hours spent by the Resident Manager on various duties throughout the month. One category of time spent is "Other", which includes miscellaneous tasks. Although Ms. Horn approved the payment of 16 hours in this category for October, she discussed with Mr. Vitek the need for more detail regarding these items. Future reports will be footnoted to list exactly what is included in the "Other" category.

Ms. Horn also gave approval for the accounting firm of Swift and Quandt to begin work on the 2006 tax return.

ACTION LIST REVIEW

Open items on the Action List were reviewed and status reported. Additional discussion on some items included the following:

- The roof drip problem will be monitored through the winter for a decision in the Spring on expansion of the system currently installed. The Board authorized more aggressive ice removal and trying some new ice-melting products such as "Ice Slicer".
- It was suggested using rubber mats on the exterior P-gravel area around the hot tub to control ice problems and help mitigate a potential safety hazard.
- Pre-Winter Boiler Inspections – Copies of the unit inspection results were distributed but it was noted that the report for unit 210 was missing; WPM will call the contractor to confirm an inspection was performed in this unit. The Board also requested that the contractor mail a copy of each unit inspection report by certified mail to each owner.
- Clubhouse boiler/mechanical systems – Mr. Feuereisen explained that there had recently been some problems with the heating system in the clubhouse but these were solved after extensive work by the WPM Repair and Maintenance Department. Concern was expressed that the dehumidification system is not working properly and may result in further problems with mold formation. A recent opinion by WPM personnel indicates that the clubhouse does not have a true "dehumidification" system but rather just a vent system. The Board asked that Mr. Feuereisen contact Tom Hallin to get a complete history on the mechanical systems.

RESOLUTION: Upon motion made by Mr. Horn, duly seconded by Mr. Fleet, and unanimously carried, a mechanical expert will be hired to evaluate all the mechanical systems in the clubhouse to include options and costs for repairs/upgrades.

- The clubhouse sauna is not currently working because the electrical system has shorted out due to users pouring water into it. Signage will be added to strongly discourage this practice.
- Wireless upgrade – Mr. Hunt reported that Tom Hallin, an owner in the 100 Building, had volunteered to buy six repeaters to connect that building with the rest of the current system. This purchase has not yet been completed. Mr. Snyder suggested tabling the purchase until he completes negotiations with Comcast for a bulk Internet service deal.

- The requested proposal for eliminating the aging PBX phone system was reviewed. There was extensive discussion regarding how to coordinate the installation of individual phone service in each unit in the event of a failure of the common phone system. It was suggested that packaging phone service with the Internet service option be investigated with Comcast. Mr. Snyder asked Mr. Hunt to assist him in negotiating these options with Comcast.
- Overall project coordination for 2007 in response to 2006 issues was commented on by Mr. Snyder. WPM will be packaging projects and getting bids much earlier than in past years. Projects identified are tied to those listed currently on the MMC.
- Miscellaneous – The Board welcomed Mr. Feuereisen and noted the improvement in the appearance of the property and the cleanliness of the clubhouse in the short time since his arrival. However, some items were noted that still need attention: a pool of some type of cleaning material was spilled outside unit 210 and still needs to be cleaned up; the clubhouse doors were locked early on the evening of 11/26/06; the drinking fountain in the clubhouse was previously reported not working and is still not operational.

RENTAL REPORT

The rental report information was reviewed. Ms. Walter noted that the requested cumulative income information was added to the report; however, the % variance appears to be incorrect so that information will be confirmed.

MANAGEMENT PROPOSAL

The management proposal for a set monthly fee, which was previously provided and revised by WPM, was reviewed in detail by Mr. Fleet. Additional revisions were discussed. WPM will make further revisions to submit to the Board for final review.

The necessity for the Cross Creek Resort Rental entity was discussed. Dissolution would probably involve a change in the Cross Creek Association Bylaws. Mr. Snyder will work with Director Luhrs and a local attorney to determine what is necessary to make this change.

Resolution: Upon motion made by Ms. Horn, duly seconded by Mr. Luhrs and unanimously carried, the Board approved investigation of the dissolution of the Cross Creek Resort Rental entity.

OTHER ISSUES

Several issues regarding the termination of the previous Resident Manager were questioned by Board members. However, the timely notification of that termination by WPM was appreciated by the Board.

Some Board members commented on the fact there calls to WPM are only answered by voice mail and never by live persons, which is very frustrating. Responsiveness to phone calls, a previous complaint of a Board member, is still not taking place when dealing with the Repair & Maintenance Department. Mr. Snyder commented that

several personnel changes have been made in Property Management, as well as in the Repair & Maintenance Department, which will hopefully raise those departments to a higher level of service.

Another Board member commented positively on the new Resident Manager, and that "it was time for this change to occur."

Finally there was a concern voiced over work being done in units, or units being entered, without the owner being notified either by a phone call or on the inspection log sheet.

ADJOURNMENT

The regular Board meeting adjourned at 11:20 a.m. with the Board going into executive session.

RETURN FROM EXECUTIVE SESSION

The Board returned from executive session to make the following motion:

RESOLUTION: Upon motion made, duly seconded and unanimously carried, the Board approved signing the new management agreement with Wildercrest Property Management as presented subject to agreed upon revisions and final review by Bruce Fleet; the agreement will be effective on January 1, 2007.

NEXT MEETING

A short Board meeting followed by an executive session will be scheduled for early January 2007.

The meeting was adjourned.