

CROSS CREEK CONDOMINIUM ASSOCIATION BOARD OF DIRECTORS MEETING

April 21, 2007

CALL TO ORDER

A meeting of the Board of Directors for the Cross Creek Homeowners Association was held on April 21, 2007, in the Center Building conference room. Directors in attendance were: Rob Luhrs, Bryce Hunt, Daniel Spivak, Bob Rappold and Bruce Fleet. Carol Horn and David Falk participated in portions of the meeting via teleconference and Mr. Luhrs held proxies for Don Crino and Tim Nimmer. Present from Wilderndest Property Management were Tony Snyder – President, Barb Walter – Director of HOA's, Daniel Vlcek – Director of Property Management and David Quevedo – Interim Resident Manager. President Falk called the meeting to order at 9:18 p.m.

WILDERNEST MANAGEMENT PRESENTATION

Ms. Walter introduced Tony Snyder, owner and President of Wilderndest Property Management. Before Mr. Snyder gave the management presentation, she commented that she had recently achieved her 25 year anniversary as an employee of Wilderndest Property Management. She further informed the Board members that the reasons for her long standing affiliation with the company included its continued commitment to customer satisfaction and quality service, as well as honesty and integrity in a challenging business.

Mr. Snyder expressed appreciation to the Board for allowing this formal management presentation prior to making their decision regarding the future management of the property. He indicated that WPM has very much enjoyed its association with the Cross Creek Board and owners. He stressed the following points in considering Wilderndest Property Management as the continuing provider of services to the Cross Creek HOA:

- The level of care for property management will be raised. Although WPM feels that the initial level of service to the property was superior, recent employee turnover in the Resident Manager position has resulted in less satisfaction and a decline in service. If WPM is retained as the management company for the Cross Creek, David Queveda will successfully raise the level of service to the previous standard.
- Even though there has been recent turnover in the CC Resident Manager position, the seniority of other key WPM personnel is exceptional for Summit County.
- Recent company reorganization has already resulted in improved communication, particularly from the Operations Department (includes the Property Management and Repair & Maintenance Departments). A strong focus on this difficult area will continue by WPM.
- Although it is recognized that rental management is not part of the property management, WPM has improved the rental income per owner tremendously

since taking over as Cross Creek's property manager and will continue to aggressively market rentals in the complex.

- A recent addition to the WPM Accounting Department is Lisa Start as CFO. Ms. Start has an accounting degree, as well as a law degree. This change will only improve the already superior financial management provided by WPM.
- A particular strength of WPM is the ability to obtain discounts for homeowners' associations, which results in substantial savings on many services, as well as a superior interest return on the HOA's trust accounts. Past savings has been negotiated on TV cable service, trash removal service and snow plowing service as just a few examples and the most aggressive savings was seen in the recent HOA insurance premium (32% savings over last year's premium cost).

After Mr. Snyder's basic presentation, various questions regarding particular issues associated with communication, repair services, on site cleanliness and other problem areas were discussed. Mr. Snyder again thanked the Board for the opportunity to manage a desirable property such as Cross Creek and expressed that WPM will work with the Board to afford a smooth transition to another management company if that is the decision made.

INTRODUCTION OF INTERIM RESIDENT MANAGER

David Queveda was introduced as the Interim Resident Manager of Cross Creek since Gaston Feuereisen's recent departure to accept a position with Summit County Government. Mr. Queveda is temporarily living in the manager's apartment until a decision is made regarding the management of the property. Ms. Walter announced that Mr. Queveda is a very serious contender for the permanent manager's position if the decision is made to continue under Wildercrest's management. Mr. Queveda was the Assistant Resident Manager at a group of 3 properties in the Wildercrest area (Timber Ridge, Gore Trail, and Forest Park with a total of 252 units). His fiancé recently completed her law degree and has just joined him in Summit County.

APPROVAL OF MINUTES

Corrections previously submitted on the December 2, 2006, Board meeting minutes were reviewed.

Resolution: Upon motion made by Mr. Rappold, duly seconded by Mr. Spivak and unanimously carried, the minutes of the December 2, 2006, Board of Directors meeting were approved as corrected.

Resolution: Upon motion made by Mr. Hunt, duly seconded by Mr. Spivak and unanimously carried, the minutes of the January 13, 2007, Board of Directors meeting were approved as written by Mr. Luhrs.

FINANCIAL REPORT

As of the March 31, 2007 Balance Sheet, HOA assets were \$350,492.91 and the liabilities were \$6395.10, resulting in equity of \$350,492.91. Although the dues report as of the same month indicates two owners with significant balances, Ms. Walter

reported that both delinquencies have now been paid; several other small balances for wood delivery charges were also paid since March 31. A question was raised regarding why the Operating Dues income on both the monthly and year-to-date financial statements is running over budget. This item will be investigated with the WPM Accounting Department.

It was pointed out that Mr. Snyder's recent negotiations with Farmers Insurance has resulted in a significant decrease in the HOA's insurance annual premium, specifically a savings of 32% or \$3,336 for the year effective April 1, 2007.

ACTION LIST REVIEW

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

- The previous roof leak in unit 209 is believed to have been the result of an ice dam build up, as there has been no further sign of moisture intrusion since the ice melted. The Repair and Maintenance Department is in communication with the owner and will continue to monitor the issue.
- The rubber mats previously approved for around the hot tub to control ice problems have not yet been ordered and are not needed for the summer; they will be ordered before next winter.
- The management contract with a set monthly fee was previously approved but has not been signed. President Falk will sign the contract and return to WPM; the new fee of \$3500/month goes into effect on May 1, 2007, if WPM is retained as the HOA's management company.
- The window survey completed by Mr. Feuereisen and Mr. Queveda was briefly reviewed. The Board asked that the survey be made available to owners at the June 1, 2007, meeting so that they can confirm the condition of their unit windows. Also sample pricing for replacement of each size window will be available at that meeting.
- The proposal for replacement of the pool filter submitted by WPM was reviewed.
Resolution: upon motion made by Mr. Fleet, duly seconded by Mr. Spivak, and unanimously carried, the WPM proposal for replacement of the pool filter at a cost of \$2,500 was approved.
- A previous proposal from Service Monkey for cleaning chimneys and dryer vents was reviewed. However, Ms. Walter informed the Board that Mr. Snyder had recently negotiated with a different contractor for substantially reduced rates for the chimney cleaning. The rate for dryer vent cleaning will be confirmed and if the total cost of both these services is less than the Service Monkey bid, the new contractor, Soot Yourself Chimney Cleaning, will be used.
- **Resolution: Upon motion made by Mr. Fleet, duly seconded by Mr. Hunt and unanimously carried, the proposal from WPM for noxious weed spraying at a cost of \$300 was approved.**
- Some of the preliminary proposals for various projects anticipated on the property this year were briefly reviewed. Ms. Walter suggested a contractor forum be scheduled for the June 1, 2007, Board meeting to give the contractors the opportunity to present their proposals in person, as well as afford the Board

the chance to ask direct questions of the contractors. This was approved and will be scheduled.

RENTAL REPORT

The rental report information was briefly reviewed. Ms. Walter noted that preliminary March numbers indicate that WPM rental activity as a whole may be down as much as 14 percent; however, the same preliminary numbers indicate Cross Creek rental income may be up by 16% for the month. Overall WPM rental income for February was up by 10% and Cross Creek only income was up 64%.

EXECUTIVE SESSION

The Wildernest representatives departed the meeting and the Board went into executive session to discuss the management proposals from various local management companies.

RETURN FROM EXECUTIVE SESSION

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

RESOLUTION: Upon motion made, duly seconded and carried with a vote of 4 in favor and 3 against the motion, the Board approved retaining Wildernest Property Management to provide property management services to Cross Creek under the revised management agreement previously provided at a fixed fee cost of \$3500/month. Objections to this course of action were duly noted and considered.

Rob Luhrs held proxies for Don Crino and Tim Nimmer but elected not to exercise their proxy votes for the aforementioned decision. It was noted that the Board takes this action with the plan that substandard performance by WPM will result in a revisitation of this decision one year from this date. Mr. Hunt will send a notice to all owners informing them of this decision.

Mr. Spivak offered his immediate resignation, which was accepted by the Board. The remaining Board members will decide how to fill the vacancy left by Mr. Spivak's resignation at the June 1, 2007, Board meeting.

NEXT MEETING

The next Board meeting will be held at 6:00 p.m. on June 1, 2007, in the Cross Creek Conference Center and will include a contractor forum. The owners work day will also be held on Saturday, June 2, 2007.

ADJOURNMENT

The Board meeting adjourned at 11:00 a.m.