

**WOODBRIIDGE INN CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
OCTOBER 29, 2013**

I. CALL THE MEETING TO ORDER

The Woodbridge Condominium Association Board of Directors Meeting was called to order by Wayne McCorkle at 6:02 p.m. on Tuesday, October 29, 2013 in the Basic Property Management office.

Board Members Participating Were:

Wayne McCorkle, President #302
Kate Love, #111

Bill McCall, #106
Jim Meyer, #103

Representing Basic Property Management were Gary Nicholds, Eric Nicholds, Charles Johnson and Giovanna Voge. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVE PREVIOUS MEETING MINUTES

Wayne McCorkle made a motion to approve the minutes from the September 24, 2013 Board Meeting as presented. The motion was seconded and carried.

III. FINANCIAL REPORT

A. 2014 Proposed Budget

Giovanna Voge reviewed the significant changes to the 2014 Proposed Budget:

1. Insurance – 3% increase starting in August.
2. Loan Interest Expense – slight decrease based on the amortization schedule.
3. Building Repairs – \$1,500 increase.
4. Security/Fire Alarm - \$100 increase.
5. Cable - \$1,100 increase based on the corrected number of units included in the Comcast contract.
6. Sewer – 10% increase based on next year's rates.
7. Water – 3% increase based on next year's rates.

The Association is projected to end the year with net income of about \$41,000. The 2014 Budget results in net income of \$28,000. The Reserve contribution should be \$21,000. Potential Reserve projects for 2014 include painting of the west building (\$18,500) and deck railing replacement (one bid for \$37,000).

Kate Love said the Association was carrying negative equity. She recommended transferring any unspent Operating funds to the Reserve.

Wayne McCorkle asked if there should be an increase to the Gas and Electric line items. Giovanna thought there was enough of a buffer in the budgeted amounts based on the 2013 projected actuals.

Charles Johnson noted that the total siding repair expense would be about \$11,000. Giovanna made that adjustment in the budget.

Kate Love said if the Board decides to proceed with the vote to change the Association documents, the legal expense would probably be about \$5,000. There is only \$1,500 budgeted. She suggested prepaying the expense or accruing it in 2013. If it is accrued but not spent, the accrual can be reversed in 2014.

Kate Love made a motion to transfer any funds in the Working Capital Reserve and any savings from the Operating Budget to the Reserve Fund. Wayne McCorkle seconded and the motion carried.

Kate Love asked Giovanna Voge to change the 2014 Reserve contribution increase to zero and to do the same for all years between 2028 – 2039.

The Board agreed that the owners should be sent a condensed version of the Reserve Study projection that only includes a five-year period. Giovanna Voge will make the revisions and send it to the Board for review.

Kate Love made a motion to accept the Financial Report. Wayne McCorkle seconded and the motion carried.

IV. PROPERTY MANAGEMENT REPORT

A. West Wall (East Building) Update

Charles Johnson spoke to contractor today. He said he would put several people on the job and he would complete the work before the weather turns too cold.

B. Handrails

All the deteriorating handrails have been reinforced. Missing blocking was added as needed for stability.

C. Touch Up Painting

The touch up painting has been completed.

D. Gable

Some flashing and siding were added by the gable to provide a finished appearance. Loose flashing at the top of the metal stairs to the second floor was repaired.

E. Clubhouse Door

Blue River Lock and Key repaired the lock and installed new batteries but the lock failed again. Charles Johnson will follow up with the owner.

F. Fire Department Inspection

Charles Johnson said there is a 2.5" valve in the standpipe that cannot be turned by hand. If it cannot be loosened, it will have to be replaced. All fire extinguishers must be either wall mounted or removed from the boiler room. He will inspect the fire extinguishers. The Fire Department will do a follow up inspection on December 3, 2013.

G. Handrails Bid

Charles Johnson received a bid of \$36,784 for metal handrails for all the limited common element deck handrails on both buildings, excluding the three new units. He will get additional bids, including a bid for wood railings.

H. West Building Painting

A bid of \$11,200 was received to paint the west building with no change to the color.

I. West Building Heat Tape

Charles Johnson obtained a bid of \$880 to rewire the heat tape in three gutters and the downspout by the three new units. It can be tied into the house electric panel in the garage under the building. Charles was asked to get another bid.

Wayne McCorkle made a motion to authorize Charles Johnson to have the connection for the heat tape moved to the Association breakers so the expense is not being paid by the three owners of the new units at a cost not to exceed \$1,000. Bill McCall seconded and the motion carried.

J. Garage Door East Building

Gore Range Garage repaired the garage door three times. It appears to be working properly now.

K. Unit Inspections

Charles Johnson inspected all the vacant units. He believes there will be more heat complaints because Unit 214 was very warm. The temperatures were measured at 73 – 95 degrees even with the heat turned off. All the heat is coming from the pipes delivering heat to the unit above. The heat cannot be turned off in Unit 314 and the owner has refused to fix the problem. Charles believes the only solution would be to tear out the walls and heavily insulate the pipes.

V. OLD BUSINESS

A. *Declarations Revisions*

Bill McCall asked if other expenses besides the cable would change to a per unit instead of square footage allocation. Kate Love said cable was the only one thus far but the Board might identify another service in the future. Kate pointed out that the revisions would only authorize the Board to make changes in the future and would not obligate the Board to make any change right now.

Gary Nicholds said the attorney could provide a redlined document that clearly illustrates the proposed changes. Wayne McCorkle recommended having the attorney attend the Annual Meeting in January.

Wayne McCorkle made a motion to distribute the “point paper” to the membership for a vote. Kate Love seconded and the motion carried.

The deadline for return of the ballots will be December 13, 2013. Gary Nicholds thought it might be possible to conduct the vote by email. Giovanna Voge will provide the Capital Plan and the allocation spreadsheet for the 2014 Budget. Gary will create a ballot.

VI. NEW BUSINESS

A. *Unit 208 Electrical Issue*

Gary Nicholds said the Board had previously decided not to pursue this issue since the owners are paying for their gas. Gary met with the town planner and they pulled old records from the 1990's. The current owner bought the property in 1997. The town records indicate that the unit passed inspection. Gary met with the current owners. Their position was that it was the Association's responsibility to make sure the unit was to code, so the Association should pay for the electrical panel. Gary felt it was necessary to have a panel in the unit because with the current wiring configuration, the breakers for the power to that unit have to be reset in Charles' office or in the garage. He estimated the cost to install a panel would be over \$1,000. He did not think it was the Association's responsibility.

Charles Johnson said the Fire Department would like to see a panel in the unit but they would not require it. Kate Love pointed out that the Association is paying for the electric bill, so there would be a payback after a few years even if the Association pays for the entire expense. Charles noted that it would also be necessary to install a meter. Gary will contact Steve Skulski from the Fire Department to see if he can apply some pressure.

Wayne McCorkle made a motion to have the Association move forward with installation of the electrical panel at a cost not to exceed \$1,000. If the cost is higher than \$1,000, management should inform the Board. Jim Meyer seconded.

In discussion, Gary Nicholds said he would like to approach the unit owner with the cost information and ask him to pay at least half. The motion carried with Bill McCall opposed. Charles Johnson will obtain pricing.

VII. NEXT MEETING DATE

The Annual Meeting will be held January 18, 2014 at the Frisco Senior Center. The next Board Meeting was scheduled for Thursday, November 21, 2013 at 6:00 p.m.

VIII. ADJOURNMENT

Wayne McCorkle made a motion to adjourn at 7:56 p.m.

Approved By: _____ Date: _____
Board Member Signature