

NORTHWOODS CONDOMINIUM ASSOCIATION
Minutes of the Annual Meeting of Owners
December 29, 2014

The annual meeting of the owners for Northwoods Condominium Association was held on December 29, 2014. The meeting was convened at 5:00 pm in the D/E Connection Hall on the association's premises. Don Childress, the association's president and the board chairman, presided as the chairman of the meeting. Other directors who were present included Bob McLeod, Dick Michaux, and Miguel Jauregui. Also present were the association's managers, Colette and Patrick Pinnell, as well as the association's accountant, Mike Phillips. Norman Helwig, the association's attorney, was present, and he was asked to serve as the acting secretary and take the minutes of the meeting.

The chairman called the meeting to order and reported that sufficient representation of the general membership of the association was in attendance at the meeting, either in person or by proxy, and that a quorum had been achieved in accordance with the bylaws. The chairman opened the meeting and asked for a motion concerning the minutes of the December 27, 2013 annual meeting. Upon motion made and duly seconded, the minutes of that meeting were duly approved.

The first item on the meeting agenda concerned the association's financial and budget reports. The chairman provided an overview of these financial statements and also discussed various budget matters. The association's auditors have concluded that the financial statements present the association's financial position in a fair and complete manner, and that the financial statements fairly conform to United States generally accepted accounting principles. The chairman explained that this constitutes a "clean audit" for the 2013-2014 financial statements.

The chairman pointed out that the association had experienced an operating surplus during the past fiscal year in the amount of \$108,000. He attributed much of this surplus to various savings techniques that had been achieved by Patrick and Collette. As an example, Patrick has been able to deal directly with certain service providers and eliminate intermediary costs and fees.

The chairman discussed the association's budget documents in more detail. He explained that these budget documents describe comparisons between budgeted numbers and actual results. He also explained that the board had approved an identical budget for the next fiscal year for the association. He believes that the association is on sound financial footing. He then asked if any unit owner opposed the board-approved budget for the fiscal year 2014-15. Hearing no objections and hearing no motion to reject the proposed budget, the chairman announced that the board-approved budget would become the operating budget for the association during the 2014-15 fiscal year.

The Chairman then explained that the board had approved a slate of directors for a number of board seats that had become vacant. He reminded the owners that they had previously been furnished with information concerning the three vacant board positions along with a summary of the current board membership and the term of office for each director. The owners were required to submit additional nominations for any vacant board position by December 10, 2014, and no such nominations were received. Therefore, the chairman said that

he would entertain a motion to elect the board-recommended slate of directors by acclamation. A motion to this effect was made and duly seconded, and the recommend slate of directors was elected by acclamation.

The chairman then requested Patrick to provide a report on the association's operations during the past year. Patrick gave an extensive report and discussed matters such as new recycling procedures, the installation of smoke detectors and an emergency power and light system, the LED lighting conversion, parking garage issues, the proposed community-wide Wi-Fi communication system that the board is studying, and the ongoing wildfire mitigation activities. Patrick also explained that the early intense snowfall would require the manual removal of snow from the building roofs in the near future.

Patrick summarized the functions of Northwoods Operating Services (NOS). He explained that NOS will provide housekeeping and other services for owners based on a schedule of fees that is maintained in the manager offices. This fee schedule is revised from time to time to meet changing labor and material costs.

At this point, the chairman initiated a discussion of the buildings renewal and spa amenities project. He informed the owners that Dick Michaux had been working hard during the past year as the chairman of the buildings renewal committee. He expressed his appreciation and said that the association is indebted to Dick for all of his fine work. He asked Dick to take the floor and report on the recently completed project for the F Buildings. Dick explained that this project had been completed successfully within the construction schedule and under budget. He delivered an overview of the renewal committee's efforts and goals. He emphasized that the current plan is to construct similar exterior refurbishing of the remaining buildings and to also construct various upgrades and amenities in the B Building spa area. He then introduced Jim Adams, the association's construction consultant, and the association's consulting architect, Bill Pierce.

Dick informed everyone that Bill Pierce would make a visual presentation of the proposed buildings renewal and spa amenities project, and that interactive demonstrations of the project with a 360 degree visual format would be available to all owners during the month of January over the internet in a GoToMeeting format. He stressed that the board is vitally interested in owner feedback, and that all comments and suggestions should be submitted by February 15, 2015. A vote of the ownership concerning the project will not be conducted since the project does not involve the expansion or contraction of any residential unit boundaries. However, the board still wishes to obtain maximum feedback and comments from the owners.

Dick also discussed the proposed construction schedule for the project. In order to save as much as 25% to 35% of the construction and other costs associated with the project, the board intends to establish only one continuous construction period for the project. An alternative plan would have required four separate construction periods during 2015 and 2016 in order to keep the NCA premises open during the summer months. But substantial savings will be achieved with a single construction period. In addition, the association can be assured that all required subcontractor personnel will be available as needed. These are compelling circumstances. As a result, the board has decided to close the NCA premises during a portion of the 2015 construction period, and this will include the summer months. The project will be constructed in one continuous period from mid-April to Thanksgiving.

Dick completed his remarks by requesting the owners to closely watch the presentation of the proposed project by Bill Pierce and also propose any questions to Bill or any member of the renewal committee at the end of the meeting. He also urged all of the owners to attend the interactive sessions over the internet in January and to provide their comments about the project by February 15. He emphasized that the association functions on democratic principles, and that the board members are very anxious to have maximum feedback from the owners. He explained that the original plans to expand the gym area into Unit B218 had been altered due to owner feedback in the B Building, and that this was an example of the board listening to the owners before making final plans.

The chairman reminded everyone that display boards were available to view in the meeting room depicting exterior surfaces that had been proposed for the project. He also pointed out that the exterior surfaces are non-combustible, and that this is one of the more important motivations for embarking on the project. The proximity of the Northwoods buildings to the forest of pine trees cannot be ignored.

Bill Pierce then took the floor and provided everyone with a very effective visual display and slide show portraying all aspects of the exterior renewal and spa amenities project. The visual display enabled everyone to see 360 degree rotating views of the proposed exterior surfaces of the buildings. Bill answered numerous questions from owners concerning the thickness of stone surfaces, copper cladding, stucco colors, insulation standards, appearance of chimney caps and the like. With respect to the B Building, Bill told the owners that a much more functional entrance had been designed. He explained that the spa improvements will solve the deferred maintenance issues for the two hot tubs that are currently leaking.

There was a general discussion of the size of the current gym and whether a larger space was desirable. Other owners were interested in the use of copper accents throughout the building exteriors and whether copper would prevent water intrusion. There was also considerable discussion concerning colors, especially with respect to large exterior stucco surfaces. Bill explained that as part of the project, owners would have the option to replace their windows and doors. This will occur during the project construction period, but the costs will be billed separately to the owners.

After Bill Pierce concluded his presentation, Dick Michaux reminded owners of the schedule for the interactive presentations during the month of January. Bill Pierce and his associate will be present during each interactive presentation.

The chairman asked if there was any new business to come before the meeting. Hearing nothing further, the chairman, upon motion made and duly seconded, adjourned the meeting.



Norman Helwig, Acting Secretary