

Woodbrook Townhouse Owners Association

Annual Meeting

November 6, 2014

The Annual Meeting of Woodbrook Townhouse Owners Association was held on Thursday November 6, 2014 at the Pilgrim Congregational Church in Bozeman. Co-President Debbie Nelson called the meeting to order at 7:00pm and introduced the Board of Directors, Manager, Treasurer, and Secretary.

Roll Call:

Roll call recorded 36 owners present and 13 by proxy for a total of 49. This constituted a quorum and business proceeded.

Minutes of the 2013 Annual Meeting:

Secretary Susie Becker read the 2013 minutes. Nelson stated that the minutes would stand as read.

Manager's Report:

Gene Murray explained these projects completed and those planned for 2015.

1. Sprinkler System: The system continues to perform well and save thousands of dollars on water each year.
2. Landscaping: Many aging shrubs have been removed and/or replaced.
3. Signs: The new sign on South Black Mason was replaced after sustaining damage. The older sign on Mason was repainted.
4. Painting: 15 units will be painted as part of the 5-year cycle.
5. Snow Removal: The contract will increase 1% for 2015. This is the first increase since 2008. Murray explained that we have a flat rate from December-March.

Murray stated that WTOA has been putting \$10/month/unit into the Reserve Fund. This practice began when the monthly dues were \$50. Woodbrook has not raised the HOA since 2006 and we still only put \$10/month/unit into Reserve Fund. Since the buildings and grounds are over 30 years old, Murray sees major projects included concrete and fence replacement, roof and driveway repairs in the near future. He asked owners to think about potentially raising the amount placed in the Reserve Fund each year and possibly raising the HOA.

Murray answered a question about current driveway replacement. Woodbrook has no driveway replacement policy.

C. Barnosky moved to approve the report, R. Gilbert seconded. Approved.

Treasurer's Report:

Pat Dunn distributed copies and explained the Balance Sheets, Statement of Revenues and Expenses and Supplemental Statement of Reserves for 2014. She explained that she has written off the losses accrued for non-payment by Mr. Arbin (29 Hoffman Drive) now that the unit has been sold. She also explained that Mr. and Mrs. Bennett (1659 S Black) are currently in arrears and we have a lien on the property.

Dunn further explained that the Reserve included a \$6000 shortfall which is the difference between what the residents paid for the Street Project and the cost of the loan.

S. Dickson moved to approve the report, C. Barnosky seconded. Approved.

Audit Report:

Treasurer Dunn read a statement signed by Gary Huls, owner. Gary Huls reviewed the accounts, revenues and expenses for 2014 and they appeared to be in order. I. Eidet moved approved the report, R. Gilbert seconded. Approved.

Budget Proposal for 2015:

Dunn explained the Budget Proposal developed by the Board and sent to owners. It had minor updates and did not require a change in member assessments. H. Mulroney moved to approve and C. Barnosky seconded. Approved.

Election of Directors:

There being only one vacancy on the Board, Co-President Nelson presented

Roxanne Klingensmith Three year term

There were no nominations from the floor so this candidate was elected by acclamation.

Architecture Committee:

Nelson explained that one member of the Architecture Committee must be chosen from the Board of Directors and Don Baide would fill this role. She presented the following candidates:

Tom Dickson Two year term

Kathy Thompson Two year term

There were no nominations from the floor so these candidates were elected by acclamation.

Old Business:

Clarifying Building Insurance Language:

Co-President Brad Garnick explained that Woodbrook has been seriously underinsured. The Board has increased this coverage from \$78/sq.ft. to \$128.50/sq.ft. (\$22,938,900 divided by a total of 178,512 sq/ft). The Association now covers both interior and exterior walls. However, according to our attorney, the Protective Covenants and Rules and Regulations are not consistent and do not adequately explain the extent of the coverage. Therefore, it is vital that the owners agree to change the Protective Covenants to reflect the actual coverage being provided. The new language would be added to the Protective Covenants.

A change to the Protective Covenants requires approval by 75% of the owners. This majority of unit owners were not represented at the Annual Meeting in person or by proxy. Therefore the Board will do a special ballot mailing to all owners asking for approval of this language.

Garnick went on to explain that the documents currently on file at the Gallatin County courthouse date from 1986 and do not reflect what is currently in the Blue Book. The Board of Directors will work to bring all documents up to date and will file a new set. This process may also require a special ballot mailing depending on the outcome of the Board's research.

Rental Study Committee Update:

Rod Gilbert presented a report of the Rental Study Committee. The committee has met 6 times, talked to a real estate agent, and reviewed policies adopted by other associations. Gilbert explained that the language is not ready to be voted on by the owners as yet.

Gilbert went on to say that there are some provisions which will be implemented along with any new policy. First and foremost will be enforcement of rules such as number of dogs, noise and other concerns. This enforcement will apply to renters and owners equally. It is the duty of the Board of Directors to enforce these rules and it is difficult and time consuming.

Also, there will be language concerning the maximum percentage of units which can be occupied by renters. Currently Woodbrook is home to 17 rental units. These units would be grandfathered under the new policy but the cap would be set to limit total rental units at 25% (17 units total).

When asked where this number came from Gilbert explained that many lending institutions limit the number of non-owner occupied units to 50%. The committee also felt that owners take better care of units than tenants and everyone wants Woodbrook to remain a nice place to live.

In answer to another question, Gilbert stated that any owner may petition the Board to make an exception due to extenuating circumstances. These exceptions would be made on a case-by-case basis and apply to temporary rentals only.

There was a general discussion concerning individual rights and several owners relaying personal experiences with tenants and their own personal circumstances.

These changes require a change to the Protective Covenants and must be approved by 75% of owners.

Garnick explained that the Board must first address the insurance language, and then review/update the Protective Covenants and By-Laws. Once these tasks are complete the rental policy will be addressed.

New Business:

Ginny Cowan, an owner, is a member of the Bozeman Creek Neighborhood Association. She reminded everyone that Woodbrook lies within this Neighborhood. She promised to keep everyone informed about meetings and concerns raised within the BCNA.

Colleen Proffitt thanked the Board for all the work they have done.

The meeting adjourned at 8:30 pm

Respectfully submitted,

Susie Becker

Secretary