

Sterling Woods II
Master Board Meeting – Open Session
Draft of the Minutes – January 20th, 2010

Call to order and establish a quorum – George Holland called the meeting to order at 7:30 PM. Present were George Holland, President (President of the Summit); Steve Andrewson (via teleconferencing), Vice President (President of the Willows); Stan Kishner, Treasurer (President of the Birches); Joe Wielock, Secretary (President of the Maples); Mike Palica, Director (President of the Elms) and Andrew Taylor, Director (President of the Oaks).

Art Stueck and Kim Murray attended on behalf of REI Property and Asset Management.

Request of owner(s) to speak –

There were no requests.

Ratification of the minutes –

Joe Wielock made a motion to ratify the minutes from the December 16th, 2009 Master Board Meeting Open Session. Mike Palica seconded the motion. Without objection, the meeting minutes were approved.

Andrew Taylor made a motion to ratify the minutes from the December 16th, 2009 Unit Owner Annual Budget meeting. Stan Kishner seconded the motion. Without objection, the meeting minutes were approved.

Treasurer's Report - Stan Kishner

Operational: Income for the month of December 2009 was \$51,452. Expenses and reserve transfers were \$112,648. As a result, net income was a loss of \$61,196. At year end, income was \$1,159,034. Expenses and reserve transfers were \$1,132,044. As a result, net income was a gain of \$26,990. Pre-paid common fees, amounting to \$21.5K, were backed out in order to better match 2009 income and expenses. Also, contributing to the December loss was the payment of quarterly water/sewer bills, the final landscaping installment for the year and the monthly snow removal installment.

Reserves: Income for the month of December 2009 was \$17,832. Expenses were \$67,840. As a result, net income was a loss of \$50,008. At year end, income was \$234,736. Expenses were \$351,692. As a result, net income was a loss of \$116,956. The loss is attributed to planned capital expenses for completing all garage door replacements and repaving part of Silversmith Road.

Assets: At year end, total cash on hand was \$1.3M and total assets were \$1.4M.

There was one resale certificate issued in January – a Chestnut for \$364K. REI was asked to fix two typos in the resale report regarding E1903B.

Mike Palica informed the Board that he would like to join the Treasurer's Committee and represent the Elms Village.

George thanked Stan and his committee for all their efforts.

Landscaping Committee Report – Carole Torro, Chairwoman of the Landscaping Committee

Carole presented a written report which was handed out at the board meeting. Highlights of the report include...

An application of gypsum was applied on 1/19/2010 by Bartlett. This is a soil conditioner that reduces the crusting of soil. A Bartlett crew will be on site the week of January 18th to prune ornamental trees (Birches, Crabapples and Plums). The pruning of Bradford Pears will begin the week of January 25 and continue to the beginning of February. Also, the pruning of 25 Maples and 1 Sycamore will be done in February.

George Holland thanked Carole for her report and the entire committee for their continued efforts.

Maintenance Committee Report – George Torro, Chairman Maintenance Committee

There was no report submitted this month.

Management Report –

REI is waiting for warmer weather to install the new French door at 117 Logging Trail. Kim will add this to the tickler to follow up with the assigned contractor in March to see when the door can be installed. If we get a warm spell, it could be done sooner.

REI to bring old records to Planet Storage.

The various association insurance policies were renewed. The cost for buildings coverage went up \$13,000 (an approximate 25% increase). REI will ask Nancy Swenson from Hodge Insurance Company why the D&O policy shows coverage for \$1 million

instead of \$2 million. The board recalls this amount being higher – was that accomplished with the \$15M umbrella policy?

The Board approved the proposal from Marty Flynn to install outside water valves as follows. In 2010, they will be installed in the Elms and in the Oaks. In 2011, they will be installed in the Maples. In 2012, they will be installed in the Summit and Willows. Outside water valves will not be installed in the Birches. REI will follow up with Marty to be sure these outside valves have a locking system in place.

The request was sent to all Unit Owners asking them to update their vehicle information. REI will update the vehicle database as the forms are returned and we will report on compliance. Once we have given owners a fair amount of time to comply, we can talk about enforcement steps.

Old/New Business –

The Master Board discussed officer positions. Stan Kishner made a motion that officers remain the same in 2010. Joe Wielock seconded the motion. All present voted in favor of the motion. Officer positions are and will remain - George Holland, President; Steve Andrewson, Vice President; Stan Kishner, Treasurer; Joseph Wielock, Secretary;

The clubhouse cleaning contract will expire on April 1, 2010. Justin Kirwin said he would renew the existing contract at the current specs and prices. The Board approved extending this contract for two additional years. REI will put together the new contract.

Art Stueck discussed changes to CIOA (Common Interest Ownership Act) that will go into effect in July 2010. It is anticipated that we will be meeting with Atty. Sandler in the near future to discuss what changes need to be take place. We may have to revise the governing documents. REI will add reviewing year to date net income to the tickler at the same time budget preparation takes place.

REI will evaluate the major maintenance matrix and extend it out further into the future.

Joe Wielock made a motion to adjourn. Mike Palica seconded the motion. All present voted in favor of the motion.