

**CENTURY OAKS COMMUNITY ASSOCIATION
BOARD OF DIRECTORS MEETING
SEPTEMBER 14, 2006**

The meeting of the Board of Directors of Century Oaks Community Association was held at the community's clubhouse. In attendance were Jan Tanzer, President, Stacey Tyley, Secretary, Andy Rieger, Treasurer, Behdad Kashanian, Director, and Laura Sandifer, Director. Also present were Vivian Whitestone, Property Manager, Ileana Balbi-Murillo, Recording Secretary, J.C. Murillo & Co. and Syd Bradbury, Bradbury Consultants Ltd.

Daniel Keene, Vice-president, and Barry Kelley, Director, were absent.

CALL TO ORDER

President Tanzer called the meeting to order at 7:38 p.m.

OPEN FORUM

A resident addressed the following issues:

- Graffiti on the sidewalks, mailboxes, brick and driveways.
- Requested information with regards to the chemicals being used to treat the pond.

MINUTES

The Minutes from the July 6, 2006 meeting were approved as presented.

- (M)** Upon motion duly seconded and carried, the Board of Directors approved the minutes as presented. Treasurer Rieger made the motion, Secretary Tyley seconded it, and the motion passed.

The Board agreed to suspend the order of the agenda to allow Mr. Syd Bradbury to address the Board regarding the anticipated asphalt work. Mr. Bradbury noted that it would cost approximately \$200,000.00 to do all the work at one time. This amount depends on the level of work needing to be done in each independent street/location. Cost of petroleum is currently 20% higher and this can affect the cost of the project. The prices submitted are based on estimates obtained during the summer. This is a time consuming project, and residents would need to stay off the roads for 24 hours. All milling work will need to be done prior to the resurfacing work. Sealing and coating work takes longer than the 24 hours period. The residents are to expect some inconveniences and discomfort throughout this project. One down side to phasing off the project is that it takes several years to do the work. During this time, the ground

deteriorates a bit and additional work would be needed. This could mean that between \$5,000.00-\$10,000.00 in additional funds might be needed to do the work. The work would best be done in the spring of 2007 since winter is around the corner. His fees to supervise the process and assist with the bidding process are \$1,850.00 and \$1,000.00 respectively. The Board asked that information with regards to Mr. Bradbury's fees for monitoring services during the time the asphalt work is being done be provided before the next meeting for the Board's review. Ms. Whitestone noted that with any project, the Board should consider an additional 20% for overage expenses. Mr. Bradbury noted that cost for any concrete rehabilitation work was not included in the proposal, and suggested that the Board consider addressing any concrete repairs for curbs, sidewalks, etc. at the same time the asphalt work is being done. President Tanzer thanked Mr. Bradbury for coming to the meeting.

The Board proceeded to review the proposal and agreed to approve the work to be done all at one time, starting in April of 2007.

- (M) Upon motion duly seconded and carried, the Board of Directors agreed to approve the asphalt work to be done all at one time. Secretary Tyley made the motion, President Tanzer seconded it, and the motion passed.

REPORT OF OFFICERS & DIRECTORS

President Tanzer indicated that she was not able to attend the last legal seminar presented by the attorneys.

FINANCIALS

Ms. Whitestone presented the financial statements for the period ending July 31, 2006 for the Board's review. Treasurer Rieger noted that he had been working with management with regards to simplifying the current investment accounts into one account with Smith Barney. He presented paperwork that need to be completed by management in order to proceed with the allocation of these funds into one account. He noted that maturity would be kept tight and as liquid as possible, and that there would be no monthly costs to the Association. The Board proceeded to further discuss the transferring of the funds into the Smith Barney account and agreed to approve the decision.

- (M) Upon motion duly seconded and carried, the Board of Directors agreed to move the funds into one account with Smith Barney as recommended by Treasurer Rieger. Secretary Tyley made the motion, Director Sandifer seconded it, and the motion passed.

REPORT OF COMMITTEES

None.

MANAGEMENT REPORT

Bathymetric Study Report - Ms. Whitestone presented the report submitted by GJB Engineering for the Board's review. The cost to dredge the pond is between \$30,000 and \$40,000. She noted that the Board would need to be aware that hazardous waste may be present in the pond, which would cost additional monies to dispose of. A lengthy discussion ensued with regards to the additional silt from the school and hospital buildings, and also the Association's responsibility regarding the control of the first 2 inches of rain (run-off) from the community's pond. The Board agreed unanimously to table any further discussion until the new report is received.

The Board also discussed payment of two outstanding invoices from this vendor. Invoice #4222 in the amount of \$2,500.00 for the Bathymetric Study Survey and invoice #4248 in the amount of \$1,100.00 for Engineering Services for the community center pond. The Board agreed to approve payment of both invoices.

(M) Upon motion duly seconded and carried, the Board of Directors agreed to approve payment of both invoices as noted above. Director Kashanian made the motion, Secretary Tyley seconded it, and the motion passed.

Reserve Study Proposal - Ms. Whitestone presented a cash flow method draft computation spreadsheet for the community's Reserve Study for the Board's review. She indicated that the component method report submitted by the vendor had been previously given to the Board for review and discussion. The Board reviewed both reports and decided to accept the component method with the cash flow method chart as information only.

(M) Upon motion duly seconded and carried, the Board of Directors agreed to accept the component method Reserve Study with the cash flow method chart as information only. President Tanzer made the motion, Director Kashanian seconded it, and the motion passed.

Bradbury Consultants Ltd. - Ms. Whitestone presented an invoice from Bradbury Consultants Ltd in the amount of \$1,260.00 for the Board's approval. The expense is related to the fence inspection and the billed amount is for 70% of the fixed fee (inspection and report completion). The Board agreed to approve payment of the invoice as presented.

(M) Upon motion duly seconded and carried, the Board of Directors agreed to approve payment of the invoice as noted above. President Tanzer made the motion, Secretary Tyley seconded it, and the motion passed.

Bradbury Consultants Ltd. - Ms. Whitestone presented an invoice from Bradbury Consultants Ltd in the amount of \$3,300.00 for the Board's approval. The expense is related to the engineering services for asphalt roads as per proposal. The Board agreed to approve payment of the invoice as presented.

(M) Upon motion duly seconded and carried, the Board of Directors agreed to approve payment of the invoice as noted above. Secretary Tyley made the motion, Treasurer Rieger seconded it, and the motion passed.

ValleyCrest Proposal - Landscape Enhancement - Ms. Whitestone presented a proposal for landscape enhancement work relating to the entrances located at Misty Creek Lane and Rugby Road. Ms. Whitestone indicated that the project is currently on hold and that the Landscaping Committee Chairperson is working with the vendor on a new design.

ValleyCrest Proposal - Ms. Whitestone presented a proposal from the vendor for the removal of a leaning Leyland Cypress from the common area behind 12578 Misty Creek Lane. The cost for this work is \$750.00. The Board asked Ms. Whitestone to check with the vendor with regards to staking the tree if possible, and report her findings to the Board.

Bishop's Tennis, Inc. - Ms. Whitestone presented correspondence and a proposal for needed repairs to the two tennis courts in the community for the Board's review. She also presented a list from the Tennis Committee, which is requesting several items to be added and/or replaced in these areas. Director Kashanian noted that he would contact the vendor and inquire about the cost to repair the courts.

Kitchen Renovation - Ms. Whitestone presented an e-mail received from the vendor with regards to the cost for the remodeling of the clubhouse kitchen. Director Sandifer noted that she would head a committee for this project and get the owners' input with regards to this project. She would present her findings to the Board's review at the next meeting.

Additional Insurance Coverage - Ms. Whitestone presented information with regards to the need for the Association to acquire additional insurance coverage. The Association currently carries a \$5 million limit on the CAU policy for General Liability and D&O. Reducing the General Liability and D&O policy to \$2 million, and adding a \$15 million Umbrella policy would result in \$17 million of total Liability coverage for a reduction in policy of \$134.00. To add a \$10 million Umbrella, for a \$12 million of total liability coverage would reduce the policy by \$689.00. There is no \$20 million Umbrella policy option. Ms. Whitestone strongly recommended the Board to consider adding a \$25 million Umbrella would result on a total liability policy of

\$27 million for an additional policy cost of \$1,027.00 to the Association. The Board asked that the CAU Insurance Representative be present at the next meeting to get a better understanding of the Association's insurance coverage and policies. The Board discussed the coverage options and agreed to go with Ms. Whitestone's recommendation.

(M) Upon motion duly seconded and carried, the Board of Directors agreed to add the \$25 million Umbrella policy to the current Association's insurance coverage for an additional cost of \$1,027.00. Director Sandifer made the motion, Secretary Tyley seconded it, and the motion passed.

ValleyCrest Proposal - Ms. Whitestone presented a proposal for the installation of fall Pansies at the four entrances to the community for a cost of \$2,490.00. The vendor will also plant Pansies by the parking island located in front of the clubhouse at no cost to the Association. The Board reviewed the proposal and agreed to approve the expense.

(M) Upon motion duly seconded and carried, the Board of Directors agreed to approve the proposal for fall Pansies as noted above. Secretary Tyley made the motion, Director Sandifer seconded it, and the motion passed.

Freedom to Display the American Flag Act (H.R. 42) - Ms. Whitestone presented a copy of this document for the Board's information. The act prohibits the Association to adopt or enforce any policy that would restrict or prevent a member of the community from displaying the flag of the United States on residential property.

Audit & Tax Preparation - Ms. Whitestone presented a proposal from Ahlberg & Co. PC. The vendor is proposing to perform the Association's balance sheet year-end audit, and to prepare the federal and state income tax returns for the period ending December 31, 2006, at a cost of \$1,650.00. The Board agreed to accept the proposal as submitted.

(M) Upon motion duly seconded and carried, the Board of Directors agreed to accept the proposal as noted above. Director Secretary Tyley made the motion, Treasurer Rieger seconded it, and the motion passed.

HOMEOWNER'S CORRESPONDENCE

Ms. Whitestone presented an e-mail received from a resident with regards to a blocked drainpipe. She has informed the resident that clearing of this particular pipe is his responsibility as the pipe goes from his basement, it is located in his property line, and serves his unit.

EXECUTIVE SESSION

The Board convened in Executive Session at 9:43 p.m. to discuss legal matters, delinquent accounts, By-Laws violations, and personnel matters. The Board re-convened in regular session at 9:47 p.m.

ADJOURNMENT

There being no further business, the meeting was adjourned at 9:55 p.m.

(M) Upon motion duly seconded and carried, the Board of Directors agreed to adjourn the meeting at 9:55 p.m. Treasurer Rieger made the motion, Secretary Tyley seconded it, and the motion passed.

The Board agreed to hold a Budget Meeting on October 25, 2006 at 7:30 p.m. and a Regular Meeting on November 9, 2006 at 7:30 p.m.

Respectfully submitted:

September 14, 2006

Ileana Balbi-Murillo
Recording Secretary

Approved by:

Date