

CAT MOUNTAIN HOMEOWNERS ASSOCIATION, INC

BOARD OF DIRECTORS MEETING

Date: May 08, 2006

Time: 7:00p

Location: CMHOA Clubhouse, 6007 Mt Bonnell Rd, Austin, TX, 78731

1. CALL TO ORDER: 6:57p. Present at the meeting were Mr. Adkins, Ms. Jastram, Mr. Johnson, Mr. Joseph, Mr. Oppenheimer, and Mr. Chargualaf.

Others attending the meeting were Mr. Thomas.

2. MEMBER FORUM: No issues or questions were presented by members.
3. APPROVAL OF MINUTES: Draft minutes for review, correction, and approval.
 - a. Reviewed 04/17/06 minutes of Board of Directors Meeting. Mr. Adkins moved to approve, seconded by Ms. Jastram, motion passed unanimously.
4. FINANCIAL REPORT: Discussion of Association's financial activities and status.
 - a. QuickBooks Conversion: The Manager provided an update and a schedule for completing QuickBooks training. No reports (e.g., Profit/Loss statement) were generated from QuickBooks in April. The Manager will again attempt to do this for the June Board of Directors meeting. If this can be done, the Board will approve the three-month validation period during which QuickBooks records will be compared with records currently kept at Georgetown Accounting. The Board met in closed session after the meeting to review the progress of the conversion.

Mr. Adkins asked about the Consulting entry in the general ledger. Mr. Joseph noted that newsletter advertising revenue should be distributed across the period for which it was received rather than including in the month the revenue was received. Mr. Johnson asked about multiple entries from the City of Austin Utilities. The Manager explained that the Association has several meters and the City does not bill on combined accounts; hence, it issues several bills to the Association each month.
 - b. Accounts Receivable Analysis: Mr. Joseph provided a summary of the accounts receivable analysis that he performed using data from this year and last year. Thus far, the implementation of the new collection policy in October 2005 has reduced the number of delinquent accounts and the amount of dues outstanding. In addition, the number of accounts past due 90 days has decreased sharply. The Board discussed two accounts that currently were in legal collection. Mr. Oppenheimer will visit with the Association lawyer to determine if further action on these accounts would be worthwhile for the Association.
 - c. Collection Letter: The Board briefly discussed the collection letter that was created to provide those with delinquent accounts more information about the consequences of not paying in a timely fashion. The Board asked the Manager to begin using the letter immediately.
5. MANAGER'S REPORT: Discussion of Association projects, incidents, and owner issues.

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- a. Mr. Oppenheimer asked about the \$1,500 estimate to remove storm damaged trees. The Manager will get an additional estimate from Tru-Green and Mr. Oppenheimer will send this to the Board for review and approval when it becomes available.
6. OLD BUSINESS:
 - a. Re-evaluation of Insurance Coverage: Mr. Oppenheimer will ask William Gammon Insurance Agency to provide an appraisal of the CMHOA Clubhouse and other insured structures so that the insured amount in this year's policy is as accurate as possible.
 - b. Bulk Mail Proposal: Mr. Adkins summarized the cost of obtaining a bulk mail permit for the Association. The cost savings associated with this proposal are relatively small, the Manager would have learn new software, and mailings would have to be sorted. The Board decided not to pursue a bulk mail permit.
 - c. Landscaping Proposal (Mtn Villa Drive Median): The Board requested that the Manager have the mulch from the storm-damaged trees dumped and spread at this location to reduce erosion. The Board decided not to pursue additional landscaping for this area to reduce Association costs.
 - d. LimeStone Circle Drainage: The Board continued discussion on the proposal to correct this drainage issue. Mr. Adkins and Mr. Joseph indicated that this should be included in the Association's Reserve Study as part of a long-term plan. The Board decided to include this in the Reserve Study.
 - e. Clubhouse Remodeling Discussion: Mr. Oppenheimer opened the discussion of remodeling the clubhouse by providing several reasons for doing this work. Mr. Joseph, Mr. Adkins, and Mr. Johnson were concerned about the Association spending \$24K+ to do this work without knowing what other capital improvement projects might be in the offing. They suggested that it would be best to determine the costs for necessary projects before deciding whether or not to remodel the clubhouse. Mr. Adkins moved to table the discussion about remodeling the clubhouse for 90 days until the Association's Reserve study was completed. Mr. Joseph seconded the motion. Mr. Adkins, Mr. Johnson, and Mr. Joseph voted in favor of the motion, no one opposed it, and Mr. Oppenheimer and Ms. Jastram abstained.
 - f. CMHOA Reserve Study Update: Mr. Joseph provided the Board with an example of a Reserve Study report and he briefly discussed it. The Reserve study will include an inventory and maintenance schedule for all assets owned by the Association. Toward this end, the study will be useful for creating yearly budgets, determining reserve account balances needed to maintain the Association's assets, and identifying when dues must be increased to keep up with increases in costs of existing services. Mr. Joseph moved to establish a Reserve Committee and to appoint Mr. Davison Grant to this committee. Mr. Grant served the Association for more than a decade and is very knowledgeable about the Association's assets. The motion was seconded by Mr. Adkins and it passed unanimously. Mr. Adkins, Mr. Johnson, and Mr. Joseph will serve with Mr. Grant on the Reserve Committee.
7. COMMITTEE REPORTS: Status of committee activities
 - a. Environmental Control Committee: Mr. Thomas indicated that the ECC approved a lot improvement that included a new home on Mountain Villa Cove lot. The ECC also sent a letter to an owner stating that a home was in a state of disrepair and needed to be fixed. Mr. Thomas said that the ECC is having problems getting all committee members to attend meetings. Mr. Adkins

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- moved to nominate Ms. Brenda Warner to the ECC. Mr. Joseph seconded and the motion passed unanimously.
- b. Communications Committee: Mr. Joseph reported that a landscaper wanted to advertise on the web site in exchange for gift certificates. After briefly discussing, the Board agreed that advertising revenue should be paid in cash unless there is a special circumstance (e.g., gifts for a CMHOA event). Mr. Oppenheimer suggested that the 2005 Fire Committee report be included in the next newsletter.
 - c. Social/Activities Committee: no report
 - d. Welcome Committee: The Board briefly discussed nomination of members for the Welcome Committee. Those interested in the committee will be contacted for an introductory meeting.
 - e. External Affairs: Mr. Oppenheimer advised that discussions of issues such as elections, propositions, etc should be presented by parties with different perspectives on these issues.
8. NEW BUSINESS:
- a. Clubhouse A/C Maintenance Plan Renewal: Mr. Adkins moved to approve the annual A/C maintenance plan from Strand Brothers in the amount of \$291.15. Mr. Joseph seconded the motion and it passed unanimously.
9. NEXT MEETING: June 12, 2006, 7:00p at the clubhouse.
10. ADJOURNMENT: Motion by Mr. Joseph, seconded by Mr. Adkins, motion passed unanimously. Meeting adjourned at 9:04p.

Minutes submitted by the Board of Directors' Secretary, Kurt Joseph.

THESE MINUTES HAVE BEEN APPROVED BY THE BOARD OF DIRECTORS.