

CAT MOUNTAIN HOMEOWNERS ASSOCIATION, INC

BOARD OF DIRECTORS MEETING

Date: October 09, 2006

Time: 6:30p

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

1. CALL TO ORDER: 6:25p. Present at the meeting were Mr. Adkins, Ms. Jastram, Mr. Johnson, Mr. Joseph, Mr. Oppenheimer, and Mr. Chargualaf.

Others attending the meeting were Ms. Adkins, Mr. Dully, Mr. Otto, Mr. Prestwood, and Mr. Wolfe.

2. MEMBER FORUM: No issues or questions were presented by members.
3. APPROVAL OF MINUTES: Draft minutes for review, correction, and approval.
 - a. Reviewed 09/11/06 minutes of Board of Directors Meeting. Mr. Adkins moved to approve, seconded by Mr. Johnson, motion passed unanimously.
4. FINANCIAL REPORT: Discussion of Association's financial activities and status.
 - a. QuickBooks Update: Mr. Adkins noted that the new bookkeeper is out of town and that he will follow-up with her to determine a starting date. Mr. Oppenheimer noted that the old bookkeeper (Bounds et al.) has offered to assist in any way possible to ensure a smooth transition.

Mr. Oppenheimer asked about the 2006 contribution to the Reserve Fund. Mr. Joseph suggested that suggested that this item should be discussed during the Reserve Committee report.

Mr. Oppenheimer asked about the cost of the pest control contract for the clubhouse. He indicated that he may be able to find a better price from another service contractor. The Manager will request a bid from this contractor. Mr. Johnson asked about gas reimbursement and the Kings III entries in the ledger. The Manager explained that the former was reimbursement for related to errands that he does, and the latter was for the pool emergency phone. Ms. Jastram asked about payroll tax entries in the ledger. The Manager indicated that he takes his yearly raise in one or two lump sums and that the extra payroll taxes are for these items.

5. MANAGER'S REPORT: Discussion of Association projects, incidents, and owner issues.
 - a. The Manager discussed issues with printing aging reports from Quickbooks. The Board will ask the new bookkeeper to prepare these reports.
6. OLD BUSINESS:
 - a. Dues Collection Services – Colonial Bank: Mr. Dully reported that the implementation of the Colonial Bank dues collection service is on schedule for a Jan 1, 2007 start date. The Board thanked Mr. Dully for all of his efforts related to this project. Mr. Dully will continue to lead this effort to implementation in 2007.

- b. Wildfire Preparedness: Mr. Joseph, Ms. Jastram and Mr. Prestwood worked on a draft proposal that was presented to the Board and attendees for review. Mr. Joseph asked for all to review the draft proposal and provide feedback at the next Board meeting.
7. COMMITTEE REPORTS: Status of committee activities
- a. Environmental Control Committee: Mr. Thomas asked that the new architectural guidelines be removed from the web site because they haven't been approved officially. Mr. Joseph will remove these and replace them with the old guidelines. Mr. Thomas will work with the Association attorney to revise the new guidelines before they are re-posted on the web site. Mr. Oppenheimer asked Mr. Thomas if the guidelines include height restrictions. Mr. Thomas stated that there are no such guidelines.
 - b. CMHOA Reserve Committee: Mr. Joseph provided Reserve Study estimates for 2006 and 2007 reserve projects. Mr. Oppenheimer asked the Board to explore changing the replacement schedule for some items; namely switching water heater and refrigerator update with kitchen countertop and bathroom updates. Mr. Adkins asked if this could be done and, if so, how it would impact the Reserve study estimates. He also asked if materials can be switched if they cost the same amount (e.g., carpet vs. another type of flooring). Mr. Joseph advised that the Reserve study wasn't intended to be revised until next year, at which time the Board can work with the Reserve Committee to provide input on maintenance schedules, priorities, etc.
 - c. Communications Committee: Mr. Adkins provided a draft of the 2006 Volume III newsletter for review. The newsletter will be printed and distributed this week. Mr. Oppenheimer asked about the need for another newsletter this year given that the homeowners also will be getting 2007 dues payment mailing and information about the 2007 annual meeting. Mr. Joseph indicated that the Board committed to four newsletters per year and that we should follow through with this commitment. Mr. Dully indicated that he appreciated the current level of communication from the Board.
 - d. Social/Activities Committee: No report.
 - e. Welcome Committee: Mr. Oppenheimer distributed a draft of the Welcome Committee's letter to solicit complimentary items for new owner gift baskets. Several Board members thought that the letter was very well-written.
 - f. External Affairs: Ms. Jastram reported that the current CONA-related litigation is pending and disclosures have been prohibited.
8. NEW BUSINESS:
- a. Insurance Valuation: Mr. Oppenheimer stated that the clubhouse was underinsured and that we should increase its valuation. The Board discussed various options, including higher deductibles, self-insurance (i.e., keep at same valuation). Mr. Oppenheimer will contact the insurance agency to get quotes for higher valuations.
 - b. Political Sign Law: Mr. Oppenheimer briefly discussed a recent state law that allows homeowners to post campaign signs on their property. The CMHOA CCR conflicts with this law, but the state law supersedes the CCR.
 - c. Collection Letters: Mr. Oppenheimer sought clarification on which version of the collection policy letter was in use currently. The Board reviewed two versions of the letter and found them to be the same with the exception of formatting.
 - d. Director Vacancy: Mr. Jastram announced that she would not be selling her house. Hence, she will continue in her capacity as Director.

APPROVED COPY

9. NEXT MEETING: November 13, 2006, 6:30p at the clubhouse.
10. ADJOURNMENT: Motion by Mr. Johnson, seconded by Ms. Jastram, motion passed unanimously. Meeting adjourned at 8:17p.

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

THESE MINUTES HAVE BEEN APPROVED BY THE BOARD OF DIRECTORS.