

Cat Mountain Homeowners Association, Inc.
Board of Directors Meeting

Date: March 10, 2008

Time: 6:30 pm

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

1. Call to Order: 6:38 pm

2. Members Forum. No member attended the meeting

3. Approval of Minutes

- a. Board of Directors Meeting, Feb 11, 2008. This Minute was not available for the meeting and will be reviewed at the April 14, 2008 Board meeting.

Reviewed. Mr. Harrison moved to approve the Minute, seconded by Mr. Grant; the motion was adopted unanilusly.

- b. Board of Directors Annual Meeting, Feb 20, 2008.

Reviewed. Motion by Mr. Grant to accept corrections to paragraph 5a regarding appointment of ECC members proposed by him, the motion was seconded by Mr. Ma and unanimously approved.

4. Financial Report

- a. Compass Bank. Mr. Ma reported on the automatic renewal of the existing CD account and that the account to continue at Compass Bank and will earn interest at the rate of 4%.

- b. Tax Preparation/Audit. Mr. Grant handed out the restated December 2007 Balance Sheet, Income Statement and 2008-2011 Fiscal Analysis; and iterated on the following:

(1). The restated Balance Sheet reflected adjustments to properly treat the capital expenditures as capitalized, rather than expensed costs.

(2). The restated Income Statement for January through December 2007 reflected adjustments to better show the Net Ordinary Income and Homeowner Equity.

(3) The 2008-2011 Fiscal Analysis reflected projections, including expected capital expenditures, and the revised 2007 results. The analysis also indicated that HOA dues may not need to be increased until after year 2012.

- c. Audit of 2007 financials. Mr. Grant cited provisions in the Bylaws stating that he understood that the Bylaw directed a full audit rather than a lower level examination that a review provides. After discussions on this issue, a motion was made.

Motion. Mr. Harrison moved that the 2007 financials examination be a full audit, seconded by Mr. Schley; the motion was adopted unanimously.

The Manager will continue to obtain proposals from auditing firms for the Board's consideration at its April meeting. The Manager will also check with other HOAs for information on CPA firms that conducted their audit and get recommendations.

d. Income Tax Form 1128.. Mr. Grant alerted the other Directors on the very short time remaining to submit an extension application for filing the income tax.

Motion. Mr. Harrison moved for Mr. Grant to submit the extension application, seconded by Mr. Schley; the motion was adopted unanimously.

e. Reserve Quantification Policy. Discussions regarding the amount to maintain in the account. Mr. Grant suggested the equivalent of 3 months revenue from hoa dues be kept in the check (cash) operating account the remainder be designated for the Reserve. The Directors agreed to continue discussion of these matters at their next meeting.

f. Bookkeeping. Directors discussed the existing bookkeeping and bookkeeper.

(1). Motion. Mr. Grant moved that the Association need to consider the possibility of retaining a new Bookkeeper and until further notice, for the current bookkeeper to continue keeping the Association's books, seconded by Mr. Schley; the motion was adopted unanimously.

(2) Motion. Mr. Schley moved to solicit competitive proposals for bookkeeping and the annual audit, seconded by Mr. Grant; the motion was adopted unanimously.

5. Manager's Report.

a. Discussed was the house at 6116 Mtn. Villa Cove in regards to a complaint about its impact of its existing need for repairs and pending replacement of the existing house with a new house.

Decision. The Directors directed Dr. Fineg, the Chairman of the ECC, to contact the homeowner and get updated information regarding making repairs pending construction of the new house.

6. Old Business.

a. Verizon Proposal Update. Directors briefly discussed that no further action is

needed until receipt of updated information from the firm representing the Association.

b. Ratification of prior ECC Action. See paragraph 3.b. above.

7. Committee Reports.

a. Environmental Control Committee (ECC). Correction of Minutes of paragraph 3.b. above will reflect the change and corrected minute will be included for approval at the next meeting.

Motion: Mr. Grant moved that the Board ratify the appointment of Dr. Fineg and Mr. Oppenheimer to the ECC and the appointment of Mr. Thomas as emeritus member to serve if one of the regular members is not available to attend an ; seconded by Mr. Harrison; the motion was adopted unanimously.

b. Communications Committee. No report since Mr. Joseph was unavailable.

c. Social/Activities Committee. The Manager reported that the Association will be hosting a Easter Egg Hunt at the clubhouse on Saturday, March 15 at 1:00 p.

d. Welcome Committee. The Manager reported that he provided the committee members with information on a new homeowner at 4804 Twin Valley Drive. Directors asked if the committee members are still the same members and the Manager responded that they are the same members and had agreed to continue to serve.

e. Reserve Committee. Mr. Grant, also a member of the committee, stated there is no new information to report.

8. New Business.

a. Common Area Improvements Policy. Discussed. Directors agreed to continue upholding existing policy. Other discussion on this matter. In regards to cleaning up the Common Area, the Board will look at implementing a plan and notify adjacent homeowners of the pending work so that their input will be considered by the Board. Mr. Grant suggested that an area be selected as a pilot project and Dr. Fineg was directed to select an area and proceed with the demonstration. Mr. Ma will assist by providing to the Manager information on a reliable contractor that did work for him at a reasonable cost.

b. Plant donation from Mr. Scheidler. Motion. Mr. Grant moved to accept and approve the donation of 6 Pride of Houston Yaupon that will be planted in the Common Area behind Mr. Scheidler's residence, seconded by Mr. Harrison; the motion was adopted unanimously.

9. Next Meeting – April 14,2008.

10. Adjournment. 8:47 pm. Mr. Ma moved to adjourn, seconded by Mr. Schley; the motion was adopted unanimously.

