

Sterling Woods II
Master Board Meeting – Open Session
Draft of the Minutes – May 18th, 2011

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, Vice President (President of the Willows); Stan Kishner, Treasurer (President of the Birches); Joe Wielock, Secretary (President of the Maples); Andrew Taylor, Director (President of the Oaks) and Mike Palica, Director (President of the Elms).

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

Request of owners to speak –

There were no requests.

Ratification of the Minutes – Joe Wielock made a motion to accept the draft of the April 13th, 2011 Open Session Meeting minutes. Mike Palica seconded the motion. Without objection, the meeting minutes from the April 13th, 2011 Master Board Open Session were approved.

Treasurer's Report – Stan Kishner

In April, the Association had \$134K of expenses. Income was \$98K for a monthly net operating loss of \$36K. Expenses for the month were dominated by \$31K for general maintenance and \$42K for snow emergency related costs. For the year-to-date, expenses are \$242K over budget, due to expenses related to the snow storms as well as the need to pay our insurance premium earlier than planned. Our year-to-date operating loss is \$191K.

The reserve fund had a surplus of \$83K year-to-date with the budgeted surplus being \$79K. Total reserves are \$1.45M and total assets are \$1.4M.

In April, a Fernwood sold for \$387K and a Chestnut sold for \$305K. In May, we expect a Beechnut to sell for \$297.5K.

Landscaping Committee Report – presented by Carole Torro

Weekly lawn mowing commenced on April 27, 2011. The mulching of the entrance is complete and mulching will continue until all villages are finished. The Birches and Maples had their old mulch removed before new mulch was installed. The trees in the 80/20 zone had an additional 1/2" to 1" of mulch applied to prevent the exposure of the irrigation rings. Street sweeping has been delayed due to weather conditions. The shrub

replacement totals to date are - 39 shrubs due to snow and ice, 41 annual spring replacements, 12 shrubs and 2 trees – snow removal vendor damage.

On April 13, 2011, gypsum was applied to certain areas that were damaged by large amounts of snow piling and the heavy use of snow/ice melt products this past winter. The first application of granular fertilizer and crab grass control was done on April 13th. The rampant dandelion outbreak was due to the sudden onset of very warm weather. They were sprayed in high visibility areas only on May 3rd. They will be treated again at the end of this month. On June 1st, there will be a 2nd application of fertilizer and it will include a liquid broad leaf weed control.

There is great concern over the decline of Bradford pear trees and some maples. Our tree maintenance vendor has taken an inventory of all stressed trees in the community. The Bradford pears are showing the same symptoms of two years ago that occurred in early spring. At that time, we drenched them with water and they all recovered. Soil samples were taken to see if excessive salts are present that may lead us to some sort of answer as to the cause. Results are forth coming.

There are 6 trees in the 80/20 zone that are budgeted for removal and replacement.

Maintenance Committee Report – presented by George Torro

The Maintenance Committee performed their spring walk around and has created a list of suggested repairs. The Committee and REI will meet with vendors in the near future to get their professional feedback on some of the issues.

Handrails will be painted on Cypress Drive and Pinnacle Way beginning on or around the week of June 27, 2011 weather permitting.

Management Report –

All REI follow ups, as a result of the last Board meeting and contained within the monthly status package, were reviewed.

Old/New Business –

Stan Kishner presented his recommendation to the Board as to how to handle paying for the extra snow emergency costs incurred this past winter. He recommended that the 2011 snow emergency costs of \$277,319 be paid for by means of a special assessment on all units due in 6 equal installments in the months of July through December 2011. Each unit's assessment will be calculated to be in proportion to its monthly common charges. Andrew made a motion to accept Stan's proposal. Michael Palica seconded the motion. Without objection the proposal was approved.

REI will set up an owner's meeting regarding the assessment for Wednesday, June 8th at 7:00 p.m. at the clubhouse. REI will send out an Owners Meeting Notification letter. New coupon books will be sent to Unit Owners before the July payment is due.

REI will follow up with Marty Flynn regarding installing frost free water valves in the Maples.

REI will have the fire extinguishers inspected at the clubhouse.

The Board reviewed the proposal to wrap all wood on top of the pool arbor with flashing and install Azek on top of the structure for shade. The Board approved the proposal pending the warranty on the Azek product. REI will provide this information to the Board before proceeding. It was noted that the Azek board (5/4" x 12") shown to the Board is too wide and we will use a thinner board. REI will replace the columns in 2012 with Azek product and this will be included in the tickler so it can be budgeted for in 2012.

Renee Strazza and Kim Murray informed the Board they would like to hold the Annual Summer Social on Friday, August 19th with no rain date. The Board approved the date. This information will be included in the newsletter.

Kim asked the Board if they would like to have another Flu Shot Clinic on October 11th from 5:30 p.m. – 6:30 p.m. The Board agreed. This information will be included in the upcoming newsletter.

In an effort to insure that we receive competitive rates, REI will continue to create specs for snow removal and tree maintenance services and send them out to bid.

At 9:10 PM, Mike Palica made a motion to adjourn the meeting. Andrew Taylor seconded the motion. All present voted in favor of the motion.