



Wildflower II Association of Unit Owners

Board of Directors:
Steve Peters - 253-939-4492
Raymond Cook - 253-858-5327
Ron Wise - 503-624-7382

P.O. Box 3627

Sunriver, OR 97707-0627

October 20, 1999

**WILDFLOWER II
ASSOCIATION OF UNIT OWNERS
1999 ANNUAL MEETING
OCTOBER 2, 1999
SUNRIVER, OREGON**

Meeting Minutes

(These minutes are subject to approval at the next scheduled annual meeting.)

Directors present: Chuck Beardsley (#46), Steve Peters (#55) and Ron Wise (#51).

Unit owners present: # 27, 31, 32, 34, 40, 45, 46, 48, 51, 52, 55, 56, 58, 59, 61 and 66.

1. Call to order

Steve Peters called the meeting to order at 10:05 A.M. The agenda is included as enclosure (1).

2. Certification of proxies

Unit #'s 21, 22, 24, 25, 30, 33, 35, 38, 39, 42, 43, 49, 53, and 60 were represented by written proxy; 8 owners gave their proxy votes to Ray Cook; 4 owners gave their proxy votes to Penny Englert; 3 owners gave their proxy votes to Steve Peters. With a total of 30 units represented either in person or by written proxy, a quorum was established as set forth in the Bylaws of the Wildflower II Association of Unit Owners.

3. Approval of the minutes from the 1998 annual meeting

Owners present moved and seconded to approve the minutes of last year's meeting. The minutes were corrected to read that a discussion took place regarding a need for a financial audit. The minutes were approved as corrected.

Management (Mel Nunn) (541) 593-2237

Fax: (541) 593-1381

e-mail - wildflower19-66@juno.com

Accounting (Deanna Knox) (541) 593-4474

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4. Financial reports

The financial report was presented by Ron Wise, treasurer, with handouts (enclosures 2 and 3), illustrating:

- a. Year-end balance of budget and actual budget for the years 1995 through 1999 (projected) and
- b. Profit and Loss Budget Comparison (January through August 1999).

Ron described for those present the financial procedure that the Board and Association manager follow in securing contracts and paying bills:

- a. The Board must approve all contracts procured by the Association manager before contracts can be awarded.
- b. The manager must approve all work performance before submitting the bill to accounting.
- c. The manager must sign off on all bills before accounting submits a check to the treasurer for payment.
- d. Accounting sends the invoice, check and a stamped envelope addressed to the payee.
- e. The treasurer reviews the invoice, signs and mails the check to the payee.

5. Elite Management Services management reports

This report emphasized the importance of obtaining quality maintenance and construction contracts at competitive prices. Mel noted the need for owners to remove materials on and from under decks. These areas are not to be used as storage areas. He has been working to clean and improve the appearance of the trash enclosures. Mel has also been working to improve the grounds with lawn cutting every three weeks, shrubbery trimming, and ladder fuel reduction. One of Mel's priorities is establishing with the owners a consensus vision of Wildflower II for the future.

6. Insurance Representative reports

The Scott Insurance representative presented an overview of the Association insurance coverage. He emphasized that the primary purpose of this insurance is to provide for catastrophic coverage and not general maintenance coverage. The Association policy has a \$1,000.00 deductible. Several owners expressed a desire for a more clearly defined responsibility of Association insurance coverage so they would know what other insurance individual owners should carry. Some owners requested a price for the Association to add flood and earthquake insurance. Unit #s 31, 32, 34, 45, 48, 58, 61 and 66 requested copies of the Association insurance policy. The Association manager will complete this action item. Chuck Beardsley emphasized that the Association insurance policy does not cover windows and that

this is a responsibility of the individual owners. The Association manager will obtain from the insurance agent the additional cost of flood and earthquake coverage. He will send this information to the board of directors.

7. Discussion of Capital Program

A presentation was given by Ray Cook and Ruth Jenkins proposing a Capital Program that included structural upgrades, structural preservation, external assets and proposed special assessment for capital financing. See **enclosure (4)**.

8. Calendar Year 2000 proposed budget

The calendar year 2000 budget was presented by the board. Owners present moved and seconded the budget. An amendment to increase the quarterly dues \$100.00 was discussed and approved. This additional income is to go directly into a new capital reserve shake roof replacement category. These additional funds will be designated for roof replacement in the budget. We will increase the quarterly dues from \$450.00 to \$550.00 beginning in 2000. The CY 2000 budget is included as **enclosure (5)**.

9. Other business

The following items were discussed:

- a. An application for approval of a storage area slightly larger than the ones previously approved by the Association owners was submitted by unit #s 37 and 38. Approval of this application will require a vote of all owners since it involves the use of common property. There were no objections to the application by the Board or attendees. Therefore, we will send a ballot to all owners requesting a vote. This will require approval by 75% of the owners before submission to the Sunriver Home Owners Association for its approval. A ballot is included with these minutes. Please return to Mel Nunn ASAP. Thanks!
- b. It was moved and seconded by those owners present to spend \$2,000.00 out of the 2000 budget for a full audit. The majority of owners in attendance along with the Board voted against this use of funds. However, Ray Cook and Penny Englert, voting the majority of the proxy votes passed this motion. This will be accomplished this budget year.
- c. Terms of office for the directors was discussed and we decided not to seek a change to the existing bylaws.
- d. Penny Englert discussed director benefit credits. A motion was