



**Wynstone Townhome Association
Eden Prairie, MN 55346**

To: Wynstone Townhomes Association Members

From: *Wynstone Townhomes Board of Directors*

Brian Nielsen, President

612-819-4343

Larry Greely, Treas.

952-294-0273

Herb Legler, VP

952-975-1832

Mel Hunker, Board Member at Large

952-937-2968

Cathie Hegg, Secretary

952-974-8264

RE: Board Meeting, September 26, 2006

The meeting was called to order by President, Brian Nielsen at 6:45 p.m. and adjourned at 8:40 p.m.

In attendance: Brian Nielsen, Larry Greely, Herb Legler, Mel Hunker, Cathie Hegg

NEW BUSINESS

Brian reported that Tom Carlson approached him about adding a satellite dish. The board discussed that the a satellite dish may be added if the requirements for adding a dish as addressed in the guidelines and bylaws are met. Brian will forward that information to Tom.

TREASURER'S REPORT

Larry explained the annual meeting financial report for 2006. The following unadited financial reports prepared using fund accounting with data as of 9/16/2006 were discussed and will be presented to the homeowners at the Annual Meeting:

- ◆ Statement of Assets, Liabilities & Fund Balances-Tax Basis as of September 30, 2006
- ◆ Operations Actual vs. Budget – Janaury through September 2006
- ◆ Opeations budget – January through December 2006
- ◆ Statement of Operations – By Fund – January through September 2006
- ◆ Operating Cash Flow – 2006
- ◆ Reserve Funding Summary – 12/31/06
- ◆ 2007 Budget Planning Breakdown

The board unanimously approved the budget and concluded that we either need to increase the monthly homeowner fees by \$20 or do a special assessment to cover some additional expenses that were incurred this past year and to maintain the reserves at an adequate level to prevent future assessments. The board voted unanimously to recommend the \$20 monthly increase to the homeowners rather than charge a special assessment. The board recommends that we increase the dues in part to plan for the future and to catch up so we don't have special assessments. The other option is we could make up the shortfall with a small special assessment of \$200 to \$250 per household.

Some of the reasons for the increase in dues and/or a special assessment are as follows:

- ◆ Larry noted that a new line item for mulch has been added to the budget. He said that according to Mel the mulch should last 5 years. Larry said that it should be added as a reserve line item if we want to correctly fund it.
- ◆ Other additional charges were for the mail boxes which are a one-time charge.
- ◆ Larry also noted that the exterior lights were replaced 5 years early.
- ◆ Snow removal and lawn care will increase by \$3.50 per month
- ◆ Additional \$3.50 per month would fund the reserve mulch line item fund
- ◆ Insurance rates increased
- ◆ Bottom line – spent approximately \$5000 in 2006 that we didn't initially expect to spend.

Larry noted that the board didn't have firm numbers when putting last years budget together. Now, however, he has projected the reserved out 3 years, and can therefore predict dues increases for the next 3 years.

Larry discussed that he may purchase on his own the Reserve Study Software in Windows which is priced at approximately \$700.

Starting with the next budget – i.e. 2008 – the board voted to add a new line item for 'catch up' and to prevent special assessments.

The meeting was adjourned at 8:40p.m.