

HIGHLANDS 460 BOARD OF DIRECTORS

Monthly meeting of February 4, 2009

Held at the Metrum Credit Union

The meeting was called to order at 8:12pm following the conclusion of the annual homeowners meeting.

The first item on the agenda was the election of officers. By unanimous vote, Karen Hamilton was elected to continue as President and Treasurer, Jay Gietl as Vice President, and Richard Wise as Secretary.

Also present were directors Linda Carroll and Leonard West. Leonard had been elected to the board at the annual meeting.

Karen opened discussion of a motion regarding the investment of reserve funds.

The association has an operating checking account which is being used for deposit of current year dues as they are collected. There are also reserve funds of \$40,000. Of that amount , \$17,000 is already invested in a CD that was set up by the previous treasurer and \$23,000 which Karen had moved from the checking account into a money market fund.

Various options were discussed involving a ladder of CD's timed to insure that money could be made available each month from the reserves to fund potential legal actions. There was a consensus that the operating funds should remain separate from the reserve funds.

The association is currently involved in one covenant violation case which is being filed in court and another which needs to be considered by the board for further legal action. Funding, estimated by legal council at \$15,000 per case, needs to be available for the interim until the cases are won and monies collected.

Action was tabled so that Karen could meet with Metrum and review investment options involving the timing of various CD's and the use of money market funding to insure liquidity and some investment benefits. Specifically, Karen will look into moving \$12,000 from the reserve money market into three \$4,000 CD's with 6, 9, and 12 month maturities. The current \$17,000 CD is due in December of 2009.

The board then reviewed the option of moving forward with legal action on the roof issue at 3598 E. Phillips Ave. Clarification will be sought from HindmanSanchez to insure that seeking "injunctive relief" encompasses the concept of requesting "specific performance". Richard introduced a motion to proceed with legal action which was seconded by Karen and passed by the board.

Leonard offered to act as liaison to the City of Centennial to learn more about how the association can better utilize and potentially influence city programs that impact the H460.

After the meeting was adjourned, Karen and Richard were relieved when they apparently performed a successful rearming of the Metrum security system.