

September 30, 2005

The next Board meeting is scheduled for Friday January 20, 2006 at 2:30 PM.

Treasurers Report: \$15,283.50 insurance reserves.

\$68,759.75 general reserves.

\$84,043.25 Total reserves in D.A. Davidson account.

\$1,056.55 in checking

\$85,099.80 total cash available

Insurance: The Board once again is reminding the Homeowners to send in the cover page from your property insurance policy. We request this information in January of every year. Since we will not have another Board meeting before January 1, we are giving the reminder now. This request is by rule of the homeowners.

Please check with your insurance agent to see if you have enough coverage on your unit for the increased value that has occurred over the last several years. Does your insurance cover fixtures and interior items like cabinets, toilets along with personal items? It should.

For those of you that rent your units out, do you have renters insurance to cover the unit and adjoining areas like the pool and marina?

Architectural: The Board spent the vast majority of time discussing things that impact architectural changes and property in and around Westwood. Several homeowners have submitted projects to the Architectural Committee for approval. The structures to be built have been approved by the Committee. These projects, however, are subject to HOA approval as each project involves either (1) the sale of common area or (2) the grant of an easement over the limited common area for use by the requesting owner. The HOA bylaws give the definition of these two types of area.

Many years ago the Board came up with a valuation for the common areas of five dollars per square foot. This is the amount a homeowner would have to pay if they were to build a deck out into common areas. The Board believes that the HOA should revisit this issue. With current condo valuations that have more than doubled in the past two or three years, the Board has chosen to hire a professional appraiser to determine what the true value of a square foot of common area is. When this appraisal has been completed the HOA will be asked to vote on an appropriate sale price for common area at the next annual meeting. This sale price will apply to all projects that affect the common area.

With the above points in mind the following individuals have had changes to their units approved. The Ottens and Lawrences will be adding onto their decks, and use common areas that they will purchase from the HOA. The deck changes have been approved by their neighbors. Marilyn Northern has like wise been approved for an addition onto her

Metlaline unit that also uses common areas. However, before proceeding with their projects, the homeowners must pay a \$5 per sq.ft. advance to the HOA toward the purchase price of the common area. Moreover, and notwithstanding the appraisal results, the Board will recommend to the HOA that there be a \$15 per sq.ft. cap on these three projects only. All future "sales" of common area will be subject to the sale price approved by the homeowners. This sale price will be subject to change in the future, perhaps every other year.

Barb and James Fillmore have been approved to change the entry area into their Eastern unit. This is a limited common area and as such they need not purchase any ground. Don Wolfe, Gray Graves, and the Hazzelars have been approved for the addition of a second bath that is placed in the limited common areas between their condos and garages of the Northern units.

Capital Budget: The Homeowners voted at the annual meeting to raise the annual assessment to \$1000 for the year 2006. The Board, in an effort to more fully disclose the actual cost of ownership decided to charge the assessment on a monthly basis rather than the previous single payment that had been used in prior years. The capital improvement passed by the homeowners was to side the Coyote and Metaline units this year. The siding contractor (Panhandle Siding) who will be doing the capital improvements has been forced to raise his bid for this job by about \$12,000. The increase is primarily for the cost of the vinyl siding which is made from petroleum. It should be pointed out the contractor gave us this bid more than three years ago to include the Tyee, Eagle, Eastern, Coyote and Metaline units. He never changed his bid through the three years it took to finish the Tyee, Eagle and Coyote projects. The problem with the monthly payment approach and the added cost is that we do not generate the cash quickly enough to pay off the siding contractor when he finishes the Coyote and Metaline units. Because of this problem we are asking on a VOLUNTARY basis, that as many homeowners as possible pay the \$1000 annual assessment in full in January. This will allow us to pay the contractor in a timely manner.

Mail Boxes: A number of homeowners have contacted Sam Howard about problems getting other peoples mail in their boxes. Sam contacted Jerry Hahn at the Sandpoint Post Office and Mr. Hahn asked that anyone having a problem of this sort call him personally at 208-265-4212 and if he gets enough complaints he can bring appropriate action to bear on the problem.

Submitted by Jerry Binder Secretary