

**Community of Amberwood Homeowners' Association, Inc.**  
**Board of Directors Meeting Minutes**  
**October 19, 2006**

A meeting of the Board of Directors of the Amberwood Homeowners Association, Inc. was held at 9:00 a.m., at the offices of Gehan Homes at 14205 North Mopac Expressway, Austin, Texas.

Directors in attendance were John Burford, Laurie Lara and Denise Thornley. Board Liaison, Ray Bryant was present. Representing Planned Community Management, Inc. were Wendi Dianni, Ward Phelan and Kathy Luke.

A quorum being established, the meeting was called to order at 10:45 a.m. The minutes from the previous meeting were approved as presented. The checks/invoices were approved and signed by Ms. Thornley.

Ms. Dianni indicated that she received a letter from 1540 Amberwood Loop requesting reimbursement for the deed restriction attorney fees. After further review of the presented correspondence, the board denied a refund.

The first topic of discussion was the Financials. After due discussion, the financials were approved with noted corrections.

It was requested by the Board to transfer \$90,000.00 from the Association's operating account to either a savings account or money market account.

The Board requested that a detail ledger provided to back up the financial report expenses.

Mr. Phelan indicated that the pay phone at the swimming pool area has the capabilities to be deactivated during the off season. He also mentioned that 911 services will also be deactivated on the pay phone during the off pool season.

The section list was then reviewed and approved as presented.

Ms. Thornley said that she would provide Ms. Dianni an estimated home sell list for 2007.

The next item for discussion was a review of the Resolution to name committees. The Board unanimously approved the Resolution with a couple of changes suggested by Mr. Bryant.

Ms. Lara indicated that the street lights in Section Five are now operational.

The Board directed PCMI to send copies of the (5) landscaping proposals to Ms. Lara.

The 2007 preliminary budget was next for review. Ms. Dianni reviewed the budget line by line. Ms. Thornley indicated that she would like to further review the budget and to also provide her with additional information for the preparation of the 2007 budget.

Ms. Thornley suggested to the other Board members that this would be the best time to raise the assessments before turning over the Association to the property owners. The increase of assessments will be determined at a later date.

In reviewing the 2007 preliminary budget, the Board agreed that the funding for the committees was low and would need to be reconsidered as to the amount of funding that will be required for each committee.

Mr. Phelan discussed with the Board the planned development of a 360 unit multifamily community on Amberwood South Westwood Development had requested a Resolution in support of the agreement (see exhibit "C" attached hereto). By consensus of the Board, the South Corridor Park proposal was not recommended and therefore not signed.

The next item of discussion was the water restrictions for Kyle, Texas. It was announced that Kyle has been under water restrictions for the last two years and the watering of properties has decreased from once in five days to once in seven days with the additional requirement, no lawns could be started or replanted.

Mr. Bryant said that he has received several complaints from properties concerning the water shortage. The Board said to contact Texas Department of Environmental Quality to place the complaint. The more complaints, the better the likelihood the issued will be resolved. Mr. Bryant also indicated that the water is much better now and is currently being monitored. He also said that he is active in attending the City Council Meetings.

The Board requested PCMI to obtain bids for pool services for the 2007 pool season.

The pool gate proposal was reviewed and approved as presented.

The next topic of discussion was a review of delinquent accounts. After due discussion the report was approved.

Mr. Phelan presented to the Board information on Collections Unlimited. He indicated that the company will accept for collection on a "per account" basis of \$45.00 each to perform collection services. The services would include three letters at 21 to 30 day intervals, first letter informing owner that their account has been placed with their office for collection efforts, second letter would inform owner that account will be listed with the three credit bureaus and the third letter would inform owner that if account not paid within three days, further collection efforts would be in accordance with client's instructions. A minimum of three telephone attempts to reach the owner to determine if payment would be made voluntarily unless notification is received by owner to cease and desist calls.

It was also discussed that if any payments were received from the collection agency they would then be forwarded to the management company. Any accounts after 90 to 120 days

would be released to the association for continued efforts, either with Collections Unlimited or via the Association's attorney.

The Board unanimously agreed to use these services and requested PCMI to contact the attorney's office to freeze all accounts. It was also discussed to send those owners to the collection agency to begin the collection process.

Mr. Bryant announced to the Board that one of the committees would like the Board to donate one of the model homes to the community for the use of a club house.

Ms. Thornley indicated that the model homes had already been sold.

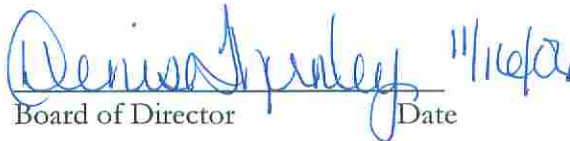
Mr. Bryant also announced that the committee would like to add some lighting or a monument to the back entrance of Amberwood. The Board requested Mr. Bryant to prepare a proposal for modifications and include all costs and to send it to the management company.

Mr. Bryant indicated that the committees want to make recommendations to the Board to amend the DCCR's. The Board requested Mr. Bryant to provide a list of what the committees would like to amend.

Mr. Bryant discussed the community newsletter. The Board requested that Mr. Bryant send the draft newsletter to the Board two weeks prior to printing, and that Mr. Phelan be responsible for sending it to Peel, Inc. for printing.

Lastly, Mr. Phelan requested the board to review the amendment to remove arbitration from the bylaws.

There being no further business items to discuss the meeting were adjourned at 12:30 p.m.

  
Board of Director \_\_\_\_\_ Date \_\_\_\_\_