

**Garrett's Run Condominium Association
Minutes of the Board of Directors' Meeting
Wednesday, September 30, 2015**

Call to Order/Establish Quorum of Directors: President Jim Hamilton called the meeting to order at 12:00 pm in the clubhouse at 7900 Greenboro Drive. Board Members present were: President Jim Hamilton and Vice President Elvis Melena. In attendance by speakerphone: Secretary Ken Snella, Treasurer Norm Young, and Director Alicia Ponegalek. A quorum was established. Lynn Hiott with Reconcilable Differences was present. Unit owners in attendance were: Jane Hamilton, Paul and Nancy Pelletier, Kathie Heisey, Hattie Martin, Dolores Peltech, Maria Kirkpatrick, Rita Valentino, and Judy Schneider.

Approval of the Board Meeting Minutes of August 26th: Alicia made a motion to approve the Board meeting minutes of August 26th, Norm seconded, and all were in favor. Lynn said the minutes would be posted on the website this week.

Financial/Collections: Lynn reported that as of **August 31, 2015**, the operating account at Sunrise Bank showed a balance of **\$62,502**, but of that amount **\$16,315** was from prepaid assessments, leaving a balance of **\$46,187**. There is **\$293,154** in the Reserve Accounts for future repairs. Accounts Receivable are at **\$62,172** with some owners still owing for sprinkler invoices and many owing for half the 2015 Special Assessment or more. True Foreclosure accounts show a total balance of **\$44,422**. The remainder of the receivables, **\$17,750**, is special assessments and sprinkler invoices owed by owners, which should be paid by the end of the year. The current profit and loss statement shows the association over budget by **\$1,832**.

Collections: Lynn reported that there were no big changes to report on. To date, there were still five units in active foreclosure. For unit 308, the mortgage company had completed their foreclosure and was expecting to close out their account with the association. Units 105, 709, 306, and 918 continue to be active foreclosure units.

Unfinished Business:

- **Building Painting:** Lynn reported that she is continuing to work with Jim at C&J Painting, but his start date is on hold until all the decorative boards get replaced or repaired by Mike's Masonry at buildings 400, 700, and 900.
- **Reserve Study update:** Custom Reserves completed the draft study, and Lynn emailed it to all Board members and would like the Board to respond via email to items that need to be changed or worked on.
- **Stairwell Project:** Lynn reported that NAC has completed the replacements to stairwells of 102/103/108/109, 502/503/508/509, 616/617, 707/708, 612/613, and are commencing on the back of the clubhouse stairwell now. The Board felt that two more sets of stairwells could be completed with the funds that were already earmarked for the stairwell repairs, so stairwells on units 701/704 and 218/206 will be completed soon. The Fire Marshal has passed the association on his violations regarding the stairwells. The painting will be

completed by the painter when he comes to do the 3 buildings. Some owners voiced concerns about the “look” of the new stairwells that have been replaced. Lynn explained that there was an issue with our engineer being out of town when NAC contacted them to get some drawings for the building code department. Our engineer agreed to allow NAC to work with another engineer who was local to make the changes to the drawings and after they were submitted, the building code department stated that since the stairwells were being “replaced and not repaired” then NAC would have to conform to updated codes. This is the reason the stairwells are now enclosed and not “floating”, as well as having an additional stringer on the backside too. The new codes are also making us comply with adding “grab rails” to each of the stairwells for an additional cost factor. NAC has complied with all code restrictions moving forward. Lynn requested approval to write NAC two checks for the work that has been completed to date. Norm motioned to write NAC two checks from Reserves totaling approximately \$77,000 for the 5 completed stairwells and the additional railings that were ordered. Elvis seconded, and all were in favor.

- **Asphalt**-Lynn reported that at the Board workshop last week, a representative from Asphalt Restoration came and spoke to the Board about their proposal for doing a conditioning job on the asphalt versus an overlay. After the meeting, another company came in and quoted to complete an overlay. The Board would like to discuss this at another meeting in depth, but the bid proposal was \$20,157 for all repairs to the parking lot and overlay of asphalt. The Board has tabled this topic for further discussion.

New Business:

- **Proposed Budget for 2016-Mail out to owners:** The budget committee worked very hard trying to keep the fee low. The buildings are old and are in need of repairs. The proposed budget to be mailed to the owners can be a little confusing, but the owners will only have two choices to decide from. The 1st choice is to “fully fund the reserves” at a monthly COA fee of \$720 or “partially fund the reserves” at either \$365 or \$370 per month. The differences in the partially funded amounts is that the Board will have to discuss and choose either the \$365 per month with an \$800 Special Assessment, or go with \$370 per month with no special assessment, but with a line of credit or a loan for the balance of the stairwell repairs, being repaid over 5 years. The other items that the owners will be voting on is to waive the audit of 2015 financials and have a review, saving the association about \$2,000. The third item that the owners will vote on is to materially alter the common elements by changing the tennis court to a “Multi-sport game court”. A fourth item will be a straw vote to see what equipment the owners think the gym needs. They will have choices of adding another treadmill, an elliptical machine, or a speed bike. The owners will receive copies of the proposed budget showing a column for “Fully Funding Reserves”, “Partially Funding the Reserves with a Special Assessment or Without a Special Assessment.” The Board will decide to special assess for the stairwell repairs or to get a loan or line of credit for next year to complete the

stairwell repairs. The bank will come to the Board workshop on October 20th to speak to the Board about the differences between a line of credit and a loan, and answer financial questions the Board may have regarding the loan or line of credit. This meeting will be open for owners to attend and ask their questions as well. Elvis made a motion to approve the mailing of the proposed budget to the owners with the proxy, Norm seconded, and all were in favor.

Manager's Report: Lynn reported that some items came up since the last meeting, and they need to be ratified. Additional concrete work had to be done where the new maintenance shed was installed; Concrete had to be applied around the building for safety reasons; Concrete was added for the flag pole that was moved from around the 900 building to the front of the clubhouse; and storm drains were cleaned out. All of these additional expenditures were approximately \$6,600 and would be paid from Miscellaneous Components Reserve fund. Norm made a motion to ratify these expenses and to pay them from the Misc. Components Reserve fund in the amount of \$6,600, Elvis seconded, and all were in favor.

Owner Input: An owner stated that the Board members are volunteers and don't appreciate residents knocking or leaving notes on their door at all hours of the day and night. She stated that they are owners just like everyone else, and that if association business has to be discussed, all concerns must go through the office or an attention form completed online. Do not disturb Board members' peace by going to their personal doors with concerns.

Set Next Board Meeting: It was agreed that **Tuesday, October 20th at 6 pm** will be the Board workshop and the Board meeting will be held on **Wednesday, October 28th at noon** in the clubhouse to approve the 2016 Budget.

Adjournment: There being no further business to discuss, the meeting was adjourned at 12:45 pm by Jim Hamilton.

Respectfully Submitted,
Lynn Hiott, CAM #35322
Reconcilable Differences, Inc.