

Board Meeting Notes; 6/17/10

Members present: All board members (except Gayle), John, and Cynthia

Financials update – John Clock

Delinquencies

- 1 – sue
- 2 – paid
- 3 – bankruptcy/foreclosure
- 4 – foreclosure
- 5 – India
- 6 – sue
- 7 – 16I; sheriff's sale 7/8; hold on the legal letter
- 8 – lien
- 9 – court date for 6/18/10 for 24H and 25L
- 10 – suit started, no court date yet

7L – John brought up a suggestion to address the accumulation of water in front of 7L. 6/15 – John and Dan Tiehen reviewed bid from Walsh Construction and recommend the work to be completed as bid.

Arbor – John brought up that work was started and stopped to replace the wood for the structure. There was purportedly to be wood rot, but the situation doesn't seem to be so bad. The estimate was \$1800.

Cynthia's Report

- P. 18 – 6/11; received email from Nelson stating he had a good meeting w/ KTI on 6/11/10; KTI will fine tune their report to reflect discussion, and issues. Should have report by final form week of 6/14/10. Once report is received
- P. 5 – (Fire Sprinkler System in Condo's) – 6/14 will call the 11 remaining residents; notice will be mailed on 6/15/10 stating arrangements for key to be brought to office – work scheduled for 6/21 and 6/22
- p. 7 – (pool opening) 6/17/10
- Please refer to the rest of Cynthia's report

Asphalt

- HOA 2010 budget was \$7k; new bid (original approved bid w/ NEWEST bid) is roughly \$4000

Daphne reiterated that emails from management to the Board should be first sent to Daphne who will then forward them on to the appropriate board member if necessary.

Linda South – Update on bylaws

- Linda offered her time to the Board to fill in any areas where the Board needs any historical/institutional knowledge regarding the bylaws and proposed revisions in the past

Ken Patrick – Advice on 13c

- Brought up a similar situation with another property in the past
- Bank doesn't want to foreclose on the property because once they foreclose on the property, the bank becomes liable for the dues that start accumulating at that point. The bank might just be stalling until the property value goes up and are probably just watching out for their best interests.

HOA Meeting Notes; 6/17/10

Financials update – John Clock

- Please refer to 6/17/10 YTD TC Financials
- Actual total expenses: 287k; budget: 373k
- Actual total income: 343k; budget: 341k
- Resident Q: Where do we stand with the dredging?
 - A: we're on hold with the project; there have been several proposed projects to slow down the future accumulation of sediment
- Resident Q: there will be a 6/27 meeting regarding the new project just north of the area; Daphne announced that on 6/27, if residents are interested in going to the meeting, to meet at the clubhouse at 5:20pm and people can carpool and attend together
- Daphne commented that there are overall large projects being considered at the same time with the pond dredging (i.e.: building 18)

Insurance update – Keith Turnbaugh

- We've had the current policy since 2005
- Current policy does NOT cover:
 - “Betterments and improvements”: paint, carpet, baseboards... anything additional to a shell with floor and unsurfaced, unpainted drywall
 - It's the responsibility of a HOA to word the bylaws, etc. to match up to the wording of the (standard) insurance policy it chooses to use.
 - Residents are responsible for the interior finish and personal items; traditional lingo of proper condo insurance needed: H06; residents need to ensure they have liability and loss assessment coverage of \$5000; HOA has \$5000 deductible
 - For example, if there is a fire that was due to a homeowner's neglect, etc... the HOA could turn around and send a bill to cover the HOA's \$5000 deductible; the resident could then get the funds from the insurance company because of the loss assessment policy
- State farm and other insurance companies require loss assessment coverage of greater than \$5000
- Flood zone/insurance – Keith found out that the units are NOT in a flood zone; however, the water retention ponds are. If the mortgage company requires homeowners to have flood insurance, they can contact Keith who has the paperwork to show that the units are NOT in a flood zone and flood insurance is not required.

- Residents brought up the concern that the \$5000 is actually too low because if the HOA were to turn in too many claims of right over \$5000 which might be low for a property this size, the HOA might jeopardize the availability of insurance coverage in the future.
- Resident Q: if HOA equipment causes damage to the interior of a unit, the HOA's insurance policy does not cover the "betterments and improvements."
 - A: Correct.
 - A: The HOA *may* cover the items, but is not required.
- Resident Q: damage to roofs and leaks... who owns the roof?
 - A: HOA owns the roof; insurance company covers it
- Resident Q (23C): who has responsibility over the leaks? Who has responsibility over leaks, missing tiles, soffits,
 - A: 1st time: it's the homeowner's responsibility; 2nd time: HOA
 - A: problems need to be brought the attention to management and board so that they can determine action steps to address the issue. Again, residents are responsible for drywall in, HOA is responsible for drywall out.
 - 23C: after damage due to an initial storm, repair was started but before any repairs could be fully done, no tarp was placed down to prevent further damage; another storm came
- Additional coverage: "unit owner's coverage": HOA could determine a certain amount that they could cover per unit
 - HOA places \$20,000 coverage per unit; policy would still have a \$5000 deductible
 - Keith advised that with this additional coverage, the coverage amount would be a base of \$22 coverage per square foot. For units with other items to be covered inside (deluxe policy), the base of \$22/square foot increases beyond \$30/square foot.
 - For example, for small units, this coverage would be roughly \$20,000 so the HOA's additional coverage could cover everything theoretically. If units have other items that would put the total of coverage over the HOA's \$20,000, those owners would be responsible for the coverage beyond the \$20,000
 - Comes down to \$18-19 per unit per year
 - Would cover interior finish up to \$20,000: carpet, padding, paint, decorative finishes... any improvements that the original policy doesn't cover
 - Roughly the total cost would be \$7000 for the HOA per year
 - Resident Q: how would this additional coverage affect the idea that insurance premiums would go up or coverage would be taken away if we submit too many claims?
 - Currently TC has a credit of 20%; policies go up roughly 3% per year; so if too many claims are submitted, premiums could likely go up
 - Resident Q: does the HOA really have the money for this in light of the pond dredging, etc.?
 - A: The HOA has the budget to cover this currently, but that doesn't include the pond dredging and other LARGE projects
 - Resident Q: who would pay for this? The resident? The HOA?
 - A: The HOA.

Maintenance updates – Daphne

- Black top calendar
 - Asphalt is going to be worked on (August); sink holes will have to be repaired.
- Concrete calendar
 - To coincide with the asphalt; to be done before asphalt is done
- Pool arbor calendar
 - Currently being worked on
- Painting and wood rot calendar
- Check bulletin boards

Smoke detectors and Fire Extinguishers update – Jo

- HOA will purchase 200 units of detectors and then inform the association of the availability of detectors.
- The correct type of detectors (and extinguishers) will be on the same notice that ones are available from the HOA if residents want to purchase their own.
- Residents will be responsible for installation, but the fire department has volunteered to help if necessary

Bylaws and Rules and Regs – Daphne

- Bylaws – put on hold and the board has closed the issue
- Rules and Regs – committee is currently working on revising them

Community improvements

- New coping around the pool
- Half of the pool decking is new, the rest will be completed summer of 2011
- New chairs in the computer room
- New concrete around the clubhouse
- New pest control company – they will come out and spray your condo for free
- Resident Q: how to get pest control in individual units?
 - A: contact Cynthia to establish appointment

Resident Q: package pickup... why has it been stopped?

- A: we stopped it b/c it became too time consuming for Cynthia and so Cynthia could take care of “more important” management issues; it was cutting into the normal business issues of the property
- Cynthia: besides not being able to conduct other business, there was the added stress that some residents would become angry with her when she couldn’t accept packages; some residents would abuse the package pickup system
- ...EXTENSIVE discussion of reasons why the Board stopped the service and some residents brought up reasons to reinstate the service

Resident Q: landscape question (Linda South)

Meeting adjourned at 8:45pm. Minutes submitted by Joseph So