



The Oaks Condominium Association
Board Meeting
September 15, 2014

Directors Present

Dennis McGregor, President
Kathryn Moose, Vice President
Niccole Boswell, Treasurer
George Blake
Lee Krause
Shirley Viveiros

Directors Absent

Adele Barrier, Secretary

Jan Lancaster – Property Manager

The meeting was called to order at **7:03** pm by Dennis McGregor.

President's Report:

Mr. McGregor stated that he had nothing to report.

Financial Report:

Ms. Boswell reported the following:

HOA PAYMENTS:

Month to date actual:	\$249,193.37	Year to date Actual:	\$3,068,507.41
Month to date budget	\$254,209.00	Year to date Budget:	\$3,050,508.00

Variance: Month to date we have received **\$5,015.63** under budget, and year to date we are over \$17,999.41.

CURRENT BALANCE IN OPERATING ACCOUNT & PETTY CASH - \$250,497.36

TOTAL MAINTENANCE AND REPAIRS:

We are \$6,912.27 under budget for the month and \$53,858.83 under budget year to date.

TOTAL OPERATING EXPENSES:

Month to date we are \$20,360.89 under budget and year to date we are \$84,432.24 under budget.

TOTAL RESERVE ACCOUNT:

The total year to date in the Reserve Account is \$1,090,162.73.

TOTAL ASSETS:

Total Assets are \$1,340,660.09.

Meeting Minutes Approval

Regarding the August 18, 2014 meeting minutes, Ms. Krause requested a change in wording on the Constellation contract in that it needed to read "Ms. Lancaster presented a bid to extend the Constellation contract." Ms. Krause also requested that Ms. Lancaster check the dates on the last extension. Ms. Lancaster agreed to do that. The meeting minutes need to be revised.

Regarding the Special Board meeting minutes, Ms. Krause indicated that the word "standalone" was two words and the need to make the correction. Mr. McGregory explained the need to move from the original Master Policy to a stand-alone insurance policy so that owners could sell their units due to Fannie Mae guidelines changing. He also explained the \$44,000.00 penalty incurred by changing the policy with an additional \$26,000.00 increase in overall premiums. Ms. Moose explained that in February of this year, Fannie Mae no longer allowed properties like The Oaks to be on a Master Policy with other unaffiliated properties. Dennis McGregory made a motion approve the minutes as corrected. Shirley Viveiros seconding the motion. The motion passed with one dissenting vote by Mr. Blake.

Property Report:

Mr. Blake made a motion to waive the reading of the property report with Mrs. Moose seconding the motion. The vote was unanimous.

Mr. McGregory asked Ms. Lancaster if she wanted to say anything in particular. Ms. Lancaster proceeded to inform the Board there was incident that happened that day, in that someone had defecated on the pool deck and again in the Weight Room's trash receptacle. Apparently

this had happened at least one other time. Ms. Krause reported that she remembers several incidents of it happening in a washing machine and other areas.

Ms. Lancaster reported that she had contacted a company and have received a tentative bid to provide additional cameras and to provide audio to the office. The existing set up put in by the previous vendor could not receive audio initially and the office no longer can hear what is going on at the gate. Ms. Lancaster said she would bring a more firm bid with more specifics for the service which would cost approximately less than \$300.00 a month. This service would install, repair as needed, train and lease the additional cameras. They would also provide support. They are not a service to do the monitoring but to provide the tools for monitoring. Ms. Lancaster will bring the particulars to the next meeting.

Old Business

Stand-Alone Property Insurance – Ms. Lancaster passed out additional information on the cost of the new stand-alone policy. She also presented the Premium Finance Agreement to finance the insurance policy with a \$65,000.00 down payment.

New Business

- Ms. Lancaster provided a bid for the Laundry facilities maintenance. The initial contract had expired and we were on a month to month. In order to get new washing machines and dryers, Mac Gray wanted a new contract for 10 years with a \$0.25 increase for washing and drying. Ms. Krause indicated that we could not do a 10 year contract. Ms. Krause also pointed out that since The Oaks would be receiving a percentage of income from Mac Gray rather than paying Mac Gray we could most likely go with the 10 year contract.

Dennis McGregory made a motion to accept the Mac Grey contract for the 10 year contract with 25 cent increase. Shirley Viveiros seconded the motion. The motion carried.

- Ms. Lancaster presented a spreadsheet on last fiscal year's Capital Improvement Plans showing the allocation, the amount spent, and the remaining amount. She indicated to the Board that last year they had elected to maintain the Reserve Balance at \$715,000.00. She asked at what level the Board wanted to maintain the Reserve Balance for this fiscal year. In addition to the items listed for last year, weight room, stairs, and gutters need to be added to the list of possible Capital Improvements.

Discussion ensued about the Capital Improvement Plan process. Ms. Krause pointed out that Ms. Lancaster needed to know how much money the Board wanted to keep in the Reserve Accounts, in order to determine the amount available in the reserve to spend on Capital Improvements. She also pointed out that last year the Board had originally wanted to keep \$750,000.00 in reserves, but finally allowed the \$715,000.00 amount. She said that Step One was to determine the amount to be kept in reserves.

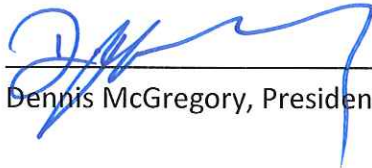
Dennis McGregor made a motion to maintain \$750,000.00 in reserves with Ms. Viveiros seconding the motion. The motion carried.

Dennis McGregor made a motion to adjourn the meeting at 8:05 pm. Lee Krause seconded the motion. The motion carried.

APPROVED



Adele Barrier, Secretary



Dennis McGregor, President