



THE COMMONS CONDOMINIUM ASSOCIATION

BOARD OF DIRECTORS MEETING MINUTES JULY 17, 2007

Call to Order:

With the establishment of a quorum, The Commons Condominium Association's Board of Directors Meeting and Unit Owners' Forum were called to order by the President at 6:32 PM.

The following members of the Board of Directors were in attendance:

Diane Standridge, President

Tom Pelech, Vice President

Robert Chapin, Treasurer

Dave Grant, Secretary (arrived 7:15 PM)

Burt Matteson, Member-at-Large

Also in attendance was Mike Minor, new Association Manager from UPA.

Unit Owners' Forum:

Mr. Hessing, Unit Owner of 1477 Pebblebrook Way, was present to ask questions on the installation of his approved satellite dish. He was provided several options for the placement of his dish.

Approval of Minutes:

Several additions and corrections to the Minutes from the June 19, 2007 Board of Directors Meeting were expressed. Tom made the motion to approve the written Minutes with the stated additions and corrections. Burt seconded the motion. The motion was accepted and adopted. Diane will incorporate the changes into the written document, sign, and give to Mike for filing.

Financial Report:

Treasurer's Report, 7/11/07, as of 5/31/07

<u>BALANCE SHEET:</u>	
ASSETS	
Operating Account	\$ 21,989.61
Petty Cash	\$ 750.00

Operating Reserve	\$ 21,235.73
Replacement Reserve	\$ 186,015.61
TOTAL ASSETS	\$ 229,990.95
CAPITAL & EQUITY	
Accum Operating Reserve	\$ 40,047.39
Accum. Replacement Reserve	\$ 176,018.85
Retained Earnings	\$ (4,641.95)
Current Earnings	\$ 18566.66
TOTAL EQUITY	\$ 229,990.95

INCOME STATEMENT			\$ OVER BUDGET
	MAY	YEAR TO DATE	YEAR TO DATE
Total Assoc. Income	\$ 23,536.35	\$ 113,295.01	\$ 6,245.01
Gen'l & Admin Expenses	\$ 4,316.25	\$ 28,759.50	\$ 3,128.40
<u>Maint. Expenses</u>	<u>\$ 10,935.50</u>	<u>\$ 28,217.38</u>	<u>\$ (27,468.52)</u>
Operating Income	\$ 8,284.60	\$ 56,318.13	\$ 30,585.13
Transferred to Operating Reserves	\$ 865.19	\$ 4,325.95	\$ 0.00
Transferred to Replacement Reserves	\$ 4,524.92	22,624.60	\$ 2500.05
Net Ordinary Income	\$ 2,894.49	\$ 29,367.58	\$ 28,085.08
Income from Water Sales (May)	\$ 724.08	\$ 17,363.60	\$ (5,886.40)
Cost of Water	\$ 6,868.48	\$ 21,832.18	\$ 2,665.53
Meter Fees	0	\$ 1,064.80	\$ (217.70)
Sewer Fees	<u>\$ 1,677.19</u>	<u>\$ 5,267.54</u>	<u>\$ 1,184.19</u>
Net Water Income	\$ (7,821.59)	\$ (10,800.92)	\$ (9,518.42)
Net Income	\$ (4,927.10)	\$ 18,566.66	\$ 18,566.66

Notes:

1. Due to family obligations, the Treasurer was unable to prepare and present a report at the last the last BOD meeting, June 19, 2007. This report is based upon the financial data that was available for that meeting.
2. The "\$ over budget" column shows how we are tracking with the budget. As in the previous in the previous months, the large surplus of Income over Expenses for the year to date reflects the season rather than a windfall. The maintenance expenses are normally concentrated in the summer months but income to fund these expenses is collected over the entire year. The large maintenance expenses in May reflect two checks for Lawn Maintenance for both April and May that were drawn in May.
3. The painting is completed for this year. We will soon see a bill for almost \$40,000 for the

painting. Since there is only \$21K in the Operating Account, the painting bill will be paid by borrowing funds from the Replacement Reserve, funds which must be paid back before the year ends. The reimbursement to the RR will come from the Operating Reserve and the monthly payments to the Operating Reserve.

With the effect of Note 1 considered, this report is a fair and accurate representation of the condition of the Association as of May 31, 2007.

Robert W. Chapin, Jr., Treasurer

Treasurer's Report, 7/17/07, as of 6/30/07

BALANCE SHEET:	
ASSETS	
Operating Account	\$ 9,355.92
Petty Cash	\$ 750.00
Operating Reserve	\$ 22,130.58
Replacement Reserve	\$ 187,647.40
TOTAL ASSETS	\$ 220,061.90
CAPITAL & EQUITY	
Accum Operating Reserve	\$ 40,912.58
Accum. Replacement Reserve	\$ 177,543.77
Retained Earnings	\$ (4,641.95)
Current Earnings	\$ 6,247.50
TOTAL EQUITY	\$ 220,061.90

<u>INCOME STATEMENT</u>			\$ OVER BUDGET
	JUNE	YEAR TO DATE	YEAR TO DATE
Total Assoc. Income	\$ 21,496.11	\$ 134,791.12	\$ 6,331.12
Gen'l & Admin Expenses	\$ 4,764.42	\$ 33,523.92	\$ 2,766.60
<u>Maint. Expenses</u>	<u>\$ 33,834.40</u>	<u>\$ 62,051.78</u>	<u>\$ (4,771.30)</u>
Operating Income	\$ (17,102.71)	\$ 39,215.42	8,335.82
Transferred to Operating Reserves	\$ 865.19	\$ 5,191.14	\$ 0.00
Transferred to Replacement Reserves	\$ 1,524.92	24,149.46	\$ 0.06
Net Ordinary Income	\$(19,492.82)	\$ 9,874.76	\$ 8,335.76
Income from Water Sales (May)	\$ 7,701.66	\$ 25,065.26	\$ (2,834.74)
Cost of Water	\$ 0.00	\$ 21,832.18	\$ (1,167.80)
Meter Fees	\$ 528.00	\$ 1,592.80	\$ 53.80
Sewer Fees	\$ 0.00	\$ 5,267.54	\$ 367.52

Net Water Income	\$ 7,173.66	\$ (3,627.26)	\$ (2,088.26)
Net Income	\$ (12,319.16)	\$ 6,247.50	\$ 6,247.50

Notes:

1. This is the first month when major maintenance expenses were recognized. The Association paid \$29,345.00 of the expected \$39, 630.00 bill for painting. Next month we will pay the remaining \$10, 285.00. With the Board of Directors approval, \$10,000 will be transferred from the Operating Reserve to cover the painting bill. About \$5,000 will be returned to the Operating Reserves through budgeted monthly contributions. The remaining \$5,000 may have to come from reduced expenditures for Grounds and Facilities Maintenance in order to remain within the a nnu al budget.
2. The reduced payment to the Replacement Reserves corrects \$3,000 in greater than budgeted payment during the first six months of the year. Future payments will be at the budgeted \$4,024.92. This correction reflects the approved budget for 2007.
3. Collections are about \$1,500 behind Delinquencies. While not critical, this is an undesirable trend.
4. While water usage is less than budgeted, water income is lagging even more. The lag is reflected in the Delinquency account.

With the effects of Notes 1 through 4 considered, this report is a fair and accurate representation of the condition of the Association as of June 30, 2007.

Robert W. Chapin, Jr., Treasurer

- Burt made the Motion to approve the two Treasurer’s Reports as presented and was seconded by Tom. Motion was accepted and adopted.
- Robert made the Motion to request UPA to transfer \$10,000.00 from the Operating Reserve account to the Operating Account to cover the remaining painting bill and was seconded by Burt. Motion was accepted and adopted.
- Robert will draft for the August Meeting recommended Petty Cash Procedures.
- Robert requested that Mike prepare a draft RFP for a time and materials contractor for The Commons for consideration during the August Meeting.

Reports of Officers:

President

- Noted that copies of BOD Key sets can be easily obtained at locksmith location just outside of Sears at Pembroke Mall. Additional pool keys have been made and distributed.
- Requested the following BOD tasks be completed prior to next mon th’s meeting.
 - Review and be prepared to comment and approve a Code of Conduct for Board Members.
 - Review and be prepared to comment and approve format and content procedures for

BOD and other Committee meeting minutes.

- Discuss critique questions for evaluating of fellow BOD members.
- Presented old issues (including bids for multi-year termite contract, Lawrence Landscaping a) between 1572 & 1552 CSW front doors -shrubs need massive trimming b) Status on liriopoe project, and 5289 CSW – contact Debbie Donour at 478-9410 of Caldwell Bankers to remove 3 of the 4 For Sale Signs) and asked Mike for an up-to-date status report.
- Will check on pricing for new community policy signs that include language pertaining to skateboarding.
- Desires to pursue and approve 2008 Pool maintenance services early.
- Collected supplies (car decals, light bulbs, rubber bands, envelopes and binders) from past BOD members and will distribute car decals to Tom Pelech and binders to Dave Grant.

Vice President

- No report

Secretary

- Reported that website form issue appears to be solved.

Treasurer

- Recommended that in the future that BOD members not serve as Committee Chairpersons, especially Treasurer due to possible conflicts of interests.
- Researching domain name issue and asked that current domain name provider/creditor be identified and noted to prevent future BOD from misinterpreting future solicitations as bills and unnecessarily dispensing funds.

Member at Large

- No report

Committee Reports:

Communications Committee

- No Communications Committee meeting since last BOD meeting.
- Next meeting scheduled for Monday, 13 August 2007.
- Robert requested that the community newsletter be placed as a topic of discussion for the Agenda for the August BOD Meeting.

Grounds Committee

- No Grounds Committee meeting since last BOD meeting.
- Next community cleanup scheduled for 4 Aug at 9:00 AM.
- Next Grounds Committee meeting scheduled for 7 Aug at 8:00 PM in the Cabana.

Maintenance Committee

- Presented and discussed 2 July draft Maintenance Committee Minutes.

Social Committee

- No meeting since last BOD meeting.
- Next Social Committee meeting not scheduled until September 2007.

Management Report:

- Motion made by Burt and seconded by Dave to accepted Management Report as written with no comment. Motion was accepted and adopted.

Unfinished Business:

- Burt Matteson provided motion to approve Communications Committee's Mission Statement as written and Tom Pelech seconded the motion. Motion was accepted and adopted.
- Target Painting 2007 & 2008
 - BOD requests that Target Painting provide paint codes and listing of rotten wood discovered.
 - BOD will discuss Maintenance Committee recommendations to properly address them in an orderly and timely manner.
 - BOD will discuss and approve the most appropriate timing for beginning the 2008 painting timetable.
 - Reviewed Target Group paint warranty.
- Lawrence Landscaping
 - Reviewed President's validation and comments on Lawrence Landscaping shrub replacement proposal/work.
 - Requested that remaining BOD members also verify, validate and comment on said document.
 - Motion was made by Burt and seconded by Robert to disapprove requested doggie swim. Motion was accepted and adopted.
- Bids
 - Pool Joint Repairs
 - BOD recognized as priority repair.
 - Road Subsurface Repairs
 - BOD recognized this as a prerequisite repair for Asphalt Crack Filing and Asphalt Sealcoat repairs.
 - BOD placed sidewalk Subsidence repair priority above this repair.

New Business:

- Applications for Architectural Review
 - Burt motioned that the 1453 Pebblebrook Way AAR be disapproved as the requested door is not an approved one and Dave Grant seconded. Motion was accepted and adopted.
- Purchase Orders
 - Motion made by Robert and seconded by Tom to reimburse Burt Matteson in the

- amount of \$24.53 for purchase of materials for the Maintenance Committee. Motion was accepted and adopted.
- Motion made by Robert and seconded by Dave to reimburse Diane Standridge in the amount of \$24.48 for purchase of copies of the pool gate key. Motion was accepted and adopted.
 - Motion was made by Robert and seconded by Burt to reimburse Tom Pelech in the amount of \$257.92 for purchase of 2 replacement pool umbrellas and replacement of pool fence caps. Motion was accepted and adopted.
 - Motion was made by Robert and seconded by Burt to reimburse David Grant in the amount of \$104.99 for purchase of Microsoft Expression Web software upgrade for use with design and development of the community website.
- Violations.
 - Motion was made by Burt and seconded by Tom for 1636 CSW for an unused holder for a satellite dish. Motion was accepted and adopted.
 - Motion was made by Burt and seconded by Tom for 1484 CSW for an unused holder for a satellite dish. Motion was accepted and adopted.
 - Motion was made by Tom and seconded by Dave for 1488 CSW for unsupervised dogs and not cleaning up after them. Motion was accepted and adopted.
 - Motion was made by Robert and seconded by Burt for 1572 CSW for an unregistered vehicle. Motion was accepted and adopted.
 - Motion was made by Robert and seconded by Burt for 1484 CSW for an unregistered vehicle. Motion was accepted and adopted.
 - BOD directed UPA to research files for approval of awnings for 1512 CSW and 1516 CSW and report during the August BOD Meeting.
 - Mid-Year Performance Reviews
 - 1) Waste Management
 - BOD recognized that a better quality of service from Waste Management since our face-to-face discussion. Diane will send an e-mail to Waste Management to thank them for the improved services.
 - BOD directed Mike to research within UPA and provide details of possible multi-community contract for future discussion and approval prior to any UPA negotiation.
 - 2) H₂O Meter Readers
 - BOD noted that current contract not due to be renewed until 2008.
 - Tom Pelech also pointed out that some existing water meters (1513 and 1517 CSW) may be covered by a layer of soil buildup and thereby making the meters unreadable resulting in estimated readings and inaccurate billing. Mike was asked to contact company with information and for comments.
 - 2008 Budget Process
 - Robert made the motion that the 2008 Budget Process will include that the BOD will complete the proposed 2008 Budget during the 18 September BOD meeting and then adopt the 2008 Budget during the 16 October BOD meeting. Tom seconded the motion. Motion was accepted and adopted.
 - Discussed content and format of future budget meetings and notifying Unit Owners of such meeting. Robert will request use of the SCOLA at Tallwood High School for the October BOD Meeting.

Executive Session:

- Motion was made by Robert and seconded by Dave to go into Executive Session. Motion was accepted and adopted.
- Motion was made by Robert and seconded by Burt to leave Executive Session. Motion was accepted and adopted.

Motion from Executive Session:

- Robert made the motion to adopt a 2-letter warning process for delinquent accounts prior to referring accounts to attorney for collections process. Motion was seconded by Burt. Motion was accepted and adopted.

Adjournment:

- At 10:17 PM, Tom made the motion to adjourn, and the motion was seconded by Robert. Motion was accepted and adopted.

Approved

Date