

THE HIGHLANDS CONDO ASSOCIATION

Minutes from October 22, 2015 Meeting

DIRECTORS PRESENT: Scott Lewis (Unit 15), Nick Lawhead (Unit 40, via phone), Stephanie Perez (Unit 14), Linda Queen (Unit 46), Terrie Lukes (Unit 11)

WEB PROPERTIES STAFF PRESENT: William E. Butler, Eric Lundin

OWNERS PRESENT: Janet Mantz (Unit 20)

The meeting was called to order at 10:03 am by President, Scott Lewis. Introductions were made.

Financial Update: Eric Lundin gave the Financial Update. Income year-to-date is budgeted at \$82,285.00. Actual income was \$78,673.03 for a variance of \$3,611.97. Expenses year-to-date is budgeted at \$80,872.00. Actual expenses were \$77,631.37 for a variance of \$3,240.63. Following are the account balances for the Association. Operating Account balance is \$958.60. Reserve Account balance is \$39,197.98. Savings Account Balance is \$10,398.51 for a total of \$50,555.09. Eric reported that a letter he sent in September to owners resulted in a collection of \$1,443 of delinquent accounts.

Old Business

1. Non Smoking Policy: The non-smoking policy was filed with the City and sent to all condominium owners in September. An owner has complained about smoke encroaching into their unit. Even though owners and current lessees (for the term of their current lease) are grandfathered in, their smoke cannot encroach on other units. If it does, it is a violation of the policy.
2. Sidewalk Repairs: Grinding of sidewalks was completed in April. There is more work to be done to fill the expansion joints and to lift and level (lift) other areas that couldn't be fixed by the grinding.
3. Owner / Renter Dog Clean-up: WEB proposed rotating between three or four designated dog stations so no one section of grass dies completely and looks ugly, especially since it is our main entrance to the property. They would get a sign that they would have Paul move every few months. There was discussion but no action was taken about having an additional area at the end of the first building that is unused. There are no windows on that side. Bushes could be removed and gravel could be laid down. Linda said some owners don't want to have dog potty areas that are close to their units because the smell comes up through their open windows, especially during spring, summer, and fall. If we rotate the areas, they would need to remain in the parking strip.
4. Fence: Bids came in fairly high on replacing the fence. Paul has made repairs to the lattice which should help to get us through the winter. WEB will be talking with other companies and getting more bids.
5. Washer and Dryer Operating Price: Linda Queen said she recently used the laundromat at the Five Mile Shopping Center and was shocked to find the cost for a small load was \$3.75. She is concerned that we are not recouping the costs to the association to operate the machines. WEB will research the actual costs to operate (water, sewer and

electricity) to educate the board for future action. We will leave the costs as they are for now.

6. Director's terms expiring: The two-year terms for Linda Queen and Terrie Lukes are expiring at the end of 2015. WEB asked if they would consider running again. Linda Queen said she would serve if the owners voted for her to continue. Terrie Lukes declined to run again. Janet Mantz said she would run for Terrie's position.

New Business

1. 2016 Budget Draft: WEB prepared a draft budget for 2016. The draft included money for a fence which is included in the reserve study so that money will not impact the operating budget. WEB will relocate the \$5000 budgeted for the fence to a non-operating expense line so it will be visible but separate from the Maintenance Expense category. The draft budget expense is \$1673.66 below expected income. We have money budgeted for snow removal and deicing. If we have a mild winter, we will not need all of the moneys budgeted. The board approved the draft budget (with the elimination of the money budgeted for the fence) to go forward to the owners for approval at the annual meeting.
2. Joe Stively: WEB said that they did not feel that Joe Stively was doing his job. His pool reports were questionable and he did not show up every day he was supposed to. Paul Brown now has his CPO license and will be able to test the water chemicals and log the reports on a limited basis. The county requires this to be done daily and twice a day is preferred. WEB has asked a resident who had volunteered to help to see if the person would be interested in performing the duties on weekends as Paul lives too far away and also needs time off. The person has not responded. We would need to provide training and would pay them for their time. Linda Queen said that if no one else would do it, she would. We are continuing to look for homeowner volunteers to make up the difference.
3. Pool repairs and upgrades: A major leak in the pool was patched in the spring. It was repaired this fall by American Leak Detection. There is still a minor leak that will be repaired in late October by Pool World. Pool World will winterize the pool in October. The filter system in the pump house has some leaks and some of the equipment needs to be repaired. These will be fixed this winter. We replaced the pool locks to meet City of Spokane standards. Some upgrades will be done including contrasting edges for the deep end ledge and the change in depth from the shallow to the deep end. This is low cost and requires painting. We also need to put equalizer line fittings on the jets so hair does not get caught in them.
4. Rules and Regulations Document: Linda Queen sent an updated Rules and Regulations document to the board for approval. The directors need to review this by the end of next week (October 30). It will then be distributed to all owners and posted on the website. Linda said the smoking policy needs to be added to this document.
5. Unlicensed Cars: We have been successful in removing two unlicensed vehicles from the property. Cars are being cited if their tabs have expired. This is complaint driven.
6. Annual Meeting: The board set a time of 6 pm on Thursday, December 10th for the annual owners meeting. WEB will book the room at the Pizza Roundtable.
7. Website Updates: WEB maintains a website for its properties and Highlands has a space on it at www.webpropertiesinc.com. Minutes are posted there along with the CC&Rs and other important documents. It makes it easy for owners, residents and prospective owners to find the documents they need.

8. Property Profile Reports: Bill Butler did property profile reports on Units 16 and 35 who are extremely delinquent in payment of their dues. The report shows that they are current on their Real Estate Taxes which is a good sign for us. We need to redo the lien on Unit 16 as it was initiated by McVicars in 2012. Our CC&Rs contain language that delinquent dues are considered a lien on the property. WEB did one of the profiles free of charge to the association and will charge the delinquent owner for others (\$250). In response to Eric Lundin's September letter, Unit 16 has offered to pay \$50 a month toward their dues. The board finds this doesn't help catch them up and continues to build on their delinquencies which is not acceptable. WEB will have an attorney draft a letter to the owners giving them notice that we will pursue the arrears in court unless satisfactory arrangements are made to get the arrears current. Linda Queen moved that we authorize Scott Lewis to sign these letters as President of the Association and Terrie Lukes seconded the motion which carried unanimously. Linda Queen stated that it is not fair to the other owners to continue to carry these two delinquencies as we are paying their sewer, water, garbage, landscaping, and upkeep of the property. If we get a judgement against the two units, we will be able to garnish paychecks.
9. Regular Meetings: Linda Queen expressed concern that the directors were not meeting regularly. Bill Butler said we should meet at least quarterly. We set the next meeting for Thursday, January 14th at 9:30 am. At that meeting, we will have a draft schedule of meetings for the board to approve.

With no further business, the meeting was adjourned at 11:36 am.

Respectfully,

Linda Queen, Secretary