

THE HIGHLANDS CONDO ASSOCIATION
Minutes from July 13, 2017 Meeting

Directors Present: Scott Lewis (#15), Janet Mantz (#20), Brian Northey (#9), Stephanie Perez (#14), Linda Queen (#46)

Directors Absent: None

WEB Staff Present: Eric Lundin

Other Owners Present: Courtney & Renee Bloom (#27), Marci Combs (#44), Nadine and Bill Gallagher (#11), Leslie Graham (#10), Cheryl Long (#26)

Owners Present by Proxy or by Ballot : Dick & Loretta Atwood (#42 and #43), Margaret Barry (#18), Joyce Becker (#31), Ann Borneman (#28), Susan Ferguson (#24), Sandy Gaffney (#34), Kristina George (#39), Lindsey Harris (#41), Kim Kramarz (#4 and #22), Drew Lochhead (#6), Michelle Naccarato & Barbara Palacios (#16), Jess Perry (#21), Jerry & Rita Scharff (#36), Brenda Scott (#23), Carl & Brenda Siler (#8), Ron & Kay Silvrants (#25), Claude & Mary Taylor (#38), Jeremy & Jill Weaver (#33 and #45)

With a quorum of the board present, the meeting of the Highlands Condominium Association was called to order at 6:07 pm at Round Table Pizza and introductions were made between all present.

Minutes: The minutes of the meeting of April 13, 2017 were circulated previously and approved by email.

Financials: The current financial statements were reviewed as of June 30, 2017.

- a. Income year-to-date was \$58,356.20 with budgeted income of \$56,886.00 for a variance of \$1,470.20.
- b. Expenses year-to-date were \$61,244.03 with budgeted expenses of \$55,385.00 for a variance of \$5,859.03.
- c. Some of the extra expenses were attributed to snow plowing. The savings account has a minimum balance of \$1,000 or there will be fees associated with it. Account balances as of December 31, 2016 are:
 - i. \$1,026.95 in the Operating Account
 - ii. \$52,778.11 in the Reserve Account
 - iii. \$1,018.54 in the Savings Account
 - iv. \$54,823.60 for the total of all accounts.

Old Business:

- a. **Safety railings in stairwells.** The safety railings in the stairwells continue to be an issue for condo owners. Our vendors have been reluctant to provide bids. We did receive a bid of \$14,000 to replace the existing wooden posts.
- b. **Reserve Account Transfers.** In January of 2017 the board was presented a schedule of \$10,742.96 that were spent on reserve items in 2015 and 2016 from the operating account. At that time, the board elected not to transfer the money. In

June, income and savings have been depleted to the point where we need to pull \$1,500 from reserves to meet expenses. Additionally, \$4,500 was spent from reserves in June to pay for deck repairs and the washing machine replacement. Linda Queen moved to transfer this money from the reserves and Brian Northey seconded the motion which carried unanimously.

New Business

- a. **2017 Extraordinary Assessment and 2018 Dues Increase:** A dues increase is needed to fund the reserve account which is underfunded, to pay for the deficit budget, to show a positive cash flow and to fund the reserve study. The reserve study calls for another increase in 2020. 50 percent of our operating expenses are for water, sewer and garbage. The board agreed that dues needed to be increased and asked WEB to come up with two options and show the owners what the costs would be. WEB sent a letter with a proxy/ballot to all owners and included tables showing the dues each property would pay depending upon the option that was agreed upon. The options were 1) 100% of the increase this year or 2) 50% now and 50% next year which is 2% more than the first option. A majority of owners was needed to pass the Extraordinary Assessment. There were a total of 31 votes/ballots with 18 votes to increase the dues all at once and 13 votes to increase the dues over a two year period. Two owners changed their mailed ballot vote from the two-year option to the 100% all at once. Each of the directors supported the 100% increase option: Scott Lewis, Janet Mantz, Brian Northey, Stephanie Perez and Linda Queen. **ACTION: Linda Queen moved and Stephanie Perez seconded a motion to increase the assessments all at once based on a majority of the owners ballots. The motion carried unanimously.** The extraordinary assessment passed and will take effect in September 2017. The dues increase will be effective January 1, 2018. The board and WEB will continue to evaluate the impact of the dues increase in the budget next year to ensure we are not collecting too much.
- b. **2017 Landscape Allocation:** The board allotted \$2,000 to the landscaping committee. The landscaping walkthrough notes showed the priorities of the committee which the board approved. The committee agreed to look at dry landscaping options though most of the \$2,000 allotted in this year's budget will go to the labor.

OPEN FORUM

- **Smoking on Decks:** An owner reported that she is witnessing a resident of the nearby apartments coming onto our decks and smoking and then putting it out by stuffing the butt between the wood. She does not wish to confront this person alone. A board member volunteered to help if she sees this again.

ADJOURN

- With no further business, the meeting was adjourned at 7:15 pm.