

Fountain Condominium HOA

Minutes of Annual Meeting

October 28, 2017

Call to order

Meeting called to order at 10:13 AM

Attendees

Charlie Cerda

Brian Ulmer

Tracy Ulmer

Vickie Allmer

Margie Albert

Quorum reached

Quorum established – 4 units represented

Proof of Notice

Proof of notice confirmed by Margie - mailing and notice posted by Charlie.

Budget review

Rent in Unit 17

- Rent in #17 recently went up to \$950 per month. We will consider another increase next year.

Dues increase

- Budget includes \$10 rent increase for the year
- Dues increase goes toward repairs on the building - \$3,240 per year
- Should we increase by more than \$10 to pay for upcoming large expenses?
- Discussion about dues increase is tabled until we discuss the upcoming large expenses for the HOA

Loan for Unit 17

- Margie thinks boilers were replaced in 2012 – 2013
- Loan for Unit 17 was used to pay for the boilers
- Loan for Unit 17 will be paid off in January (maturity date 1/11/18)
 - Monthly payment is \$411.72
 - HOA will have another \$4932 per year after this

Plumbing

- Plumbing charge on the budget is for snaking the lines periodically.

Old business

Unit 1 sewer line & water line repair

- Sewer line was replaced in Nov/Dec 2016
- In May 2017, water came through the floor in Unit 1

- Determined to be a water line failure – had to replace the floor, cabinets, counter tops
 - Water bill was a few thousand extra because of the leak
 - Brighton Water did reimburse ~\$800 of this
- Through this process, we discovered that the lines that tee off to the sink also need to be replaced when we replace the sewer line
- Water line replacement is not in the scope of the planned work – the one that failed had a dent in it from a shovel, so we’re thinking that may have caused it. Copper water lines should last longer than the one in Unit 1 lasted.

Doors

- Replaced 3 sets of doors this year

Roof

- Replaced the west side of the roof recently
 - Under the shingles, all of the plywood underneath was ruined
 - Had to replace the plywood and shingles
 - Cost was ~\$8,000 including replacing the plywood underneath

New business

Roof

- North side still needs to be repaired – contractor that repaired west side thinks we’re ok as long as it’s not leaking
 - Brian wants to replace it next Spring/Summer, so it’s done before next Winter
- Tracy & Brian will update the drawing with when each section of the roof was replaced

Sewer

- Vickie asks whether we plan to replace one unit’s sewer line per year
 - Brian says this has been our goal, but we need to revisit the finances and how we would pay for that each year
 - We could do one every other year, but the longer we wait, the more likely there is to be an emergency
- The replacement has to be done in order, unit by unit, so that the sewer line slopes correctly in the end. We have started at the lowest point, with Unit 1. Each time a failure occurs that’s not adjacent to the ones that we’ve repaired, we will have to redo it later because the whole line has to run downhill.
- We reviewed charges from the previous sewer & water line replacement
 - Estimate for replacing sewer line and tee to kitchen fixtures for each unit is ~\$15,000
 - Next unit to do is a 3 bedroom unit (Unit 3)
 - Even though we won’t have to replace flooring twice next time, we will leave that extra \$1,500 in there because of the bigger unit
 - 3 bedroom unit might go over the \$15,000, because of longer pipe and turning the corner
- When we do the future sewer lines, we should also do the kitchen sewer line and bathroom sewer lines as well

- Not sure how much extra charge the bathroom sewer line will be
- We can save money by instead of putting people up in hotel rooms, have them move into a vacant unit as we have vacant units

Doors

- One opening is in dire need
- It would cost ~\$2500 to replace these doors

Boiler room

- Has a concrete ceiling – sidewalk above it is where the mailbox is
- Rebar in concrete is corroding and has expanded and cracked up the concrete ceiling
- Big chunks are falling off and could smash the brand-new boiler (or Charlie!)
- Charlie has an appointment on 11/6 to find out what the extent is and estimated cost

Parking lot

- Patches are needed – estimate ~\$3,000
- Otherwise, put overall parking lot on the back burner, due to other large expenses

Security cameras

- Brian suggests installing some off-the-shelf security cameras to get something up for less cost
- Charlie is deciding whether to do cable or WIFI
 - WIFI – concerned with range
 - Cable – concerned with where to run it
- Charlie suggests getting a bid on hard wiring the cameras
- Charlie wants a camera on the trash cans
 - Police require a video when they respond to complaints
- Shouldn't be a significant cost - ~\$1,000

Budget and Expense review

- Total big expenses anticipated for next year (not including boiler room):
 - North side of roof - \$8,000
 - Sewer line in Unit 3 - \$15,000
 - One set of doors - \$2,500
 - Parking lot patches - \$3,000
 - Security cameras - \$1,000
 - Total: \$29,500
- We have \$12,000 in the budget for “Equipment and Major Repairs”
 - Gets us down to \$17,500 needed
- We have another \$12,000 in the budget for “Maintenance & Repairs”
 - Gets us down to \$5,500 needed
- Loan for Unit 17 getting paid off gets us another \$4,900 per year
- Margie thinks we have a line of credit through First National Bank that we may be able to draw on again for these significant repairs. This is the same line that we're paying off in January.
 - Tracy will check on that
 - Margie thinks maybe \$25,000 or so

- Margie says our dues are already very low for what we provide – water, sewer, trash, hallways, etc. on top of the major repairs that need to be done
- Brian suggests that we could raise the dues by the \$10 increase per usual + \$10 to help defer the next special assessment
 - Brian emphasizes that this does NOT prevent another special assessment, but may help to reduce it if it does need to happen
- Charlie motions to raise the dues by \$20 per month
 - Tracy seconds
 - All in favor

Trash company

- Charlie spoke to Republic Services
- WM (Waste Management) charges \$238 to dump the trash
- Republic Services quoted \$234 – includes the bottom charges that are on WM bill
 - \$368 vs \$234 for same service
- WM contract just started for a year
- WM charges \$35 per item for extra big items
 - Republic Services charges \$15 per item
- Charlie will call WM to cancel the service, and make them prove that we have a contract if they won't let us cancel
- Charlie will switch to Republic Services

Great Western Oil & Gas Letters

- Owners with mineral rights received letters from Great Western about leasing the land
- Brian can help people who don't get a call back or didn't get the paperwork
- If you signed a lease with Extraction a few years ago, dig up the paperwork and send a copy to Brian so he can try to look into it

Elections

Board of Directors

- Charlie's position – Vice President
 - Brian nominates Charlie
 - Tracy seconds
 - Everyone in favor

Officers

- Secretary and treasurer
 - Charlie nominates Tracy for secretary and Margie for treasurer
 - Brian seconds
 - Everyone in favor

Meeting Adjournment

- Brian motions to adjourn the meeting at 11:40 AM
 - Charlie seconds
 - Everyone agrees