

# Colonial Manor West

## Minutes of Board of Directors Meeting

### November 22, 2014

The meeting was called to order at 10 AM by Tom Neubecker, President

**Board Members Present** - Tom Neubecker, President, Larry Farst, Vice President, Dave Haglock, Treasurer, and Rick Borman, Secretary. Four other owners were also present.

**Minutes Approval** - Minutes of the May 24, 2014 Board Meeting were read and approved unanimously as written.

**Treasurer's Report** - The checking account has a current balance of \$81,650.43. In addition, Tom Neubecker reported that, as of today, we are under budget by ~\$5,319 (note: there is still one month's worth of expenses that will likely use most or all of these funds).

**Review and Ratification of Expenditures since May 24, 2014** – The following expenditures, which occurred since the last board meeting in May, were reviewed and approved by a unanimous vote:

Installed new drain cover (code requires replacement every 5 years)	\$360.00
Installed 2 new light fixtures and LED lights (in back and NE corner)	\$350.00
Pool heater repair	\$443.00
Fire Extinguisher maintenance	\$271.80

Tom Neubecker discussed the possibility of installing a solar heating unit for the pool when/if we reach a point that the pool heater needs to be replaced. We are not there yet, so no need to act on that now.

A motion was made by Rick Borman and seconded by Dave Haglock to ratify all expenditures. It passed unanimously.

**Flood Insurance** - We had discontinued our Flood Insurance Policy several years ago as it was determined that we were not in a flood zone. However a new flood map was issued by the US Government in 2014 which showed one corner of our building (by Unit #102) was now in flood zone. As a result, the Association had to purchase a policy if owners were to keep their FHA approved mortgages. The Board contacted our Insurance Agent and we were quoted ~\$12,000 a year for new flood insurance. Our agent suggested that we have a professional elevation report made of building, at a cost of \$150. This report could possibly show that we were not in a flood zone or were at a decreased risk. We had the inspection done and report made. It verified that we were in a flood zone, but at a lower than normal risk. With the precise elevation report available, we were able to obtain a discounted flood policy for \$3,791. We had to do this all on a fast pace so that owner's mortgages were not cancelled.

A motion was made by Dave Haglock to ratify purchase of Flood Insurance. It passed unanimously.

**Review and Approval of 2014 Budget** – The 2015 budget was discussed. Key changes from current budget include:

- An increase of \$500 for Gas to heat the pool
- A decrease of \$4,000 for Property Insurance (due to rewriting policy with another company)
- An increase of \$4,000 for Flood Insurance which we did not have last year.
- An increase of \$4,000 for Wind Insurance (based on a possible ~10% increase)
- A decrease of \$1,000 in Legal Fees (based on low usage the past few years)
- A decrease of \$500 in Miscellaneous based on experience
- An increase of \$500 for Pool Service
- An increase of \$3,000 for Repair & Maintenance based on this year's repairs
- An increase of \$800 for Waste Removal based on this year's expense
- An increase of \$1,000 for Water Sewer service due to increased rates.

Net: An increase in our total budget from \$119,700 in 2014 to \$128,000 for 2015. This is an increase of \$8,300 or 6.9%. We have had relatively small (or no) increases over the past 4 years. When averaged over the past 4 years, the annual increase has been only 2.9%.

Rick Borman made a motion to adopt 2015 Budget as written. The vote was unanimously in favor.

A full copy of the 2015 budget is amended to the end of this report.

**Other Business** - Dave Haglock suggested we have the air conditioning unit in Community Room serviced for preventative maintenance. It has not been serviced since it was installed 8 years ago. All board members agreed.

**Owner Questions and comments** – One owner brought up the following issues:

- Discussion on the nature of “Reserves” and the benefit of having them.
- Discussion on the increasing amount of rental units in the building and how to increase the number of owner-occupants.
- Discussion on proposed new construction at the Galleria Mall and its potential impact on NE 9th Street.

Tom Neubecker made a motion to adjourn the meeting at 10:45 AM - all agreed.

Respectfully submitted  
Rick Borman, Secretary

## Colonial Manor West Budget for 2015

	Budget 2014	Budget 2015 w/o reserves	Change (+/-) in Budget
<b>Income</b>			
Allowance for Uncollectibles	-\$1,000.00	-\$1,000.00	\$0.00
Laundry Income	\$1,000.00	\$1,000.00	\$0.00
Maintenance Income	\$119,700.00	\$128,000.00	\$8,300.00
Reserves			\$0.00
<b>Total Income</b>	<b>\$119,700.00</b>	<b>\$128,000.00</b>	<b>\$8,300.00</b>
<b>Expenses</b>			
Accounting Fees	\$5,500.00	\$5,500.00	\$0.00
Common Area Expenses	\$2,000.00	\$2,000.00	\$0.00
Electricity	\$3,000.00	\$3,000.00	\$0.00
Elevator Maintenance	\$2,500.00	\$2,500.00	\$0.00
Elevator Telephone Expense	\$1,000.00	\$1,000.00	\$0.00
Gas Expenses	\$1,500.00	\$2,000.00	\$500.00
<b>Insurance</b>			
Commercial Property	\$13,000.00	\$9,000.00	-\$4,000.00
Directors & Officers Liability	\$1,000.00	\$1,000.00	\$0.00
Fidelity & Crime	\$500.00	\$500.00	\$0.00
Flood	\$0.00	\$4,000.00	\$4,000.00
Windstorm	\$40,000.00	\$44,000.00	\$4,000.00
<b>Total Insurance</b>	<b>\$54,500.00</b>	<b>\$58,500.00</b>	<b>\$4,000.00</b>
Janitorial Services	\$4,500.00	\$4,500.00	\$0.00
Landscape Expenses	\$2,500.00	\$2,500.00	\$0.00
Legal Fees	\$2,000.00	\$1,000.00	-\$1,000.00
Licenses & Permits	\$1,000.00	\$1,000.00	\$0.00
Miscellaneous	\$1,000.00	\$500.00	-\$500.00
Pool Services	\$2,000.00	\$2,500.00	\$500.00
Repair & Maintenance	\$14,000.00	\$17,000.00	\$3,000.00
Roof Contract	\$7,000.00	\$7,000.00	\$0.00
Waste Removal Services	\$6,700.00	\$7,500.00	\$800.00
Water & Sewer Expenses	\$9,000.00	\$10,000.00	\$1,000.00
<b>Total Expenses</b>	<b>\$119,700.00</b>	<b>\$128,000.00</b>	<b>\$8,300.00</b>