

Kendall Overlook Condominium Association (Kendall 1)
Snowden Overlook Clubhouse
January 14, 2020
Board of Directors Meeting

Call to order by Marion Thompson, President at 7:01 PM.

BOD members present:

Debora Plunkett, Vice President

Karen Keane, Treasurer

Pat Harrington, Secretary

Joe Socha, Member at large

Patricia Lall, WPM Manager

A quorum was present.

1. Motion to approve the Agenda was made and seconded. Passed 5/0
2. A motion was made and seconded to approve the KO BOD meeting minutes of November 12, 2019. Passed 5/0
3. President's Report. Marion Thompson, President

Repair Update:

- Kathleen Pryor, our Owner's Representative, from BECS, presented the home owners with the repair updates. The repairs on deck railings will be completed soon. Next is Phase 2, the repair of the currently identified 6 homes with the worst case of active water infiltration.
- The home owners survey was completed by approximately 2/3's of homeowners. Patricia will email the survey to residents who have not replied. Kathleen made a sign-up sheet available to homeowners for personal help sessions to complete survey.
- The BOD drafted a "Criteria for Determining How KO Settlement Funds Will Be Used":

The Facts

The lawsuit covered both unit owner and Council responsibilities.

The BOD is the decision authority for determining the criteria for using settlement funds, and specifically, the application of those funds to restorations/repairs, regardless of whether it is for a unit owner or Council responsibility.

The Criteria

1. Priority will be given to repair items that cause life safety issues.
2. Priority will be given to repairs that will make the buildings watertight (ie., address sources of water intrusion); repair water damage; and correct structural deficiencies. Immediate attention will be given to active leaking issues that are causing current damage.
3. The Board will consider using settlement funds to pay for the repair of any other items cited in the lawsuit. Damages related to items explicitly cited in the lawsuit an also be considered by the Board for repair using settlement funds.
Given that the settlement funds may not cover all litigation-related repairs, the Board will use discretion in approving the use of settlement funds so that the most egregious damages are prioritized and repaired first.

4. Treasurer's Report. Karen Keane
 - a. See attached
 - b. A motion was made and seconded to approve the January 14, 2020 Treasurer's report. Passed 5/0.

5. Committee Reports

- a. Architectural: Debbie Ritchie. No report
- b. Landscaping. Pat Harrington-

In November we approved a proposal from Mainscapes for the removal and replacement of 9 dead Skip Laurel shrubs between EOW and DEB. They removed the dead shrubs but have not replaced with new shrubs. Since Mainscapes no longer services our landscape we request a proposal from AMG, our current landscape company.

- c. Welcoming, Becky Socha- no report
- d. Social. –Joan Cencula

The next planned dinner outing will be on Thursday, January 16, 2020 at Hunan Manor. Participants are to bring a bagged, “shoveunder” gift (a gift one receives and has no use for so it is “shoved under” the bed). These gifts will be redistributed for fun. On Friday March 20th dinner will be at the Columbia Ale House followed by the play “Calendar Girls” at Slayton House, directed by our own, Connie Ross. Residents will secure their tickets for the play.

- e. Parking. -Ann McCleaf -no report

6. SOCA Report, Pat Harrington

- a. Kolb Electric has begun the conversion of Clubhouse lighting to LED and installing 4 sconces on the long outside wall of banquet room.
- b. A double railing on the steps into the pool has been installed for easier handicapped access.
- c. The restriping for SOCA will be postponed until warmer/dryer weather.
- d. The damaged fake windows on the DEB side of the Clubhouse will be replaced/repared in the spring.
- e. New Clubhouse rental policies include the set up and cleanup time as part of the rental. No cooking allowed for rental events. Dogs are not allowed in the Clubhouse.
- f. Reminder that the Clubhouse side of DEB is to be free of parked cars during all snow events to aid in removal of snow. Happy to report that there was total compliance to this rule during this week’s snow. Thank you.

7. Management Company Report, Patricia Lall

- A motion was made and seconded to renew the master insurance policy effective February 1, 2020 at a cost of \$34,002. Passed 5/0
- The association needs to increase the amount of our Fidelity Bond Policy due to the recent financial settlement to a minimum of \$3m. We are waiting for a quote from our provider and expect a significant increase.

8. New Business

At a December 7th work session, the following motions were made, seconded, and voted on to be paid from settlement funds:

- Approval of deck railing repairs by contractor, SRS, for \$38,741 plus adjustments for time and materials not to exceed \$50,000. Passed 5/0
- Approval of Chimney removal and roof repair by S & K roofing for \$2457. Passed 5/0. Still waiting on proposal for interior repair from water damage.
- Approved to refund \$1200 to 8815 EOW for chimney removal that was paid by homeowner prior to litigation settlement. Passed 4/1

9. Debora Plunkett announced that she is resigning from the KO BOD curtailing her 3-year term by 1 year, effective February 1, 2020.

Our documents direct the BOD to appoint a replacement to serve until the next Annual

meeting where the residents will vote for a 3-year term member.

10. Open forum

11. Adjournment 8:10 PM

Respectfully submitted

Patricia Harrington
Secretary

ATTACHMENT

Treasurer's report – January 14, 2020

Preliminary Financial statements for December 2019 were reviewed.

1. Cash balances – Operating - \$59,242
Reserves Regular -\$ 657,155
Reserve Settlement - \$2,651,930
2. Our current outstanding loan is \$100K. As planned, we paid \$60,000 from operating cash to reserve cash in October to reduce the loan balance. We expect to pay an additional \$49K in 2020.
3. Reserves are currently \$64K less than the amount in the reserve study (\$710K) due to the loans taken since we began the lawsuit. The projection is for reserves to be roughly \$42K less than the recommended full funding (\$786,000) per the reserve study by the end of 2020. The amount that reserves are underfunded is less than the loan balance, because the reserve funds have earned interest during the time the loan has been outstanding.
4. Revenue was \$25K for December and expenses were \$10K resulting in income of \$15K for the month. Expenses this month were under budget because spending associated with the lawsuit were less than budgeted for the month.
5. Through December we have spent the following from the settlement:

Legal & Bank fees (including \$142,309 legal bills)	\$ 142,319
Engineer	1,510
Owner's Rep	4,251

Contractors	0
Total	\$ 148,070

An additional \$49K of invoices are anticipated to be processed in January.

6. Outstanding uncollected assessments are currently \$3,402. We have set up a reserve for uncollectable accounts and are working with Ray Burke to try and resolve the open balances.
7. New accounting standards for financial reporting for Condominiums have been issued. These rules relate to the reporting reserve revenue and will not impact our internal reporting.