

Kendall Overlook Condominium Association (Kendall 1)
Snowden Overlook Clubhouse
February 12, 2019
Board of Directors Meeting

Call to order by President, Marion Thompson at 7:02 PM.

BOD members present:

Marion Thompson, President
Debora Plunkett, Vice President
Karen Keane, Treasurer
Pat Harrington, Secretary
Joe Socha, 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 January 8, 2019. Passed 5/0
3. Presidents Report. Marion Thompson

Ryland Update:

- The Becht report to bring architect into lawsuit is complete.
- Burke has agreed to defer Jan and Feb payments until the lawsuit has been settled.
- Depositions of James Anderson and Bill Hasselman are scheduled for March 6 and 7th. KO will need to advance Anderson and Hasselman for travel and 8 hours each for time attending depositions but will be reimbursed from the other parties after the deposition bills are issued.
- T & A contractors were served for discovery.
- April 3, 15, and 17th have been blocked off as possible deposition dates.
- A questionnaire will be sent to all unit owners requesting updated information. WPM will send the questionnaire for Ray Burke.
- Counsel for third- and fourth-party defendants met and decided that they prefer the court-appointed mediator, Neil Dilloff believing it will increase the chances of settlement. Both George Brown and Ray Burke feel Neil Dilloff is acceptable. (Neil Dilloff's fees are about ½ the cost of Snowden Stanley.)

Delinquent homeowner at 8719 EOW has been evicted and the new owners are rehabbing the unit.

4. Treasurers Report. Karen Keane
 - a. See attached
 - b. A motion was made and seconded to approve the Treasurers report. Passed 5/0
 - c. A motion was made and seconded to write off the open uncollectible balance of \$3425 for 8719 EOW. Passed 5/0
5. Committee Reports
 - a. Architectural: Debbie Ritchie. No report
 - b. Landscaping, Ice storm broke off 2 branches of White Pine at end of Breaking Wave. No other damage is apparent.
 - c. Welcoming, no report
 - d. Social.
 - Feb 20th -BJs Restaurant
 - April 6th- Bob Evans for breakfast
 - June 21st- Food Truck returning.
 - e. Parking. No report

6. SOCA Report, Pat Harrington
 - a. Fees were approved to hire decorator, April Force Pardoe, to decorate the living room.
 - b. Theater room carpeting installation is awaiting scheduling
 - c. SOCA voted to write off the pre-2012 settlement for the KO uncollectable assessments of \$6647.10 for 8719 EOW.
 - d. The 12 arm chairs have been donated to charity and have been removed.
 - e. The pool committee is looking into the cost of installing a handicapped lift device.
7. Management Company Report, Patricia Lall
 - All roof leaks have been repaired with 2 interior repairs still to be scheduled.
 - New chimney related leak reported at 8719 EOW. The chimney will need to be removed by the owner and repairs made by KO condominium association.
A motion was made and seconded to approve chimney removal and roof repairs at 8719 EOW by Roof Pro not to exceed \$3000. Passed 5/0
8. New Business (see Management report)
9. Old Business

The BOD will review the architectural committee's spread sheet comparison of Long Reach rules and regulations and KO documents before next BOD meeting. A meeting will be scheduled with the KO Architectural committee.
10. Open forum
11. Adjournment 8:10 PM

Respectfully submitted

Patricia Harrington
Secretary

ATTACHMENT

Treasurer's report – February 12, 2019

1. Preliminary financial statements for January 2019 were reviewed. No exceptions were noted.
2. Cash balances – Operating - \$10,480
Reserves -\$536,788
3. We originally took loans totaling \$306,000 from reserves. An additional \$20,000 was taken in October 2018, and another 20,000 in November. Our current outstanding loan is \$150K.

We have not budgeted any payments on this loan for 2019. This loan will increase by \$10K in February due to cash flow issues.

4. Reserves are currently \$132K less than the amount in the reserve study (\$669K) due to the loans taken since we began the lawsuit. The projection is for reserves to be \$586K by December 2019 or approximately \$143K under the recommended full funding (\$729,000) per the reserve study.
5. Revenue was \$22K for January and expenses were \$31K (\$13 for the lawsuit) resulting in a loss of \$9K for the month.
6. Through January, spending for engineering and legal expenses for water intrusion issues was \$600K. We budgeted spending of \$96K in 2019, and projected spending is \$103K.
7. In September we approved loans of up to 50K from Reserves to operating. To date, we have borrowed \$40K. Projections indicate that we will have a shortfall in February. Burke has agreed that we can delay payments to his firm for the next several months. WPM reported today that our current cash balance will not cover all our February expenses. It appears that the weather may have delayed about \$5,000 of our cash receipts. WPM was instructed to take an additional \$10,000 from reserves to cover our expenses for February.
8. There are 7 units with delinquent accounts. Six are small amounts totaling less than \$900. The unit that was foreclosed has an outstanding balance of \$41,401 that is uncollectable. \$34,764 is due to K1 and 6,647 is due to SOCA. SOCA has written off their portion of the balance and relieved K1 of any liability for this amount. As this unit had not been paying, we previously set up a bad debt reserve on the books for \$31,329. The remaining \$3,425 will be written off against bad debt expense and primarily represents collection costs associated with this account.