

General Session UGTHOA
8 October 2015

Present: Melissa Salvador, Gary Granere, Linda Lueders, Brenda Sanzone, Lyn Wingert
Absent: Linda Braccio, Trish Charles

Melissa Salvador called the meeting to order at 7:01 p.m.

- I. Review of Executive Session meeting that occurred on September 16 (provided by Melissa)
 - A. Contract negotiations for the CPA were discussed with no decision made
 - B. Cotton Construction was selected as the UGTHOA contractor for the fire-damaged homes
 - C. Board voted in favor of having a Reserve Study but no company to conduct the study is yet selected

- II. Review of Executive Session meeting that occurred on October 1 (provided by Brenda)
 - A. To have more time to discuss relevant issues, Board will meet in Executive Session the first Thursday of each month-approved by Counsel
 - B. Accounting search
 1. A third company, Jenkins and Associates, should have presented in Executive Session in September but had a scheduling conflict
 2. Their information presented in writing to Melissa
 3. Firm has looked at our 2013 audit and submitted a proposal based on our specific past records
 4. Board voted to hire Jenkins and Associates for annual audit
 - a. Less expensive than other companies
 - b. Local company
 5. Board voted to hire Williams and Samuels to do monthly bookkeeping
 - a. Less expensive than other bids
 - b. Local company
 - C. Property Manager
 1. Board becoming increasingly aware of the need for a Property Manager
 2. Person needs to be the one to acquire permits, meet with contractors, get building materials, price quotations, handle concerns relating to structures, foundations, roofs, chimneys, lawn care, and homeowner issues
 3. We are volunteers, should not be functioning as multiple Property Managers
 4. John Davis – spoiled us with his volunteerism in the past
 5. Position being considered will be part-time (30 hours/week)

6. Will be an hourly employee
- D. Reserve Study
 1. The Board is reviewing proposals
 2. Want the Reserve Study to be of use to future Boards as well so may need to add it to the By-Laws to assure it will be used
 3. Will guide the Association in terms of the needs to be addressed in next 5-10 years, how much money needed to be in reserve
 - E. TruGreen
 1. On the property treating brown grass fungus – series of 3 treatments
 2. Will fertilize property this fall, using eco-friendly, pet-friendly fertilizer
 - F. Greenleaf – to mulch the property this fall
- III. Minutes of the September General Session
- A. Brenda stated that all revisions submitted were made
 - B. Motions
 1. Linda Braccio moved to accept minutes
 2. Gary Granere seconded the motion
 - C. All in favor
- IV. Old Business - roof bid for Building 30
- A. Reroofing has been approved by the Board
 - B. Cost about \$30,000
- V. New Business
- A. 2016 Budget
 1. Office and lawn care budgets have been submitted
 2. Lyn needs to discuss ongoing projects with Luis before submitting her budget
 3. Melissa – budget should be ready to give to Lyn soon so we can approve it; we need an idea of how much concrete to plan for
 4. Melissa – the road on Bramble at Broadlawn has to be repaired
 - a. Don Outler – we need to find the cause of the concrete sinkhole or will continue to have concrete problem on that corner
 - b. There may be a sewer pipe problem
 5. Gary – also looking at repaving three more driveways
 6. Melissa – need to budget about \$27,500 for them; start with \$8000 for Bramble/Broadlawn repairs. Use these figures as a start until we have a concrete number.
 7. Brenda – entrance to 2202-2246 Gemini also needs to be paved
 - a. Gary – yes, am adding it to the list

- b. Brenda – it will be the least expensive of your repairs
- B. Siding/roofs/chimneys/sidewalks – Lyn needs to talk to Luis
 - 1. Wants to confirm that all homes in UGTHOA have been reroofed
 - 2. Focus now shifting to chimneys
 - 3. Need to think about a roofing program for garages
 - 4. Some buildings still need siding
 - 5. Have looked into painting entire complex
 - a. Will cost at least \$350,000
 - b. Brenda – if we repaint the entire complex, I want to keep it brown; there has been discussion of changing colors, letting people change the color. When people moved here, the houses were brown. I do not want to change the color. Too much hassle.
 - c. Lyn – yes, I agree
 - d. Melissa – some people have redone windows; if we change color, may not match the windows they paid to replace
 - e. Cookie Hockstedler – some houses were repainted when the HardiPlank was put up; maybe not all houses need repainting
 - 6. Sidewalk repairs – Lyn will see how much Luis and Nelson can do without having to pay someone else

V. Open Forum

- A. Don Outler – passed out a handout provided by John Davis addressing the \$56,316 negative net income noted in the September, 2015, minutes
 - 1. John’s handout included minutes from 10/10/2013 and 2/13/2014
 - 2. On 10/10/2013 Board approved expenditure of \$170,000 for roofs, \$26,000 for sidewalk repairs/concrete work, \$60,000 for foundation repairs
 - 3. Approved by Board Members present at that meeting, including current Board President, Melissa Salvador
 - 4. On 2/13/2014, Board discussed proposed budget of \$112,915 estimated negative net income for 2014
 - a. Main reason for negative net income – decision to spend \$170,000 to complete roof repairs on seven buildings because the money was available in reserve
 - b. 2014 budget was approved by previous Board Members (Tom Chua, Jo Miller, John Davis, Linda Lueders, Gretchen Sheehan, Melissa Salvador, and Bob Tyrell), with Melissa seconding the motion to accept the budget
 - c. Audit report for 2014 shows a negative position of \$56,316, which is \$56,599 less than the approved budget overrun estimate of

\$112,915, approved by the 2014 UGTHOA Board of Directors

B. Sheron Granere – is the Property Manager position something Luis may be interested in?

1. Lyn – I know I am speaking for him, but I doubt it. The Property Manager will have to be inside lots of the time. I do not know if Luis would be interested in that role
2. Melissa – untenable to expect future Board Members to function as Property Managers

C. Janice Gordon – various issues discussed

1. Hiring a Property Manager will be more expensive than hiring a Property Management Company
 - a. A lot of work was done by the ACC Committee, which consisted of volunteers; a lot of their responsibilities have been taken away
 - b. Melissa – people are not interested in doing much work; we have trouble getting people to help with committees, people do not have time to volunteer
 - c. Linda L – hard to get people to be on the ACC; people gung-ho when we started self-management, but interest has trickled
 - d. Lyn – the responsibilities have not been taken away from the ACC committee; we have many more renters now than in the past
2. Back to the painting, maybe take one section at a time and paint that area, then go to the next; would not be cost-prohibitive
3. Don Outler – that will leave the property looking checkered and will have complaints from people whose section has not been painted yet; that is a weak approach
4. Melissa – I agree with you, Don; would cause people to complain. If we don't paint at the same time, the paint will not wear at the same time. Can look at doing it a building at a time or the entire property, but we need to look at the finances
5. Don – on the finances, it was really expensive to get the painting done. At the time it really would have entailed a special assessment, which has to be voted on at the meeting. Just the run up to that when the word got out that there would be a special assessment ... it was a riot
6. Cookie Hockstedler – I moved here in 1999, and in the early 2000s the property was repainted; used to be repainted every 5 years
7. Janice – if we do one building at a time, it will be more affordable
8. Brenda – Don, please explain a special assessment
9. Don – Board would find out exact cost to repaint entire property and divide that total by all homeowners; they would have to pay the amount in addition to their monthly fees
10. Melissa – around \$1400 per home

11. Janice – several different shades of brown on property; repainting a section would make it the same shade
 12. Don – sun fades the paint
 13. Janice – we have deed restrictions; people need to take care of their fences, trees that are hanging onto the fences in their back yards, jasmine growing up walls; we need to have \$200,000 or so in reserve to pay insurance in a few months.
- D. Cookie – question about the balance sheet: the financial statement says we have \$300,000 in one account; shouldn't we move some to another account?
1. Melissa – that is not accurate
 2. Lyn – some has been transferred to JSC account
1. Melissa – past CPA did not reconcile our accounts with Quick Books; that's why we have a discrepancy
 2. We have maintained finances
- E. Cookie: please explain undeposited funds?
1. Melissa - Quick Books deposits the funds into an account called "Undeposited Funds." There needs to be a physical transfer from that account into the actual bank account in QuickBooks, and I am not qualified to make that transfer.
 2. Lyn – is a system problem, not an actual problem
- F. Don – how much are people behind on their fees?
1. Lyn – people are being notified; the total is less than \$15,000. We are restricted by state law in what we can do. People are being notified.
 2. Melissa – there is a process to be followed; the amount is going done significantly. Most of the monies owed are from the insurance assessment because some homeowners never received their insurance bill.
 3. Lyn – we can put a lien on their house, but we do not get the money until they sell their house
 4. Melissa – they have all been notified except two people
 5. Sheron Granere – they are protected by the system
 6. Janice Gordon – what about the house that had outstanding fees? The house where the man died?
- G. Lawn questions
1. Janice Gordon – are the lawn guys weeding? I don't want us to get back in the same situation we were in regarding weeds.
 2. Brenda – yes, they are weeding sections each week; today they were on Broadlawn. All property must be weeded before mulching occurs; their primary job is to mow, edge, and blow. They weed when they finish their primary job.
 3. Gary – please ask the guys to blow the clippings away from the houses, not toward them.
 4. Brenda – yes, I will
- H. Tax question – Sheron Granere

1. Our accountant needed a breakdown of where our fees are spent with regard to taxes
 2. I checked with JoAnn in the office; she did not know the answer and said that I need to ask Melissa. My problem is that she's the front person and needs to have that information
 3. Melissa – she should know the answer to this; I will address this
- I. Janice Gordon - What is the update on the fire-damaged houses?
1. Melissa – they are not living there; they are still in negotiation stage with insurance
 2. Gary – there is a big dumpster in the back; someone is cleaning out a house
 3. Melissa – they are responsible to clearing out their own houses

Meeting adjourned at 8:06

Respectfully submitted,
Brenda Sanzone, Secretary