

**River Place Owners' Association**  
FINAL Minutes from the Board of Directors' Monthly Meeting  
Tuesday, June 12, 2018

**In Attendance – Board of Directors**

Pat Fairman – President, (President, West) (arrived at 6:06 p.m.)  
David Williams – Vice President (Parcel 5, Commercial Village Representative)  
Troy Dibley – Treasurer (via telephone)  
Janice Mays – Director (Parcel 5, Commercial Village Representative)  
Waqas Ali – Director (Parcel 5, Commercial Village Representative) (via telephone)  
Hashmat Ali – Director (Director, North)

**In Attendance – Property Management and Guest Presenters**

Bill Smith – General Manager  
Nafeesa Saafir – Assistant General Manager  
Sherine Nabhan, Financial Analyst with Merrill Lynch  
Chris Upperman, Project Manager with Engineering & Technical Consultants (ETC)

**I. Call to Order**

A meeting of the River Place Owners' Association Board of Directors convened on Tuesday, June 12, 2018 in the South Building's Entertainment Center. Board Vice President Dave Williams called the meeting to order at 6:03 p.m.

**II. Approval of Meeting Agenda**

**MOTION: Ms. Mays moved to approve the June 12, 2018 Board meeting agenda as presented. Mr. H. Ali seconded, and the motion carried unanimously (5-0-0).**

(Ms. Fairman joined the meeting at this juncture at 6:06 p.m. and assumed facilitation of the meeting.)

**III. Approval of Prior Monthly Meeting Minutes**

**MOTION: Ms. Mays moved to approve the minutes from the May 8, 2018 Board of Directors meeting as presented. Mr. H. Ali seconded, and the motion carried unanimously (6-0-0).**

**IV. Presentation – Merrill Lynch**

Ms. Sherine Nabhan, Financial Analyst, introduced herself as the cooperative's new representative from Merrill Lynch. She then provided information about her professional background and the Merrill Lynch team.

Merrill Lynch recommended continuing a strategy of investing in a laddered CD system. Mr. Dibley said the last investment policy approved by the OA Board was in 2012, and included employing capital conservation and laddered CDs. Ms. Nabhan then presented an OA portfolio review from 2008 to the present; and a review of the latest available CD rates. The OA's average return has been 12% over the past 10 years.

Ms. Nabhan and the Board of Directors briefly discussed the cooperative's upcoming projects and the associated cash flow needs. Ms. Nabhan clarified that the cooperative's CDs can be liquidated without penalty. All of the OA's investments are FDIC-insured, and Merrill Lynch works to ensure no account rises above \$250,000.

**ACTION: Management will create a list of upcoming projects with start dates so that the reserve funds are laddered in a manner that cash is available when needed.**

Ms. Nabhan offered to meet with the Board of Directors as needed.

## V. Presentation – MP Garage Update

Chris Upperman, Project Manager with Engineering & Technical Consultants (ETC), presented an update regarding the bid process for the MP garage project. Proposals were received from five companies to perform the MP garage repairs – Commercial Waterproofing, Consolidated Waterproofing, Culbertson Company, EV Air Tight and Patriot Concrete – and ranged from \$952,000 (EV Air Tight being the lowest bidder) to \$1.56 million (Culbertson Company). Board members reviewed the bids and discussed the scope of work with input from Mr. Upperman. It was noted that townhall meetings will be held with shareholders before a decision is made regarding the project.

## VI. Reports

A. Management Report: Ms. Saafir and Mr. Smith reported the following information:

1. Ms. Saafir presented a year-to-date delinquency report. There are approximately nine accounts that are 90 days or more overdue for a total of \$21,000. Those accounts have been forwarded to the attorney for collections processing. There are no accounts in the 60-to-90-day delinquent category, and there are multiple accounts in arrears up to 45 days. Ms. Saafir explained payments received after the 15<sup>th</sup> of each month are considered delinquent. Shareholders in arrears are currently receiving their first notice when they become 45 days delinquent.

**ACTION: Management and the Board of Directors will review the delinquency and collections language in the cooperative's bylaws; and will revise the cooperative's procedures accordingly. The Board will also ask Don Perper from Zalco Realty and the OA's attorney to review the bylaws to ensure everyone is on the same page.**

2. The manufacturer of the gym flooring recommended cleaning the floors in-house to ensure the proper chemicals are used. The machine needed for cleaning can cost \$2,000 to \$5,000, depending on the model; and management would like to purchase a machine for the OA.

**ACTION: Ms. Saafir will check with Central Wholesalers and other vendors for a cleaning machine that can be purchased and owned by the OA. Once a machine is approved and purchased, the gym floors will be cleaned on a quarterly basis.**

3. Ms. Saafir recommended approving a painting schedule for the gym that includes touch-ups every six months and repainting every year; installing tiles at the walls near the mirror to prevent wear and tear; and having safeguards installed to protect the gym floor.

**ACTION: Bids will be obtained for these projects by the next Board meeting; and the operating budget will be checked to determine if money has been set aside for these projects.**

4. Hairline cracks were noted in various areas of the gym floor when the gym was being assessed for potentially new equipment. The cracks were assessed by an engineer, and none were determined to be a structural concern.

**ACTION: The Board will consider the new piece of gym equipment during their next meeting.**

5. A sinkhole of approximately 6' x 8' was discovered just outside the OA building. It was determined that the sinkhole formed suddenly, and the area has been taped off for safety reasons. Photographs have been taken, and a remedy is being researched.

6. The Board of Directors discussed an issue with a planter. Mr. Smith recommended having the planter dug out and the area underneath inspected by an engineer.

7. The Memorial Day cookout and pool opening event was a success.

8. The most recent edition of the newsletter was published.

9. The log-in process for the OA web site was revised to make it more user friendly.

10. The electrical work and transformers are nearly done for the MP garage.

11. The landscaping project has been signed for the River Place campus. The work will begin with the North Building at the end of July or beginning of August 2018. A few trees have been cut down as contracted.

12. A new FedEx box was placed on the River Place campus.

13. The updated reserve study was recently completed. Mr. Smith summarized its contents for the benefit of the Board.

**ACTION: Mr. Smith will forward a copy of the reserve study to Board members.**

14. A new HVAC unit is being researched for the multipurpose room, as the current machine is not functioning well. Mr. Smith recommended continuing with Carrier for the maintenance contract.

15. The Stanley camera monitoring contract auto-renewed on March 30, 2018 at no cost increase. Ms. Fairman said a vendor list will be created that contains the expiration date for each contract to avoid automatic renewals.

B. President's Report: In light of the information presented throughout the Board Meeting, a President's Report was not presented.

C. Treasurer's Report: Board Treasurer Troy Dibley reported the following information:

1. The OA's 2017-2018 fiscal year ended on April 30, 2018. The cooperative closed the year with a favorable income variance (income ahead of expenses) of \$21,900 – or 1% of the income budget – mostly due to a reduction in parking delinquencies. The cooperative closed the year with a favorable expenses variance (lower expenses than budgeted) of \$25,800 – or 1% of the expense budget – due to underruns in several categories. The cooperative finished the year with an overall net income of approximately \$45,000. Variances in the 2017-2018 budget will be factored into the budgeting process for the next fiscal year.

2. The 2017-2018 audit and tax filing processes will soon begin.

**ACTION: Mr. Dibley will reach out to the Goldklang Group CPAs, P.C. to determine the timing of starting the audit and tax filing processes, and will report back to management and the Board of Directors.**

D. Board Approvals and Bids for Consideration: None.

## VII. Project Reports

The latest project reports were included in the June 2018 Board packet.

## VIII. Adjournment to Executive Session

With no other business raised, the June 12, 2018 Board of Directors meeting was adjourned at 7:45 p.m.

The next OA Board of Directors meeting will be held on Tuesday, July 17, 2018 at 6:00 p.m.

These minutes were respectfully drafted and submitted by:

The Professional **Documents**  
■ ■ ■ Service

**Attested By:**

**Board Approval Date:**

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M.J. Schmelzer, Secretary

River Place Owners Association Board of Directors