

Spruce Hills Condo Association

Minutes of Open Session

Spruce Hills Clubhouse

September 20, 2022

Welcome and Call the Meeting to Order: Meeting call to Order at 8:00 pm

*Appointment of Terry Hoffman to the Board as Secretary

Motion to approve Minutes

Working and Open Meeting – August 16, 2022

*All in Favor and Motion was approved

Board Members Present:

Janet Traphagen	President
Aaron Graf	Vice President
Michelle Brito	Trustee
William Palaferro	Treasurer
Terry Hoffmann	Secretary

Association Members Present: *See Attached Meeting Sign-In Sheet*

Treasurer's Report

	<u>August 2022</u>	<u>September 2022</u>
Checking –	\$ 71,569.48	\$ 151,687.16
Savings -	\$ 45,792.66	\$ 63,537.40
Capital Fund -	\$ 641,228.32	\$ 541,228.32
Special Assessment	\$ 8,734.93	\$ 34,000.74

Motion to Accept

Treasurer Report

*All in Favor and Motion was approved

Motion to Approve

Bill List = \$230,464.35 total

*All in Favor and Motion was approved

Projects still in process

- Alcoves to Buildings 3, 4, 5 & 17
- Staining of the decks in progress
- Pool winterizing to be done on September 23rd

Projects Completed

- Deck Replacement and siding on Building 17

Open the floor for discussion

- Concerns expressed regarding the \$250 monthly assessment and how the unit owners are unable to pay the monthly fee and still meet their other needs. Unit Owners requested their input be considered in the decision-making process and asked if a vote regarding the assessment amount could be made. In terms of the Assessment, a multitude of factors were considered before the Board finalized the Resolution.
- \$250 monthly assessment breakdown requested. Treasurer read the project scope, estimated expenses, and percentage breakdown overall and monthly. Treasurer to give a more detailed presentation in future meeting.
- How much is structural damage? Currently, the projected cost is estimated at \$900,000 for structural damages.
- The Assessment covers work designated in the scope of work to the backs of buildings. It is not designated for any other projects/work.
- Bids for the next phase of project are out for review for the remaining 17 buildings.
- Loan applications were submitted, terms: \$4 million, 5 years, 5.25% interest.
 - o Four banks were vetted for the loan: Valley, Popular, Federal and Unity
 - o Two applications were submitted: Federal and Popular
- Loan was sought in hopes of continuously progressing work with the projects expected completion to be between 18-48 months. Securing a contract for the remaining work needed could offer the HOA substantial savings for the life of the project.
- Delaying the assessment, or adjustment to the assessment amount, was suggested to match the actual receipt of the pending loan. Collecting the assessment prior to securing the loan was necessary to demonstrate our ability to repay to the banks. The Assessment is not being collected exclusively for the purpose of the loan, but to ensure the continuation of the work at large.
- Currently, work to the alcoves are on hold due to waiting for the delivery of doors and windows.
- Extending the terms of the loan to 7 or 10 years would impose a higher interest rate and a higher payback amount. Extending the terms of the loan would require the Assessment amount to be recalculated to a possible higher amount to compensate for the higher interest rate and payback amounts.
- Homeowners requested invoices and information for insurance claim submissions. Homeowners were advised to reach out to the Property Manager for information requested by their Insurance Companies.
- Homeowners requested to have an assessment cost breakdown to be sent electronically and/or posted on the HOA website.

- A quarterly or monthly project update was requested. Unit Owners were reminded that monthly updates regarding the construction project were updated at every monthly open meeting.
- A statement was made that meeting minutes must be available within 30 days. Meeting minutes are reviewed then approved by the following open meeting.
- It was noted that several units with new slider doors were leaking. Such issues need to be reported to the Property Manager so she can alert Pardini to repair issues. Pardini guarantees all their work.
- Homeowners who previously installed new slider doors continue to be concerned with possibly voiding their warranties. The HOA is checking with the engineering firm to see if damages can be assessed without removing new doors.
- Each homeowner is advised to check with their homeowners insurance regarding their loss assessment coverage, although many insurers are not covering regular wear and tear or lack of upkeep for payouts. Ultimately, it is worth having that conversation with your insurance representative.
- Suggestion of using a property management company was made. Efforts were made in June 2022 – prices were high and most companies did not call back, only offered part-time or stated they couldn't help us.
- Regarding new homeowners: all the assessment facts were disclosed in the questionnaires prior to closing.
- Lack of gutters were noted
- Unit Owner 1711 Prepared and presented her letter of concerns.

Next Meeting

The next Board meeting will be Tuesday, October 18, 2022

Motion to close meeting @ 10:13pm

Aaron Graf 2nd

*All in Favor and Motion Approved