

Gleneagle Trail Condominium Association
Community Meeting
August 27, 2024

The official meeting was called to order by Beverly Moore at 7:07 pm.

Board members:

- Dr. Jerry Doss – President (absent)
- Beverly Moore – Secretary
- Bobbie Hawk – Director
- Severin Konan – Treasurer (absent)
- Jacques (Jay) Whatley

Bobbie motioned to approve the minutes as submitted and seconded by Jay.

Financial Report - July Financial Statement – as of July 31, 2024 – report as read by Management

ASSETS

Current Assets

Checking/Savings

1100 · Old National (First Midwest) Bank Checking \$ (18,096.91)

1107 · Old National (First Midwest) MM #881 \$ 77.50

1106 · US Bank Checking #40487 \$146,675.35

Total Checking/Savings \$ 196,033.91

Accounts Receivable

1600 · Accounts Receivable

Total Accounts Receivable \$64,736.85

Total Current Assets \$196,033.96

TOTAL ASSETS \$230,587.63

LIABILITIES & EQUITY

Accounts Payable \$51,061.56

Other Liabilities

1205 · Unearned Assessments \$ 9,227.41

Total Current Liabilities \$

Total Liabilities \$ 60,288.97

Equity

3000 · Homeowners Equity \$ 182,546.81

3001 · Reserves \$ 131,403.10

32000 · Retained Earnings (\$) (134,677.78)

Net Income \$ (8,973.47)
Total Equity \$ 170,298.66
TOTAL LIABILITIES & EQUITY \$230,587.63

Management Report

GLENEAGLE TRAIL CONDOMINIUM ASSOCIATION
MANAGEMENT REPORT
August 27, 2024

Financial

A. Financial Statements: Attached for the Board's review.

Tax Appeal/Overage – Page 07: Per the attorney's attached email, the units were appropriately assessed and billed. They were not part of the problem some owners faced in the area. They also stated no appeal is warranted at this time. E) Proposed 2025 Budget: Management is working on the proposed budget draft. Once completed, it will be submitted to the Board for review. If the Board has specific projects they want to include, please advise the manager.

Miscellaneous Operating:

Leasing: Currently, 16% of units are rented.

Proposed 2025 Budget: Management is working on the proposed budget draft. Once completed it will be submitted to the Board for review. If the Board has specific projects they want to include, please advise the manager.

Corporate Transparency Act – Page 08: A Federal law was passed at the beginning of 2024 requiring all corporations to require HOA board members to provide personal information, including a driver's license or state ID copy, address, and social security number. Kovitz's cost to onboard this information is \$400 for all board members' submittal. This will have to be supplied directly to Kovitz after the annual election in December. The Board members cannot opt-out as this is a federal law. Management was recently advised there is a lawsuit pending in Virginia that MIGHT remove HOA board members from the law. Still, a decision is not expected until December at the earliest, as HOAs are not-for-profit corporations. The quorum voted to approve the cost and submittal, assuming all are still board members in December.

Storm Damage – Page 14: Copy of the signed quote with AM Tree for \$1,000 to remove the large tree that fell on the side of 6336 Pond View. Other trees that came down were removed by Quinn or the Village for the parkway trees. Note: During the manager's August inspection, another portion of a tree from the vacant lot damaged two more panels of the fencing. Management has requested a quote to replace the damaged portions of fencing, and once that is received, it will be submitted to the Board for review and factored into 2025's budget.

Drain Tiles: Quinn was previously approved for \$2,960 to clear the exit points. That has been completed. Management is waiting for the results report and will forward it to the Board once it is received.

6304 Pond View—Page 16: The owner requested that gutters be looked at and cleaned and a beehive removed from the tree in the lawn area. Board of Directors for Direction on the bee hive removal if ok to have an exterminator remove it or wait until winter to have it knocked down and disposed of.

6319 Berry Path (Williams) – Page 17: The Owner has requested the replacement of two bushes on the side of her unit. Those will be requested as the owner stated and will be signing the watering agreement. Manager will advise her the tree was in the parkway thus a city issue and not HOA.

922 Berry Path – Page 18: Owner emailed about patch in lawn. The manager advised it will have to be monitored, and if it doesn't come back once temperatures cool and there is rainfall, then it will be reevaluated.

Roofs – Page 20: Manager requested repair quotes for roof replacement for the 6302-12 Pond View roof as well as quotes to repair both 6306 + 6308 Pond View leaks. RCH wasn't able to at the time to do repairs in a timely manner and M&M refused to repair the affected area and only wanted to replace the entire roof.

Manager requested if RCH or M&M would finance the roof replacement project. At this time RCH cannot finance the entire project but could work on terms if it were a single roof or two roof replacement. M&M stated they would evaluate once the Board was closer to proceeding with the project. Manager reached out to Itasca Bank about a loan for the project. Manager estimated the terms coming back at 10 years, likely around 9% and the requested amount is \$900,000 estimating the average roof replacement at \$10,000 per unit roof. The ATTACHED loan proposal came back with several options, the longest of which is 10 years at 8.25% for a \$900,000 loan. The Fed is expected to reduce the interest rate in September but that does not guarantee this would change the terms for the loan. Note the longer the Board takes to proceed with this project, the roof prices will continue to increase. Roof materials are in a shortage at this time and July just saw another 12% increase in materials which is the 2nd increase this year. On average since Covid, roof materials have been increased 2-3 times per year and they will not be decreasing.

If the Board is interested in the loan, then a formal contract will be requested as well details on what is required to proceed with accepting the loan from a legal standpoint. Brief details include submitting the loan details to the owners and having an open meeting vote to approve to the loan and it's details. A legal review will be required as well as documentation submittal and review by the bank and the Association's attorney. The Board will also need to determine if there will be a special assessment levied to help repay or fully repay the loan. This process will take several months to complete from start to finish.

If the Board chooses to conduct a special assessment, manager will get a formal process from the association's attorney. Generally, a formal letter with all details surrounding the special assessment will be submitted to the owners in advance of a special meeting held solely to discuss and approve the special assessment.

Assuming the figures do not change too much from what is currently quoted, the average special assessment amount per unit could be around \$85 per month per unit for 10 years. Missing shingles

have been found during recent inspections due to all the storms since end of June. All roofs were ranked identical at the time of inspection and recommended replacement was for 2025. As noted below management has estimated the roof costs have increased about 30% from 2019 and due to increases expected again, may rise to 35-40% this year from 2019. Management obtained the attached quote for roof replacement to have solid figures for the Board to review. The actual quote is for \$39,580 for 6337-43 Berry Path (a 4 unit building) and \$53,250 (a 6 unit building). M&M's cost for replacement is \$56,740 for 6302-6312 Pond View. Note the 2019 roof replaced (1001-1011 Berry Path was \$27,000 and per this quote the same sized roof is roughly double the cost in just 5 years. Currently the roof repair cost for 2024 is \$9,943.

Notes previously submitted to the Board: Manager reviewed all charges related to roof repairs, ice dams, and interior repairs from the leaks and ice dams from 2021 and 2023. Both winters multiple owners sustained ice dams, especially around February 2021 and again around January 2022. There have been several units sustaining roof leaks outside of the ice dams. With all these water infiltrations the Association is responsible for the drywall repairs. The grand total spent on this work in 2021-2023 is \$42,100. The last roof replaced was in 2019 for a cost of \$27,000. Management is estimating the cost for another 6-unit roof replacement to be around \$35,000. Management is estimating a 4-unit roof is in the \$27,000 range now. Management would recommend continuing the roof replacement project as the roofs are about 20 years old and will only continue to deteriorate, creating expenses from leaks and drywall repairs. The Board requested that Management explore with the insurance agent the option of filing a claim for 6302-6312 Pond View due to the urgency of the building's need. The community expressed concerns about incurring a hefty loan. The Board and management will continue to review options to address long-term funding of major capital projects.

Insurance – Page 33: Copy of article for the Board's reference related to HOA insurance increases nationwide. The Board should expect to have another increase for the 2025 policy. Again, if the Board has any agents they would like management to submit information to in quotes, please provide the manager with the contact information.

2024 PROPOSED Projects: Annual RPZ Certification (completed). Potential additional projects could be roof replacement(s).

2024 Meeting Dates: November 26 (Election & Budget). All meetings will be held virtually until the Board directs management otherwise.

VI. Sales Summary: Sales for this period Address Price 1017 Fieldside \$269,900
Previous Sales 921 Fieldside \$225,000

Homeowner – Open Forum

Jay motioned to adjourn the meeting, seconded by Beverly – no Executive Session at 8:56 pm.