

SPRING ARBOR CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
December 27, 2022

The meeting of the Board of Directors was called to order at 6:04 p.m. by the president, Clayton Rock. Board members present via Zoom were Bea Jones, Ted Michalik, Clayton Rock, Jeff Grammer and Onzelle “Zellie” Stewart. Also present were Barry Sumner, Steve Roling, Brenda Hughes and Amber Gabbard of Mulloy Properties.

The minutes of the 11/29/2022 Board meeting were approved by email voting on 12/2/22.

On 12/22/22, Ted Michalik proposed a motion to increase 2023 Maintenance Fees 6%. These were presented at the 11/29/22 meeting. Jeff Grammer seconded the motion and **motion was approved unanimously** via email vote. This had to be voted on prior to Board meeting on December 27th in order for new amounts be sent to banks for January. Last year Maintenance fees increased 4%.

1. Treasurer’s report by Ted Michalik: (1) The monthly budget report shows us under budget for the month. Received water bill for October and November and it was the lowest usage we have ever seen for that period.

Ted reported that he had revised the 2023 budget and provided a copy. He stated that he had bumped up the interest income \$700 over last year. Ted Michalik motioned to accept the revised 2023 budget and Jeff Grammer seconded.

Before a vote was taken, a question was raised regarding the issue with roofs at 13505 and 13511 Arbor Crest Circle. It was asked if there was ample amount budgeted for these repairs. Current proposed roofing budget is \$2,000. Steve Roling stated that R & B Roofing came out and were able to put on a temporary patch which should withstand 40 mph winds and last up to 3 months. At this point, they do not have an exact price to repair. The roofers believe they can find shingles to match and hopefully be able to patch the leak areas. If not, new roofs will have to be installed. As these are only 8 years old, the hope is to be able to repair. There was pronounced leakage at 13505 (Bowman’s) and Steve Roling will repaint damaged ceiling once everything has dried. Sue Zoeller (13511) said she will repaint her own ceiling. Jeff Grammer requested at least 3 quotes from roofers be obtained regarding the repairs/replacement of the damaged roofs in the spring. After discussion, it was determined that the roof budget needed to be increased to \$4,000. A motion to accept revised 2023 budget with the Roof increase to \$4,000 was made by Ted Michalik and Jeff Grammer seconded. The **motion was approved unanimously**. Ted Michalik will revise and send updated budget to Board members on 12/28/22.

It was also noted by Steve Roling and Barry Sumner that the response from Amber Gabbard of Mulloy Properties was inadequate and that we expect better communication in the future as the Board has a responsibility to the homeowners for a quick response.

2. Jeff Grammer had sent an email to Board members regarding the wood rot issue and what buildings had issues. Steve Roling noted that he had four units to look at now and would do so once weather breaks. Jeff had asked whether we could reduce the budget for snow removal to help with the wood rot issues and it was noted that it should stay as is (\$4,500) and if not used, could then be applied to other expenses as necessary.

Jeff also brought up the cost for our insurance. He asked if there was an early termination penalty and if there were current 3 year loss runs available. Zellie Stewart requested Amber Gabbard send all board members a copy of the current policy to review to see if we could do anything to reduce the cost of the coverage.

Clayton Rock had requested Amber Gabbard ask the current insurance broker if there was a short rate penalty and about the loss history. She read the following response from Bob Detherage of Shepherd Insurance.

- a. Is there an early termination penalty if much favorable insurance rate structures were found and Spring Arbor changed policies? Response: Yes, there is a 10% short rate penalty.
- b. Is there an insurance loss history from the previous carrier available for the last 3 years? Response: Yes, every insurance company requires a Loss History print out from the previous insurance company for a minimum of three years.
- c. What other things might need to be considered if policies were terminated and other policies contracted? Response: Depending on what policies were moved would determine if additional provisions need to be made within the new policy. The Directors & Officers Liability coverage would require the purchase of "Tail Coverage" from company or new company would need to provide "Full Prior Acts" coverage. Would need to check Retro Date.

We will look at this in more detail once current policy is received and reviewed by the Board.

Jeff Grammer also asked about engaging homeowners to bring more input to address community issues by setting up committees based on Grounds, Streets/Parking/Sidewalks and Buildings. These committees would gather information, help assess problems and recommendations for solutions. We could possibly begin setting these committees up in the spring and any Homeowners with an interest should reach out to any of the Board members.

3. Clayton Rock asked Amber Gabbard if she had heard anything from the Apartment complex regarding the downed fence. She stated that she had sent a letter but had not received a response from them. Clayton asked that Amber send him the contact information and he will look at having a face to face visit with the apartment complex office. Barry Sumner stated that he had propped up a portion of the downed fence and that it all needed to be replaced.

4. Bea Jones reported that the new Christmas lights were a nice addition to the front of our complex. She also noted that we had a good turnout for the Christmas dinner at Captain's Quarters on December 15th and thanked everyone who attended. She stated that next year she was hoping to have two community events. Due to COVID, we have lost access to our free location and now have to pay to "rent" space.
5. The next meeting of the Board will be on Tuesday, January 24, 2023 at 6:00 pm via Zoom.
6. There being no further business, Bea Jones moved to adjourn, Zellie "Onzelle" Stewart voiced a second and **motion was approved unanimously** at 7:09 pm.

Onzelle (Zellie) Stewart
Secretary