

Silver Queen West Condominium Association
Annual Meeting via Zoom
November 14, 2020

Greetings by Association President:

Joanne Gipple called the meeting to order at 0910 with the introduction of board members, Lydia Fausset, Larry Funk, Paul Gottler, Elaine Johnson, Angelique Justich and Stan Stansfield as well as Tom Brennan, resident manager, Gary Nicholds and Eric Nicholds of Basic Property Management (BPM).

There were 26 units represented via Zoom and another 18 represented by proxy, so quorum requirements were met.

Approval of Minutes:

A motion was made and seconded to approve the November 2, 2019 annual meeting minutes. The motion was unanimously approved.

Treasurer's Report:

Elaine reported that the association has \$348,365.09 in reserve cash, \$130,826.51 in operating cash for an overall cash position of \$479,191.60. The association has two CD's. A \$100,000 CD earning 2.06 percent and a \$50,000 CD earning 1.6%.

A motion was made and seconded to approve the treasurer's report. The motion was unanimously approved.

Budget Committee Report:

The budget committee of Joanne, Lydia, Stan, Elaine, Tom and Patti Vande Zande (BPM) reviewed the 2021 budget. The budget was presented with a - 4% dues increase. The increase was primarily due to increased insurance cost. During the year, there were two major plumbing leaks in Buildings A & B. One of the leaks was paid by the owner's HO-6 insurance policy, but the other leak cost the association's insurance company \$181,000.

The association's insurance carrier, Philadelphia Insurance offered the association the most competitive bid, but the policy increased the association deductible on water damage to \$25,000, while keeping the deductible for other losses at \$10,000.

Factors that the budget committee took into account in the development of the 2021 budget were increases in contract labor with the loss of a part-time employee, a possible increase in Comcast for television and Internet of 5%, increased sanitation of 3%, trash of 5% and water of 3%. The board considered both a 3% and 4%

increase, but felt it was prudent to use the 4% amount giving the association a \$600 surplus for 2021. The budget also earmarks \$120,000 to be added to the reserve fund. Owners are again offered a 2% discount when annual dues are paid in full and received in the offices of Basic Property Management no later than January 31, 2021.

After a short discussion a motion was made and seconded to ratify the 2021 budget. The motion was unanimously approved.

Managers Report:

Much of Tom's report related to plumbing issues. During the year, with two major water leaks, a good share of his time was taken in monitoring contractors as well replacing 150 feet of horizontal sewer piping in the crawl space. Due to poorly installed mains, especially in Building A, there is a need for regular cleaning. Tom plans to switch to the replacement sewer line as soon as help is available. The summer was very busy with owners spending extended time in their units.

Tom prepared and distributed a plumbing newsletter requesting that NO baby wipes, Q-tips or similar products be flushed. Basically, solids and toilet paper only. Even though the directions on many items state that they are flushable, they do not consider the condition of the building's cast iron piping.

Maintenance of plumbing inside units has also become a problem. Plumbing shut off valves installed in the 70's are less likely to shut off. The board acted earlier this year on a plan authorizing Tom and his team to visit all units in a cursory inspection including plumbing. At this time 35 units have been inspected, but the inspections have been slowed because of Covid. Tom plans to notify owners of the 35 units soon.

During the year, state required back-flow devices were installed on entrance water supply piping and some owners may notice a decrease in water pressure due to the installation. Tom is presently investigating water leak devices to alert homeowners in case of a water issue in their unit. With the advent of smart technology these devices are available.

Tom continues to experience issues with some house panels, but presently electrical systems are operating normally. Laundry room clothes driers are on the association house panels and sometimes the demand for electricity may be an issue.

It was determined that the retaining wall west of Buildings A & B was failing and in need of replacement prior to the scheduled reserve plan. The board approved \$42,000 for the replacement that included additional raceways for area lighting. This project was completed in September. Tom reported that flue inspection is complete, roofs are in good shape, boilers are in good working order and vehicles are in good operating condition.

Tom reported that 24 units are presently owner occupied, up 3 from last year; 42 units are used as second homes, down one from last year; 24 units are long-term rentals, down by two from last year and 15 are short-term rentals, remaining the from last year. One unit is a seasonal rental. This unit is used by an owner half-time and rented half-time.

Since 2018 the association has collected approximately \$32,000 for the working capital reserve. The working capital reserve receives money amounting to three months of dues from the purchasing owner at closing. This year, approximately \$5,500 has been added to the working capital reserve.

This year the board was forced to cancel the annual clean-up day because of Covid, but hopes that it will take place next year. This year, board meetings were held via Zoom and owners are encouraged to sign up.

In an effort to bring the association's declarations up to date and in line with other documents, the association has contracted a local law firm to update association documents. During the change, it was noted that Comcast bills service by unit and not square footage. The board therefore made a change and now all owners will be charged equally for Comcast service. This adjustment will take place on January 1, 2021.

Homeowners Comments:

Lydia is looking for an owner that would like to sell their garage.

Lonnie Stansfield thanked Tom for all of his hard work and reminded owners that it is imperative that all owners have HO-6 insurance policies with liability coverage.

Sheri inquired about obtaining quarters for laundry room equipment. Tom said that he has a supply that owners may purchase. She also inquired about the cost of a washer and drier installation for her unit.

Nominations and Voting:

Three board positions were up for election. Joanne Gipple, Elaine Johnson, and Stan Stansfield agreed to stand for another term. Joanne asked for additional nominations from the floor. With no additional nominations, a request was made for a motion to approve the slate of candidates by acclamation.

A motion was made and seconded to approve the slate of candidates by acclamation. The motion was unanimously approved.

Adjournment:

A motion was made and seconded to adjourn at 1020. The motion was unanimously approved.

Attendees were invited to attend the board meeting immediately following.

Respectfully submitted,

Larry Funk, Secretary