ATHERTON COMMON UNIT OWNERS ASSOICATION
BOARD OF DIRECTORS MEETING
JULY 18, 2019

The meeting was called to order by President John Learoyd at 6:30 pm. In addition to the president, Vice President Dick Stout, Treasurer Kevin Eagan, Secretary Joan Ferguson and At-Large Director Rich Novak, Residents Al Weller and Gary Chandler, and Association Manager Norman Desrochers were in attendance.

Minutes: Kevin Eagan moved and Dick Stout moved to approve the January 3 and April 4, 2019 minutes without comment. The motion was approved by the Board members (5-0).

Financials: The 2018 end-of-year financials were reviewed without discussion with President John Learoyd making the motion and Vice President Dick Stout seconding to accept the report. The motion was approved by the Board members (5-0).

Treasurer Kevin Eagan discussed the April financials, noting there were no outstanding issues, but that the water bill was significantly lower than expected for that month, speculating it was due to the wet spring. However, irrigation maintenance costs had increased, attributed to the age of the system. May expenses were not significant, except for the concrete repairs/maintenance needed at Units 5 and 45. He said the full-year budget is in good shape at mid-year; noting the June financials reflect a lower water usage (approximately $4K), but that three-fourths of maintenance budget has been consumed (due to additional expenses to seed many of the front yards). He anticipates the landscaping budget will exceed the plan (due to the removal of dead shrubs and bushes killed this past winter). President John Learoyd moved to approve the April, May and June reports with Treasurer Kevin Eagan seconding; the reports were approved by the Board members (5-0).

It was noted by both the President and Treasurer that the Year-End Preliminary Review contained a number of discrepancies between the Association and their reporting of expenses and revenue. Property Manager Norm Desrochers will contact the auditors to reconcile the two reports. For example, there was a reported $14K shortfall, but there was an anticipated break even. The treasurer suggested the discrepancy might be due to paid advanced assessments at the end of the year. However, he also noted a line item of more than $2K needs to move from the reserves to operations. The final audit report is expected in September.

Board Changes: Betty Shankel advised the Board she had sold her unit and could no longer be a member of the Board. Rich Novak agreed to join as a director for the remainder of the term. Kevin Eagan was named treasurer and Joan Ferguson was named secretary.

Rot Repair and Painting: Rot repair has been largely completed, except for Unit 18 (pending removal of a bee's nest). The garage doors on Unit 14 and 18 will be replaced with the unit owners and the Association each paying half of the cost. Three privacy fence panels will be replaced at Unit 18 in September. Painting of Units 13-18 is expected to being in late July. All the funding for rote repair comes from the reserve.

Kevin Eagan suggested the Board conduct a walk-around to determine if other unit owners might be interested in replacing their garage doors, even though they might be outside of the paint cycle, as there is an anticipated $4.SK available in the budget.

It was commented that the rot repair cost on the units to be painted is expected to be less than the budgeted estimate ($10K). With that, Kevin Eagan suggested any remainder be applied to repair needs for the next cycle - getting ahead of the schedule. The Board agreed and will look at the 2020 cycle of units (19-21 and 34-36) and 2021 cycle of units (37-39 and 21-24) with a decision at the September meeting (when the 2019 final costs will be known).

The Board members commented that our painting contractor has been excellent with no peeling reported on units painted as many as four years ago when he became our contactor.

Grounds Committee: Rich Novak reported the trees and shrubs walk-around is complete and several recommendations were made. There will be a cost estimate by the end of July, even though no funds were allocated in the 2019 budget. It was decided that trees that are most in danger of falling will be taken down by fall if operations funds are available.

Comment was made that the Board of Selectmen meeting about walking trails to town center was positive with clean-up, widening, etc. start-up is to be determined.

Lanterns and Posts: Twenty vinyl posts and lanterns, as well as extra replacement glass, have been ordered and delivered. Next action is to send out a scope of work to secure three quotes for inst allat ion . Intent is to hook up all lights to selected unit owner boxes, providing an annual stipend to owners to cover the cost of electricity (maximum $10/year). Once the new posts and lanterns are installed, it was suggested that the old ones be sold on E-bay with the generated funds going back into the association. the Board will seek at least three quotes for installation and hookups before beginning installation.

Pond. To address the issue of surface algae, the options of an aerator, dredging, and removing weeds were discussed at length. John proposed purchasing an aerator with testing by late summer subject to first determining electrical hook-up costs.

Capital Reserve Planning. The draft roofing survey (expected to be complete by September) indicates potential re-roofing costs of more than $300K within the next 2-4 years. As the capital reserve is unlikely to cover such costs, discussion centered around three options: increasing the capital reserve account by increasing the monthly payment amount, taking out a loan and continuing special assessments. It was noted that there is a significant lack of records on roofing, that the roof angles are unusual here and perhaps the waterproofing is inadequate. Also, warranties usually only cover shingles, not undercoating materials.

By-Laws Update. Comment was made that the review is anticipated to be complete by end of the summer with a review by the Board in September and presentation to the unit owners at the annual meeting.

Roads are in good condition with no current issues except for cracking and broken sealing in the area of Unit 21. The Board will see an estimated to fix the cul-du-sac road where there is significant cracking and sealing that had broken out. The septic is aging and is regularly monitored; $40,000 is available in reserve for replacement.

The meeting was adjourned at 8:30 pm.

Respectfully submitted,

JSF
Secretary