

THE RIVERVIEW ASSOCIATION, INC.

BOARD MEETING # 9

Zoom

November 19, 2020 9:30am

Attendees: President, Andy Buschbom
Secretary/Treasurer, Geri Kenyon
Directors: Eugene Begley, Griff Griffiths, Dilip Kondepudi
Absent: Ken Altergott, Vice President, Brian Casey
Property Manager, Liz Andricks, Kat Thomas
Members: Hart, Zajaczkowski, Hershfield, Glidden, Cerio

Proof of Notice of Meeting: Proof of Notice was posted 48 hours before the meeting and hand delivered, mailed & emailed November 16, 2020.

Quorum: Five board members present. Andy Buschbom welcomed and thanked all for attending and called the zoom meeting to order 9:32pm.

Approval of Minutes: Motioned by Geri, 2nd by Griff to approve September 9, 2020 board minutes as distributed, all in favor with 6 votes **Motion Carried.**

Officer Resignation: Andy Reported early this morning Brian Casey resigned from the Riverview board. Andy thanked Brian for all his contributions and wished him well.

Budget Committee: The board received the proposed budget earlier and were to review for discussion at this meeting.

Andy went through a few of the line items and made some suggestions. These suggestions increase the budget a little less than 6%.

Andy suggested we should not count on using Contingency funds to do the 3 & 4 stack reline. These funds are in reserves and majority owner approval to use or reallocate reserve funds is required.

Andy opened discussion on the 2021 budget proposal:

Andy said at this point we don't have a handle on Contingency Funds for stack relining and would personally like it included in the operating budget. He agrees with Eugene to not have a budget right on the edge but with a cushion. The board needs to research a little more on the Contingency Funds. Andy asked Liz and Geri to research the previous minutes somewhere in 2004-2005 when the Contingency Fund was added and how it was funded.

Motion by Eugene 2nd by Geri to move Contingency funds into the Elevator fund contingent on approval from the owners at the January 16, 2021 Annual Owner Meeting.

Charles preempted his statement that his comments were as an owner. As an owner instead of upping his quarterly fees he would rather see the board use money they have available. As an

owner he would rather see the board rename the Contingency Fund as Common Plumbing and use that money for stack 3&4 work. Griff Agrees with Charles.

Motion on the floor to move funds from Contingency to Elevator Reserve upon owner approval.
Yes: Eugene, Dilip, Andy, Geri, Griff **Motion Carried All in Favor.**

Charles then presented budget committee recommendation to move the reserve money from straight line reserves to pooled reserves.

The disadvantage to the straight-line method the funds we have allocated will require an owner approval to use money for anything else. Example the Elevator will have to have a special assessment of \$100,000.00 or move money from another fund which is what we project as inevitable.

The advantage of the pooled reserve method is that if one capital improvement such as the elevator useful life is different and needs to be done earlier you can use money in the pooled reserve. It would allow you to change for example the year of the elevator to 2022 and use the common plumbing money in 2021. It allows more flexibility to do the projects we need to do without special assessing.

The disadvantage is that it gives the board more leeway.

He suggested the board recommend the proposal to change reserves from straight line to pooled on the annual owner meeting ballot. This does not relieve us from the responsibility to fully fund the reserve accounts. We will need to continue to fund capital improvements on a reasonable basis. We can project without having to do special assessments.

Motion by Eugene 2nd by Dilip to propose to the owners to vote changing the reserve funds from straight line to pooled reserves at the January 16, 2021 Annual meeting.

Yes: Eugene, Dilip, Geri, Griff and Andy **All in Favor Motion Carried.**

Bylaw Committee: Jill explained that a majority of the owners who returned the survey were in favor of 75% of (35votes) of the owners who cast votes be accepted. Nonvoters would not impact the results. This would be a minimum of 26 yes votes to pass. The bylaw committee has referred this preferred change to our lawyer to get the wording for the proposed amendment.

Jill shared a screen showing the statement from the lawyer with explanation on what the lawyer presented. The second part of the proposal suggested that amendments may be proposed by a majority of the Board or by at least 20% of the unit owners. The reason for this is that our current documents allow any director or any single owner to propose an amendment.

Discussion on the lawyer written amendment:

Eugene suggest changing the number of yes votes to approve an amendment change be increased to 27. Pointing out that 75% of 35 is 26.25 and felt it should be rounded up

Jill explained we could not legally change the quorum to more than 24. Having the 35 in the amendment as a quorum would not be legal. The results are the same as the owner's survey showed a majority wanted. She pointed out if only 24 show up by proxy or in person there would be no vote. Statistically we have had 41 owners by proxy or vote show up.

The board was asked did they approve moving toward to finalized wording and get on a ballot for December annual membership meeting?

Motion by Eugene, 2nd by Andy for committee to continue to finalize wording to get the ballot out in December. Yes Eugene, Geri, Dilip, Andy. N- Griff **Motion Carried**

A vote to be on annual meeting ballot is the vehicle amendment. Charles has some language from Geri on what other associations have in their bylaws. Will present at next board meeting.

LANDSCAPE: Griff and Liz met with Green Thumb Landscape. Walked around entire property. They proposed removing certain plants and installing different. Labor and material \$832.00. Geri asked if we had another bid. Since we only got the bid from our landscaper the board asked for another bid and will vote on next meeting. It was decided if other bid comes in the landscape committee should use lowest bid. Eugene suggested if the bid comes in lower by 30% then use the other bid if not go with Green Thumb. The board unanimously agreed.

Elevator Modernization: Charles reported as a recap we have 3 bids:

- Otis (204,350.00+ 24,967.00 Nichols contractor= \$229,317.00)
- Thyssen Krupp \$215,243.00
- Right Way elevator \$178,920.00.

The budget committee held a zoom meeting with Thyssen Krupp. They offer a full-service proposal acting as the contractor for outside subcontractors for building modernization. The lowest proposal was about \$25,000 less and did not include building updates that would be required. Thyssen Krupp bid was calculated on 2022 labor rates.

Recommendation is to do when there is least amount of occupancy at Riverview. Dilip suggested waiting to see what COVID-19 will be like before committing to a date as it may be difficult for people to leave. Board has decided to wait until after annual meeting to see how owners vote on reserves pooled vs straight line and decide after that on how to finance elevator and proceed.

New Business:

BOARD Vacancy: Brian Casey resigned from the board effective immediately as of November 19, 2020. This leaves the officer position of Vice President open and only 6 board members and only 5 active members and Ken Altergott has not been attending any board meetings. Eugene asked Charles Zajackowski if he would be interested in filling in on the board until the annual meeting when the new board members are elected. Charles agreed. Motion by Eugene, 2nd by Geri to nominate Charles to the board of directors until the Annual meeting January 16, 2021. **All in Favor Motion Carried.** Welcome aboard Charles.

Next board meeting scheduled for December 8, 2020 9:30am by Zoom. Notice will be posted 14 days in advance. Board will be voting on and approving 2021 Budget.

Owner Comments:

Charles Zajackowski: 1. Is willing to help with presentation to owners to show differences for fully funded vs Pooled reserves. 2. Whole heartedly disagrees with moving contingency funds to elevator reserves. 3. As an owner and budget committee chair would like to know where cash is applied at end of the year 4. Charles questioned Paradise services. Liz explained that after hours calls are not part of the management contract. Per the contract after-hours/emergency calls are available but are an additional charge. The maintenance coordinator position the board established was to be someone onsite to receive the emergency calls, schedule with maintenance priorities, etc.

Mike Glidden: Could not see document that came from the attorney. The owners will not understand what you are trying to accomplish as it was presented today the committee will need to make it simpler.

Geri asked as an owner if we are bringing forward a vote for a nonsmoking building. She says the fan has definitely helped. Andy said he thought that the bylaw committee decided to focus on the voting proposal only and then address other priorities.

There being no further business before the board Motion by Geri 2nd by Charles to adjourn. all in favor Motion **Carried. Meeting closed at 12:09pm.**