

**Kimball Lofts HOA  
Board Meeting Minutes  
April 21, 2014**

Members Present: Redd, Sullivan, Gardner, Brown, Hecker and Taylor (PJ Morgan rep)

Guests: Coburn and Yin

The Kimball Lofts HOA Board meeting was called to order at 7:00 p.m. at the Brown home.

The March 4 meeting minutes were approved.

**Treasurer's Report**

The Board reviewed the current cash flow report. One owner's dues had not been paid, but it was reported money may have come in as the report was dated 3/31/14. Taylor will follow up.

Taylor presented a proposed 2014 budget for the board to review which showed income at \$84,691.80 and expenses at \$92,186. For the month, the Association is able to pay all bills, but measures will need to be taken to ensure future financial stability. Some amenities may need to be cut for the time being; however, that does not mean in the future they couldn't be reinstated. The board reviewed expenses and proposed removing funds for interior plant maintenance and lawn care. The board will create a small committee of owners to assist with interior plant care. Lawn Care is strictly for mowing the dog park area and the board believes there are other less expensive options for maintenance which could come out of a different line item. With removal of those items, the expenses reduce to \$88,986 for a total deficit of \$4294.20. The Board moved and approved to present the proposed budget to ownership.

To ensure the Operating Fund is appropriately funded, the board will recommend to owners a 15% increase in dues, effective June 1, 2014. A portion of dues will be deposited into the Reserve for Replacements Fund each month to ensure continued growth of the fund to cover any major expense needs in the future. The Board moved and approved to present the proposed dues increase to ownership.

Taylor reported the Reserve for Replacements Fund was depleted by the developer last summer to cover the cost of the insurance deductible for claims filed regarding roof damage. A special assessment should have been presented by the developer to the owners once the fund was depleted, but such action was not taken. After much discussion, the board determined the fund needed to have an amount equal to the insurance deductible deposited in the near future. This amount is \$20,000. The General Operating Reserve Fund should have a balance to provide a measure of financial stability during times of stress and if there are deficiencies as a result of delinquent dues. It is not believed this account was ever properly funded prior to the owners taking over the HOA. Taylor recommended this fund should have \$10,000. The

board will recommend to owners a special assessment of \$30,000 total to properly fund both accounts. The special assessment would be determined by owner percentages. Timeline for payment of the special assessment would be no more than 90 days after approval. The Board moved and approved to present the proposed special assessment to ownership.

Taylor will create and mail a packet for each owner explaining the rationale behind the budget amounts, dues increase and special assessment amounts. Each packet will also contain the new amounts each owner would be responsible to pay.

### **Guest Comments**

At 8:00 p.m., Charlie Yin (305) was in attendance to address the board with questions regarding reserves and parking. Some concerns had risen from potential buyers of his unit. The board indicated the reserves should have been replenished shortly after being depleted last summer by a special assessment but the developer did not take appropriate action in a timely manner. He was assured reserves would be appropriately funded after discussion and approval by the Association ownership. It was clarified parking spaces are not deeded to unit owners but are given on a right-to-use basis. Some of the first residents of Kimball Lofts may not have been given the opportunity to sign the parking addendum more recent owners were given at closing. Yin left the meeting at 8:20 p.m.

### **Maintenance/Other Services**

The board reviewed the Maintenance Service Agreement with Sudbeck Homes, who would provide bi-weekly service on Friday's beginning at 8:00 a.m. and not to exceed 4 hours time. Ken Hagedorn will be the on-site service provider. Owners are not to contact Ken for any repairs or maintenance needs for the building or Association, but are asked to contact Sonja Taylor at PJ Morgan so she can compile a list of items for Ken to work on. Owners can contact Ken directly if work is being done for them personally. The board supported the contract.

Dave Sullivan volunteered to lead a small group of owners to be responsible for locating and replacing burned out lightbulbs in the building with LED lightbulbs instead of having Ken do so. Presently, the board felt this would be a cost-saving opportunity and it would give Ken time to work on more pressing building maintenance. The bulbs will be purchased by the HOA and walk throughs will occur on Sundays. Owners should contact Sullivan if they are aware of any burned out bulbs.

*Exterior window cleaning* - Taylor will contact the previous vendor who washed the exterior windows for a quote. The windows have not been cleaned in over a year due to the Jackson Building construction.

*Recycling services* - Taylor reported Waste Management's charge for recycling services would be \$57.00 a month for 2-96 gallon cans plus a one-time drop fee of \$50.00. Acceptable materials for recycling are paper, plastic, aluminum and cardboard. Cardboard boxes must be broken down to be removed by the vendor. NO GLASS. It was reported there is a glass recycling drop off center at 26th and Douglas. The board will discuss providing containers for glass which volunteers would take to the center. Board members supported the restart of recycling.

### **Guest Comments**

Billy Coburn (406) entered the meeting at 8:30 and presented the board with information on becoming a smoke-free building. Presently, the renters in the unit below 406 are frequently smoking on the exterior, covered patio of that unit and the smoke is permeating into the unit above, whether windows are shut or not. Currently, there are no statements in the official Association documents which specifically address smoking; however, there are provisions in the Declaration of Condominium which allow the board to regulate common areas and to prohibit conduct which “unreasonably interferes with the quiet enjoyment of the occupants of any Unit.” The board could adopt non-smoking policies consistent with this provision and/or designate specific smoking areas. The board will ask for feedback at the May owners meeting. Coburn exited at 8:50.

### **New Business**

The Board discussed, and will continue review of the following items:

- renting unused basement space to an owner
- removal of developer’s construction items from storage and/or other areas in the building
- removal of auto lift in garage on Kimball side
- creation and installation of parking stall signage for both indoor and outdoor lot parking
- review of design and materials used for improvements to deck wall for 501

With no further business to discuss, the meeting was adjourned at 9:35 p.m. An owner’s meeting will be held on May 18 at 6:00 p.m. in the Community Room. The next board meeting will be held on May 19 at 7:00 p.m. at the Gardner home.

Respectfully submitted,  
Melanie Hecker  
KLCA Secretary