

Coronado Shores Condominium Association #9

HILITES OF MEETING BOARD OF DIRECTORS

SEPTEMBER 17, 2015

Directors Present: Hal Aronson, President
Bob Hendricks, Vice President
Sue Welch, Treasurer
Gail Adams, Secretary
Lloyd Sauter, Member

Also Present: Interested Owners (sign-in sheet attached to original minutes)
Jim Murrey, District Manager, Eugene Burger Management Corp.
Karen Oyanguren, General Manager, Eugene Burger Management Corp.

OPEN TIME FOR OWNERS

An owner was in attendance regarding a letter he sent that all Board members acknowledged receiving. He reported that one or two Board members had made misleading remarks that the Fire Department requires that the unit doors be replaced although that is not the case.

VIOLATION HEARING

An owner had been sent a letter providing the opportunity to be heard regarding a monetary penalty for a continual violation. The owner did not respond nor appear; therefore, the matter will be determined in Executive Session. (Member t0037819)

FINANCIAL ISSUES

Reserve Study Report: The Audit Committee and Board members had received a copy of the Reserve Study Report prepared after conducting a site inspection of the components. The report indicated that the reserves should be approximately \$2,966,258; however, a deficit of about \$1,671,630 currently exists.

Audit Committee: The Audit Committee submitted a summary analysis of the Reserve Study report noting that reserves are approximately 46% funded. Industry standards consider a fiscally healthy association to be about 70% funded; therefore, Treasurer Sue Welch proposed that a special Ad Hoc Reserve Study Committee be formed to review the report and consider reserve funding options to recommend to the Board in November. Upon motion made, seconded and unanimously approved, Glenn Welch was appointed to chair the committee.

Delinquent Accounts: The financial report dated August 31, 2015, listed accounts receivable totaled approximately \$21,927; however, at least \$6,627 has since been received.

Investment Recommendation: David Lynn of Morgan Stanley Smith Barney submitted an investment maturity schedule with a recommendation to continue laddering the CD's and purchase a three-year CD (at 1.70% upon maturity) in the amount of \$100,000 on or about October 1, 2015, leaving \$147,282 liquid in the money market account that will continue to increase by the \$19,489 monthly contribution. Upon motion made, seconded and unanimously carried, the Board approved these recommendations.

Proposed 2016 Operating Budget: Management reviewed the preliminary proposed operating budget that included an estimated 3% increase in the monthly maintenance fee. This will be reviewed again in October.

EL MIRADOR BUILDING COMMITTEE REPORTS

Landscape Committee: Sandy Strickland reported that water conservation is a top priority. She also encouraged input from residents. Written suggestions to her can be left at the front desk.

Design Committee: The contract with White Construction for the #506 prototype is completed.

Upon motion made, seconded and unanimously carried, the Board ratified the action taken at the August 31, 2015, Executive Session at which time it approved a design services agreement with Charlotte Jensen and Associates for \$28,000 that includes preparing bid specifications and plans.

OTHER COMMITTEE REPORTS

Beach Club Committee: Therese Abboud submitted a written report. Items of interest included installation of a commercial dishwasher and hiring an event coordinator from time to time as needed.

Safety/Enforcement Task Force: The ad hoc committee continues to make progress on the comprehensive review and discussion of existing L and R policies, rules and regulations.

Enforcement Committee: John Dehler's written report, dated August 18, 2015, was again reviewed. The recommendation that the L & R General Manager be requested to develop a more equitable access fee program was discussed. Upon motion made, seconded and unanimously approved, the Board determined that the access fee program is a non-issue.

L & R Committee: Gail Adams reported the following:

- An owner has submitted a demand that L & R take action to have the bus stop used at the Coronado Shores exit lane removed. (1780 Ave. Del Mundo).

NEW BUSINESS

Presentation: Jim Murrey, San Diego District Manager at Eugene Burger Management Corp., reviewed some history and background information regarding the firm. He indicated that the corporation is able to provide support and assistance as needed and that he will make himself available as much as possible. It was noted that construction coordination/oversight/management services are not contained within the scope of the contract but can be provided as an addendum.

Board Training and Workshop: No action was taken at this time.

1997 Restated and Amended Bylaws: Legal counsel provided a resolution regarding the unsigned bylaws that had been amended and adopted. Upon motion duly made, seconded and carried, the Board authorized Secretary Gail Adams to provide her documents for verification. The resolution was tabled until the October meeting.

Proposed Rule Change: The proposed rule change regarding the use of an electric car charging station was tabled until the next meeting. The attorney has not yet submitted a recommendation regarding guidelines and restrictions of parking space "leases".

Employee Health Insurance Benefits: Management reported that employees are eligible for health insurance benefits after one year; however, the insurance underwriters stipulate that eligibility is the first day following 60 days of employment. Considering that the health insurance policy term was extended to renew January 1, 2016, open enrollment will begin December 1, 2015. Following discussion, it was moved, seconded and unanimously carried to conform with the health insurance policy eligibility requirements effective immediately. Upon a further motion made, seconded and unanimously carried, Robert Livingston will be notified of the new health insurance eligibility timeframe; however, the Association's maximum contribution of \$500 per month remains the same.

Director Qualifications: It was noted that the Annual Meeting of Members will be held in March, 2016, and that the Request to Serve form should be mailed before the end of the year. Management was requested to provide a recommendation of qualifications for Directors.

GENERAL INFORMATION

Some items of general information that were reviewed included the following:

- **Holiday Party:** The Holiday Party was scheduled for Friday, December 18, 2015.
- **Lobby Attendants Training Session:** Scheduled for September 17, 2015, from 2 to 3 P.M.

FUTURE MEETINGS

Board meetings are normally held at 9 A.M. on the third Thursday of the month. Therefore, unless otherwise announced, future meetings are scheduled for October 15, November 19 and December 17, 2015.

The Holiday Party will be held on Friday, December 18, 2015, rather than on a Saturday.