

BARRON SQUARE HOMEOWNERS ASSOCIATION

Minutes of the Board of Directors Meeting

November 18, 2015

ORDER

The Barron Square Board of Directors Meeting, which was held in the Association clubhouse, was called to order by President Maurice Green at 7:04pm. Board members also in attendance were Chris Grillone, Richard Evans John Morrissey and Josephine Stiene. Deborah McGraw represented PML Management. Representatives from State Farm Insurance and Walton & Associates Insurance also attended.

AGENDA/CALENDAR REVIEW

The Board reviewed the Agenda and Calendar.

HOMEOWNER FORUM

None.

APPROVAL OF PREVIOUS MEETING MINUTES

On a motion duly made by Josephine Stiene and seconded by Maurice Green, the minutes of the October 21, 2015 Board of Directors meeting were approved as amended.

REVIEW ACTION LIST

The Board reviewed the action list and updated various action items, as necessary.

REPORTS

Treasurer – A summary of the September 2015 financial statement was reviewed as follows:

	Month	Y-T-D	Budget	Variance	Total Budget
Total Revenue	50,896	509,352	510,320	(968)	612,375
Total Maint. & Repairs	13,892	88,622	92,670	(4,048)	111,190
Total Utilities	4,801	31,366	33,280	(1,914)	39,920
Total Admin. Expenses	9,071	95,859	98,970	(3,111)	118,738
Operating sub total	27,764	215,847	224,920	(9,073)	269,848
Total Reserve Expenses	5,336	224,239	869,600	(645,361)	1,043,519
Total Assets		1,485,985			
Total Liabilities		21,703			
Total Fund Balances		1,464,282	562,184	est yr end	

Committee Reports:

Architectural – The Board discussed a request from the owner of 4150 Thain to keep their holiday lights up on their patio for the winter holiday season, and a rope light in the ceiling of the patio up all year. PML was requested to provide a picture of the lights the owner would like to keep up permanently. After receipt of the picture, the Architectural Committee will review the request.

Landscaping/Grounds – On a motion duly made by Chris Grillone and seconded by Josephine Stiene, a request from Loral Landscaping to increase their monthly fees by 2.6% to \$5,316, effective 1/1/16, was unanimously approved.

Pool/ Recreation – The Board asked for Gonzalez Masonry to complete the acid wash of the concrete pool deck in the spring of 2016.

Roofing – It was noted that Frank Fiala Roofing has secured the slipped out piece of metal at Building 10 as recommended by roofing inspector Richard Norris. The Board then reviewed a proposal to replace the missing, broken and slipped existing Fire Free shingles at a cost of \$8,334. It was noted that Frank Fiala Roofing confirmed that the Da Vinci Shake Shingles will be used as replacement shingles where needed. The Board expressed their concern about the new shingles since the roofing company mentioned previously that the shingles were a little thicker than the existing. A motion was made by Maurice Green to approve of the proposal from Frank Fiala Roofing at a cost of \$8,334 provided that the replacement shingles won't cause additional damage to the existing roofs. Richard Evans seconded the motion, which was approved with Chris Grillone abstaining from the vote.

Adjacent Property report – No report.

Manager's report – The Board reviewed a summary of work orders. No action was taken.

UNFINISHED BUSINESS

9.1 Visitor/Resident Parking – The Board discussed reports of occasional abuse of the visitor parking spaces by residents. Options for registering resident vehicles and establishing resident parking stickers to help identify non-resident vehicles was also discussed. Eventually, the Board felt that reviewing the current parking rules and updating them as necessary would be beneficial way to remind residents and help to avoid the parking abuse.

9.4 Property line fence replacement, 4146 El Camino & 553 Driscoll Place – Deborah McGraw reported that the property line fence replacement at 553 Driscoll has been completed by All Fence. The owner of 4146 El Camino has not responded to the association's request to share in the cost of the property line fence replacement. Therefore, after some discussion, Chris Grillone made a motion to approve of the proposal from All Fence for the replacement at 4146 El Camino at a cost of \$9,430, provided that a final letter is sent to the adjacent owner by certified, return receipt and regular US mail asking them to contribute to the replacement. Maurice Green seconded the motion, which was unanimously approved.

NEW BUSINESS

11.1 Approval of 2016 Budget – The Board was provided two options for the 2016 budget, based on the information provided by Reserve Analysis Consulting, which provided variations in roof replacement timing for the sloped roofs and the remaining garage flat roofs. After some discussion, a motion was made by Chris Grillone to approve of the 2016 budget with no increase in monthly dues, at an 86% reserve funding level and replacement of garage flat roofs in 2016 with sloped roofs in 2023. Richard Evans seconded the motion, which was unanimously approved.

11.2 Discussion with St. Farm and Walton & Associates Insurance agents, 12/31 renewal – Representatives from State Farm Insurance and Walton & Associates Insurance attended the meeting to provide information about the association's insurance renewals, effective 12/31/15.

Walton & Associates - earthquake insurance

The Board was provided with a renewal quote of \$38,524.80 for the association's annual premium, which includes a building limit of \$22,245,000. There was a discussion about the method of the insurance company using the Marshall & Swift insurance estimator to obtain building values, considering the amount is always much higher than the building replacement values provided by State Farm Insurance. After much discussion the Board asked Walton & Associates to provide alternate proposals for earthquake insurance coverage which would include 1) increasing the building value by \$500,000; 2) an option for a 1 month extension to renew coverage on 1/31/16; and 3) a 13 month policy.

State Farm Insurance – property, liability, D&O, fidelity Bond, umbrella and worker's comp

Eva Martin-Long attended the meeting to discuss the coverage provided by State Farm Insurance. During discussion, it was noted that the association's property insurance is considered "walls-in" coverage. The Board was advised that the annual premium for 2016 would increase from \$25,238 in 2015 to \$26,777 with an increase to \$17,314,800 in building replacement value. The Board then asked for options to be provided to 1) increase the property coverage deductible from \$5,000 to \$15,000; 2) increase the replacement value to \$180/sq. ft.; and 4) \$200/sq. ft..

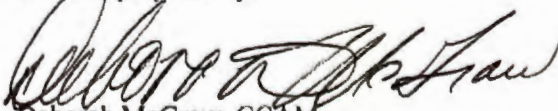
PENDING ITEMS

- *Painting/dry rot repair project, construction manager report* – No report.
- *Residential building lighting replacement* – No report.
- *582 Thain Oak tree removal* – No report.
- *Fireplace leaking chase top, 514 Thain Way* – The owner of 514 Thain reported that she has not experienced any leaking in her fireplace during the storms this year, which was agreed as unusual. Therefore the Board took this into consideration and decided to put the repair project on an indefinite hold.

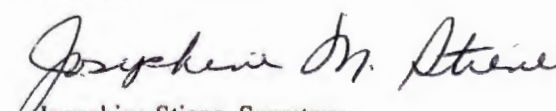
ADJOURNMENT & ANNOUNCEMENTS

The next regular Board meeting was scheduled for January 27, 2016, at 7:00pm in the association's clubhouse. There being no other business to come before the Board, the Meeting was adjourned at 10:01pm.

Minutes prepared by:


Deborah McGraw, CCAM
PML Management Corporation

Attested:


Josephine Stiene, Secretary
Barron Square Homeowners Association