

## **Lanai Homeowner Association Minutes January 17, 2019**

Meeting was called to order at 7:00 pm by President Gary Jugert.

Members present were: Gary Jugert, Lenny Landis, Mackenzie Clark, Katie Moriarty, Chrisann Steurer, Frank Barnhem, and Nick Zoller. Also present was David Ariss, Centennial Property Services.

**Treasurers Report:** Mackenzie reported that the petty cash and checking balance is \$30,702.14. Savings is currently at \$258,446.04 and our total savings/reserves is \$289,148.18. The special assessment account is \$324,296.94.

**Presidents Report:** Gary reported and showed a slide of a pie chart for the expenses we spent and their percentages for 2018. Not counting the money spent from the Special Assessment for the HVAC project, last year we spent \$618,157, and our current assets are down from the previous 3 years. The 2018 accomplishments were replacing the entire HVAC system (financed by the Special Assessment), significant reductions in utility costs, re-working most connections in the entire natural gas system to bring them up to modern standards, repairing and replacing significant portions of the sewer line and repairing much of the first floor. We also moved into a new era of management by replacing the residential manager with an office manager. Unanticipated costs of \$49,758 for the natural gas repairs, and \$187,580 for the sewer catastrophe, resulted in significant unanticipated budget overruns. However, setting those two projects aside, the regular budget was only over by \$8,320. Most of that overage was additional costs incurred while upgrading the building's emergency lighting and fob reader system. In 2019, we've raised HOA monthly escrows to begin re-building funds expended from cash-on-hand. The budget calls for replacing up to \$91,000 from the increase in HOA dues.

**Centennial Properties Report:** None

### **Board Reports:**

#### **Lenny- Construction update**

The HVAC system is all done, inspected and was finished on budget. The fire marshal was concerned about our older exit signs for emergencies and those have been replaced. Our new boiler is 97% efficient and putting out plenty of hot water for the building. It has 3 different boilers that work together at different times to make sure we have enough hot water and one boiler isn't always working any harder than the other. All are working well. We've increased our security lighting out in front of the building, and we will fix the lights on 8th Avenue. Sprinklers and landscaping have been replaced on the south side of the building and in front. Our electric bill is down due to all the new LED lights in the building. We should see significant savings on natural gas when it's working again. The pool heater is now part of the new boiler system and this means we can heat the pool earlier and keep it open later each season. The special assessment

budget is still on track and inspectors are pleased with our work they are inspecting. The natural gas is close! Professionals will hook back up each appliance in the building that's been turned off and test them all as well. Lenny also reported that we are 70% finished changing out the circuit breakers in the units. This needs to be done soon in all units and letters will go out to those who still need to finish up their unit. Lenny charges \$122/one bedroom and \$150/two bedroom.

### **Chrisann-Parking and Storage:**

Leases have gone out on storage and parking updates and we are still missing some of these forms. They need to be returned asap. Please note that your storage that goes with your unit has your unit number on it and association storage has an alphabet letter on it. Those rent out when they are available. We do have some availability on storage and parking on a first come first serve basis. Storage units T Q V W are available, and Amber has the list to sign up in her office. Three parking spaces will be available 2/1/19 for \$50/month to rent. Amber also has the list in her office for these. Resident Information forms: Please get these back to Amber asap. These are for emergency information updates and very helpful. Judy stated she doesn't want her information on the cloud.

### **Old Business:**

Wells Fargo won't take coins any more so Gary proposed a motion to switch our petty cash account to Denver Community Credit Union. They count coins and have parking and are close by. Chrisann moved to accept the motion and it passed. Gary will open an account for petty cash at the credit union.

Gary also made a motion to rent unit 101. Frank moved to accept the offer and a discussion was held. Chrisann explained that [travelnurses.com](http://travelnurses.com) could take care of our needs to rent to nurses on a 3, 4, or 6 month lease and all that it takes is \$99 per year. They advertise through FurnishedFinders.com and our rent would be \$1500-1600 per month. It's all done on line and there is a background check as well. It was brought up that maybe we should sell the unit but the discussion came around to renting first for a couple of years and then maybe selling. We'll try to be up and running by March 1, 2019. There is a group that will assist in furnishing and decorating the apartment. Motion passed.

### **New Business:**

Owner-Manual updates

1. Realtors and construction people need to check in at the front desk when they are in our building. We'll need a sign on the back door.
2. If we want to become FHA certified, we can no longer require background checks on renters. We'd need to do another reserve study to comply this year. We also need to replenish our cash on hand after the two unanticipated costs this year. The Board tabled this until the building is done with construction.
3. Everyone needs to wear shirts and shoes in the common areas—except the pool.

4. Guest parking issues: Discussion on boyfriend and girlfriend problems in guest parking and how we monitor this. We need new signage out back and we have no conclusions at this time.
5. Exterior appearance rules: Big discussion on flying flags over the balcony railings—this brings up freedom of speech issues and many emotions. We reached no resolutions.
6. Sound limits in the Ohana room: We are experiencing unacceptable noise levels in the Ohana room and need to have a guideline for noise. Perhaps a decibel level app could be used to measure the noise and generate guidelines. Subwoofers are the main problem as they rock the floors beneath them. If a party gets too loud, residents are asked to go talk to those renting the Ohana room first and ask them to calm it down. If it persists, residents must call the police non-emergency line and report it.
7. Pet policy: Ongoing struggle for and against this policy. No resolution was reached.
8. Parking issues: Some cars are out of date on their plates which means they have become a storage unit and no longer a viable means of transportation. This isn't allowed, and trailers were discussed and decided not to be allowed as well.
9. Cleaning BBQ grills: We'll need new signs and a training program. We will also looking into using a fob to unlock grills. Lenny will check on this. Cameras need to make sure they can see the grills.
10. Pool rules: Last summer's revised rules will be made permanent. Food is okay in the pool area and owner's are required to clean up after themselves. Music at reasonable volumes will be allowed. Floatation devices are allowed.

**Owners forum:** None

Nick motioned for the meeting to adjourn, Frank seconded. Motion passed. Meeting adjourned at 8:22 pm. Next meeting: Feb. 21, 2019 in the Ohana Room at 7 PM

Administration	\$28,499.78	5%
Centennial	\$11,594.00	2%
Natural Gas Problem	\$49,758.00	8%
Sewer Catastrophe	\$179,080.82	29%
Other Maintenance	\$79,355.32	13%
Janitorial	\$17,027.00	3%
Special Projects (mostly gym)	\$7,414.52	1%
Supplies	\$7,188.95	1%
Insurance	\$51,672.71	8%
Payroll	\$70,633.25	11%
Cable TV	\$39,040.50	6%
Utilities	\$76,892.85	12%
<b>Total</b>	<b>\$618,157.70</b>	<b>100%</b>

Lanai Current Assets 2015	\$358,913
Lanai Current Assets 2016	\$370,387
Lanai Current Assets 2017	\$367,432
Lanai Current Assets 2018	\$289,148

**Goals**

Financing Reserves s/b equal to one year of assessments

**\$459,800**

Elevator Reserve s/b for replacement

**\$350,000**

**"Fully Funded" Reserves**

equal to recommended amount in last Reserve Study

**\$1,149,847**

**2018 Accomplishments**

- Utility Cost Reductions
- Replacement of HVAC System
- Natural Gas Project
- Sewer Catastrophe
- Change in Management

