



October 25, 2022

Lakes of Woodbridge Condominium Association
Resident Input Meeting on Window Budget Deficit

Board Members in attendance: Larry Romyak, Mickie Gaskell, Rich Edwards, Steve Presdorf, Barbara Murphy-Sanders, Aimee Glassman and Sheila Mowry/633 Group.

The meeting was held in Larry's garage. The meeting was attended by a good number of residents. No formal count was done.

Mickie opened the meeting and all Board members introduced themselves.

Larry began by announcing that he wanted to make it perfectly clear, the Association is in good financial standing. However, there is concern with the rapid rate of window failure and replacements exceeding the allotted budget. Another area of concern is the mailbox theft.

Larry continued by saying, "this meeting is to share the window replacement issue as well as get feedback from residents". Rich stated that there will be no decision made tonight. Larry shared some decisions must be made due to finalizing the 2023 budget so coupon books can be ordered.

Larry shared, there are 1550 windows and 186 sliders. According to the Reserve Study it will take 2.6 million dollars to replace all the windows and doors. There are 992 windows and 124 sliders still to be replaced. The last couple of years, the cost has increased significantly due to labor and material shortages. This in turn causing delivery out 9 months for new windows. The current inflation rate is at 8.5%.

A resident spoke up and asked how many bids the association got? His building was the second one to have all the windows replaced with JeldWen. He is not happy with the windows or the installation. Windows were delivered the wrong size and they had to wait weeks for screens. Larry explained these are a couple of reasons why the decision was made to go with Pella windows. Also, this resident stated his mother had all her windows replaced in a day. Larry clarified the difference between replacement windows and new construction windows the Association installs. With replacement windows the internal portion is removed, the frame of the window remains then a new window is slipped in place. New construction windows are very labor intensive. Siding needs to be removed then the entire window and frame are taken out. By doing this, it exposes any water damage and rotten structural framing that would need to be replaced. Other residents voiced their opinion that every service should go out for bid annually.

Larry explained that the Reserve account is for major capital expenses such as roofs, siding, doors, windows, and roads. Funds are accumulated in each category annually; he is not willing to take any money from the other categories to put towards the windows.

The discussion moved to Resident Input and Suggestions;

1. If a resident replaced windows at their cost, is there a break on fees? Larry responded; it's been discussed but the ability to account for it is very difficult.
2. Have an individual deductible per window replaced (residents put certain dollar amount towards each window). Many residents seemed to be on Board with this.
3. Association takes out a loan to get all the windows done at one time. Sheila investigated this a few years ago. The lending institutions at that time would not lend money to an association. They had to have an individual secure the loan. A resident will provide the name of a lending institution that may be able to help.
4. The Association can special assess \$1,000 per unit, per year.
5. Reduce expenditures by having sub-committees take on some of the maintenance around the community and put the savings towards window replacement.
6. Installing wells for irrigation. Each well would cost roughly \$10,000 but should pay for itself in three to four years. Rich Edwards will be looking into this.
7. Suggested having two meetings per year rather than just the annual meeting.
8. Dave's Glass will replace foggy glass for much less than replacing the window. Larry explained that the Association did that in the past. However, the windows are beyond that at this point. Residents may do this at their cost after receiving Board approval.
9. Concerned in the long run they are paying into the windows and not getting them.
10. Paying more for them to be replaced one at a time.

Larry shared the following financial information;

Dollars spent on window replacements through 9/30/22	\$142,625
Committed through 9/30/22	<u>\$198,016</u>
	\$340,641
2021 Carry over and 2022 budget	-\$222,844
Dollars over spent	<u><\$117,797></u>

Any operating expenses that are under budget for the year gets moved
Into the Reserve Window Replacement fund.

Aerator Repair	\$ 2,000
Other Contractors	\$ 20,000
Building/Other Maintenance	\$ 28,000
Power Washing	\$ 6,000
Reserve Account:	
Light Fixtures	\$ 4,300
Mailbox Replacement	\$ 43,000
Insurance Premium	\$ 7,200

NOTE: Insurance Premium reduced due to deductible going from \$5,000
to \$25,000.

Remaining deficit of <\$ 7,297>

The plan was to use the under-budget dollars for the mailbox replacement. However, with the window replacement deficit the mailbox project may need to be put on hold. The current estimate for the mailbox replacement is \$65,000. There was one bid for this project. Estimating this was very time-consuming, working with the post office and reviewing the specifications for installation. If there was a special assessment for this project, the cost would be \$350 for each condominium owner. A show of hands indicated the majority are in favor of a one-time special assessment to get the locking mailboxes.

Larry shared that the most important aspect of a condominium community is consistency. This is one reason it is good to continue installing the current Board approved Pella windows. The property values in The Lakes community continue to increase. To date, there have been two condominiums that have sold for over \$300,000.

For the Board, the safety of our residents is of the utmost importance. However, as a community we must try to live within our means.

With no other items to discuss the meeting was adjourned.

Meeting adjourned at 7:42pm

Minutes respectfully submitted by

Sheila Mowry