



[The Lauren Condominium Association](#)

MINUTES OF THE BOARD OF DIRECTORS

March 26, 2008

The meeting was called to order at 7:03 p.m. by Roger Hirschland. Present were other board members Dwight Clark, John Filice, and Jeffrey Wertkin, and property manager Walter Krolman. Also present were residents Brian Larkin and Dave Lilling.

READING, MODIFICATION, ACCEPTANCE OF MINUTES OF THE MEETING OF February 28, 2008

The Board approved the February minutes as a true record of the meeting with one amendment: the annual meeting is scheduled for May 12, not May 6.

TREASURER'S REPORT: March, 2008 for Month Ending February, 2008

Net Cash:

- Net cash available at the end of February, 2008 was \$1,089,935.26

For year-to-date operations, through the end of February, 2008:

- Total income was \$176,411 which is under budget by \$5,715
- Total operating expenses were \$131,966, which is under budget by \$4,654
- Capital expenditures were \$27,485

Fund Balances as of the end of February, 2008

- Operating fund balance as of the end of February 2008 is \$74,228
- Reserve Funds:

Unrestricted capital reserve fund booked balance:	\$867,836
HVAC dedicated replacement reserve fund booked Balance:	<u>\$180,682</u>
Total Reserves	\$1,048,518

Note 1: Monthly Condo Reserve Contributions for 2008 are \$18,670.00

Note 2: The HVAC reserve fund includes a transfer of \$ 61,296 from the general reserves as of January 1, 2008 plus a portion (\$3,405.33 per month) of Monthly Condo Reserve Contributions.

Miscellaneous Notes:

- **2006 Audit:** On 3/24/08, Jeremy Powell, Goldklang Cavanaugh Auditors, emailed that:
 - He should have the audit work completed by April 1, 2008.
 - A partner will need time to review the audit and there is also an administrative review process as well.
 - He will make every effort to have the draft available for the Board's review and discussion at our April, 2008 meeting.
- **2007 Audit:**
 - Once the 2006 audit is complete, Jeremy Powell will be in a position to estimate the completion of our 2007 audit accordingly.
 - Jeremy Powell said: *“We will make every effort to meet the requested deadline of May 1, 2008”*
- **Monthly Reserve Contributions:**
 - a. RBC Ventura Bank “Holding Pen” Account re Monthly Reserves: This account has been closed all together and our Monthly Reserves are being sent directly to Smith Barney per item “b” below.
 - b. Monthly Reserve Contributions From this Point Forward: Larry Simmons notified us that the \$18,670.00 monthly check was to have gone to Smith Barney as of March 20, 2008.
- **Certificate of Deposit / Smith Barney Investment Activity in February, 2008:**
 - a. New South CD redeemed (\$65,848.50) and sent to Smith Barney for investment. Received at Smith Barney 11 February 08.
 - b. Capital One CD (\$60,153.57) redeemed and sent to Smith Barney for investment. Received at Smith Barney 01 February 08.
 - c. Smith Barney established the following CD’s in February 08:
 1. 13 February 08. Capmark Bank UT. \$96,000. Interest rate of 3.15%. Maturity date 14 May 08.
 2. 20 February 08. Washington Mutual Bank NV. \$50,000. Interest rate of 3.35%. Maturity date 20 August 08.
 3. 15 February 08. Bank of India NY. \$96,000. Interest rate of 3.15%. Maturity date 14 May 08.
- **Remaining Certificates of Deposit to be Transferred to Smith Barney Upon Maturity:**

1. Chevy Chase Bank: Matures 4/28/08 (4.91%)	\$ 97,188.08
2. Key Bank: Matures 6/25/08 (5.20%)	\$ 70,718.54
3. IFSB: Matures 7/2/08 (3.64%)	\$99,978.77
4. Eagle Bank: Matures 11/17/08 (4.21%)	\$ 95,973.74
5. M&T: Matures 1/14/09 (4.62%)	\$70,001.39
6. Capital One: Matures 7/28/09 (4.88%)	\$ 72,691.50
7. Principal Bank: Matures 2/8/10 (4.89%)	\$74,389.98
8. WA First Bank: Matures 7/24/10 (5.25%)	\$ 77,735.79

- **Simmons Management:** Our direct contact at Simmons left the company. John Filice and Walter Krolman have set up a meeting with the new person – Anita – to discuss some of the Association’s concerns with Simmons Management in late April.

ACTION ITEMS

Boiler Replacement

The Board received a revised engineering report from Jack McNabb’s company regarding boiler and domestic water heater replacement. Mr. McNabb revised his estimates downward for the cost of the project. Mr. McNabb now estimates that the cost of the boiler replacement will be between \$130,000 and \$150,000. Because the new boiler will be vastly more efficient than the existing boiler, Mr. McNabb estimates that the Association would recover the cost of the project within 6 or 7 years.

The Board discussed the idea of replacing the boiler and/or the domestic water heater. After some discussion, the Board determined that replacing both the boiler and domestic water heater is a good idea because: (1) we have sufficient reserves for both projects; (2) the boiler and heater will pay for themselves in a matter of a few years; (3) the Board anticipates that the price of heating the building and the water will rise in the coming years; and (4) replacing the existing boiler and heater with more efficient equipment is an environmentally responsible decision. The Board voted to request that Mr. McNabb prepare design specifications for both the boiler and the domestic water heater. Dwight Clark agreed to ask Mr. McNabb to provide the Board with details about whether the Association will save money by undertaking both projects at the same time.

Reserve Study Modifications

Property Manager Walter Krolman had a conversation with Mike Bentley of Reserve Advisors of Milwaukee regarding the draft reserve study they had prepared for the Association. Mr. Bentley agreed to amend the study to reflect the Board’s concerns regarding reductions in the interest rate and the timing of the building’s HVAC replacement project. In lieu of numerous line items for relatively small expenses, the Board authorized Reserve Advisors to add a line item (to be called something to the effect of miscellaneous capital projects) and fund it at \$10,000 per year. Mr. Bentley is going to prepare the final draft of the reserve study.

Trash Pickup

Property Manager Walter Krolman reported that our waste management vendor, Allied/BFI, has indicated that they will no longer drive their truck down the driveway of the Lauren’s garage to pick up the Association’s trash. Apparently, they are worried about injury to workers and damage to the building.

The Board instructed Walter to continue exploring the following options: (1) a change in vendors; or (2) purchasing equipment to push trash up the driveway for pickup at street level. Walter will report his findings to the Board through email over the next several weeks.

COMMITTEE REPORTS

Decorating Committee

The Association's interior designer, I. Michael Design, prepared drawings outlining the three options that the committee was interested in pursuing. Michael sent the drawing to committee chair Erin Erlenborn, who circulated them to the committee. The interiors committee plans to meet again on April 13 to discuss the options.

REVIEW STATUS AND DISCUSSION ITEMS

Home Page

Brian Larkin has been running the Association's website for the past 12 years. He started the website well before it was fashionable for condominiums to have their own homepage, and he has donated his time and energy to create and maintain one of the most impressive condominium websites in the entire country. Based on usage statistics, it appears that the homepage, www.lauren.org, received approximately 3,000 hits per day.

Brian is planning extensive travel in 2009, and he explained that it is time to pass the website torch. The Board voted to establish an ad hoc "Technology Committee." The purpose of the committee will be to establish the Association's mission for its website and to prepare a plan for a smooth transition from Brian's stewardship to a new webmaster. The president will post a notice seeking a volunteer webmaster to assume the duties.

Other New Business

- Dave Lilling explained to the Board that he is having a dispute with Simmons Management Company regarding association and parking fees. Although Dave has notified Simmons about the dispute on a number of occasions, he has nonetheless been receiving computer-generated "late notice" letters from Simmons regarding the money that is in dispute. The Board assured Dave that it will not seek to collect late fees on the money that Dave has identified as being in dispute. The Board asked Property Manager Walter Krolman to contact Simmons and request that Simmons no longer send late notices for the monies in dispute.
- The Board voted to paint the newly installed garage door the same color as the old door.

Annual Meeting

The 2008 annual meeting has been scheduled for May 12, 2008. The location of the meeting is the Marriott Hotel on 22nd Street, just north of M Street.

Next Board Meeting

The next monthly Board meeting is scheduled for April 22, 2008.

ADJOURNMENT

The meeting was adjourned at 9:55 p.m. for Executive Session.

RESPECTFULLY SUBMITTED

Jeffrey Wertkin, Second Vice-President, for Elizabeth A. VanderPutten, Secretary.

TO SUBSCRIBE

To receive e-mail copies of Board Minutes, send a request to Property Manager Walter Krolman at manager@lauren.org

Previous issues of Lauren Board Minutes from 1996 through this month are available from www.lauren.org/minutes.htm

Other Lauren information may be found in the Business Section of the Lauren Web site www.lauren.org/lrn_business.htm