

Moreland Courts Condominium Association, Inc.

BOARD OF DIRECTORS MEETING

April 29, 2021

REGULAR MEETING

The regular meeting for April 2021 of the Moreland Courts Condominium Association Board of Directors was held remotely via Zoom on Thursday, February 25, 2021. Present were President Scott Fine, Vice President John Beeker, Treasurer Benoy Joseph, Secretary Jessica Schreiber and Directors Jim Collins, Archie Green and Karen Schiavone. Management was represented by General Manager Paul Stroud, Jr., Controller Mildred Brooks and Operations Manager Sam Morgano.

Also in attendance were owners Marilyn Brown, Kathleen Hickman, Chris Malstead, Eric Schreiber, Bill Schiavone, Jonathan Shanes and Margaret Walton.

President Fine determined that a quorum was present and called the meeting to order at 7:02 p.m.

Owner Concerns Eric Schreiber, a member of Moreland Courts Physicians Advisory Council, asked for clarification on the resumption of valet parking. President Fine requested that the matter be deferred for discussion under Rules later in the meeting.

Approval of Board Minutes On motion of Benoy Joseph, seconded by Jim Collins, the minutes from the March board meeting were approved unanimously.

General Managers Report: General Manager Paul Stroud began his comments by recognizing the services of Scott Fine and Karen Schiavone who will be going off the board. Both individuals have been excellent board members and will be missed by management.

- Liens and Foreclosures Three units continue to have deficiencies. One owner has been making periodic payments. A demand letter was sent to the second owner at the end of March, and it is recommended that we move forward with foreclosure quickly. A lien is in place on the third owner, though payments continue to be made.
- Windows Policy: All of the Association's windows have now been made compliant with the Windows Policy. A decision was made that the side basement windows on the Pointe Building do not need replacement. More unit owners will be replacing windows as COVID restrictions are lifted. A few owners still not in compliance will be referred to the Rules Committee.
- Capital/Reserve Fund Projects Major improvements on the property begin next week. Replacement of East Tower rear entrance will be an invasive, dirty and aggravating process. Staff met with residents earlier this week to go over major points. Valet services to East Tower and the buildings to the east of it will be given priority. Residents can expect some inconvenience in the back line. Replacement of the Courts sidewalk project begins next week. Landscaping repairs have already done.
- Operations Manager's Report Sam Morgano is considering three options for laundry room renovations: Option 1: Work will be done entirely by Moreland Courts staff Option 2: A general contractor will do the masonry repairs and contract out everything else Option 3: A general contractor will do all the laundry rooms. Sam is looking at three offers and will meet with Paul tomorrow to decide which way to go. Owner Jonathan Shanes is helping to scope the project. Work will begin in May.
- Welcome to Mildred Brooks. Paul was very excited and happy to introduce Mildred Brooks as our new controller and she was warmly welcomed by the board.

Treasurer's Report. Treasurer Benoy Joseph began by echoing Paul Stroud's welcome to our new Controller Mildred Brooks and stated she is a wonderful addition to Moreland Courts. The March financial report is as expected. The operating deficit is less than budgeted. Revenues are somewhat lower than budgeted due to the pandemic, which has reduced in suite repairs and garage services. Receivables continue to come in, except for the three delinquencies discussed in the General Manager's Report, and \$5,000 owed by the Corral Company for rental of the CVS parking lot. Corral is three months in arrears, though some payment was made in April. In summary, total operating expenses are \$23,594 under budget for the month and \$51,800 favorable YTD. Some key variances positive to budget are in wages and employee benefits that are underbudget because of staff turnover and savings in hospitalizations. Boiler maintenance and general maintenance expenses were higher than budgeted. The renovated Guest Suite should start bringing in new revenue. The net operating profit/loss was a negative of \$996 compared to a budgeted negative of \$20,683 for a positive variance of \$19,687. Annual Capital and Reserve Funds continue to be well funded. Jim Collins inquired about a new line item under Contracted Services on the Balance Sheet. Controller Mildred Brooks and General Manager are looking into consolidating some of the line items. With the reclassification of various budget items, President Fine asked about the \$600,000 in the capital reserve budget. Paul Stroud stated that the amount is more than adequate and consistent with the planning process. Fine suggested that since the Association is \$40,000 to the positive variance into the year, the board might consider giving some relief to owners in the next year's budget.

Committee Reports

Budget and Finance Committee As a follow up to the joint meeting of the Board and Budget and Finance Committee with the auditors held on April 1, Scott Fine made the following four motions based on the recommendations of the Audit Committee. All motions were seconded by John Beeker:

That the MCCA Board of Directors direct Management to transfer \$214,286 from the Operating cash account to the Reserve Fund cash account to complete the funding of the 2020 Reserve Assessment, which amount should have been transmitted during 2020.

That the MCCA Board of Directors direct Management to transfer \$45,183 in unexpended Annual Capital income to the Reserve Fund.

That the MCCA Board of Directors transfer \$85,999 of Operating revenue in excess of expenses in 2020 Operating income to the Reserve Fund.

That the Board accept the Moreland Courts Condominium Association's Auditor Report for the Years ending December 2019 and 2020.

The motions passed unanimously.

Facilities Committee Chair John Beeker gave a brief report. The committee has not met. He attended a meeting with Archie Green and Paul Stroud last week to discuss the transition of the chairmanship of the committee to Archie Green. There has been some effort by Paul Stroud to scope the work for renovation of the security office. The committee meets next month to discuss, among other projects, work on the security office and technology upgrade for the board room.

Landmark Committee: Since Anna Dodson has placed her unit on the market, the Landmark Committee is in need of a new chair. Jessica Schreiber moved to appoint Karen Schiavone as the new chair of the committee, seconded by John Beeker. The motion was approved unanimously. Karen Schiavone reported the committee met last month and approved the plan for the lounges. The renovated guest suite looks very

nice and only awaits new carpeting. It has been a slow process, but by the end of the month, all furnishings on order for the Gallery should have arrived.

Rules Committee. Board Nomination Process. Jessica began a discussion of the memorandum about the nominations process written by Bob Baker, Chair of the Nominations Committee, in consultation with Carol Lowenthal, Chair of Rules Committee and herself as Rules board liaison. The memorandum recommends that the board add “or virtual presence” to the requirement that a board member attend 75% of board meetings in person and include an additional requirement that a board member be in residence at Moreland Courts at least six months of the year. Karen Schiavone made the motion to accept the recommendation, seconded by John Beeker, which passed unanimously. The consensus of the board was to continue the custom of the Nominations Committee endorsing current board members serving second or third terms. After lengthy discussion and consideration, the board reached agreement that the current process by which the Board makes recommendations to the Nominations Committee of good candidates to serve on the board, based on the individual’s contribution and length of service on committees, should continue with the understanding that the recommendation is not binding on the Nominations Committee, that all interested candidates are interviewed, and that there is an alternative method whereby an owner can be placed on the ballot after obtaining signatures from 20 unit owners.

Valet Service. The board supports management’s policy for reinstating valet service based, in part, on the recommendations of members of the Physicians Advisory Council.

Marketing Committee Archie Green introduced chair Chris Malstead who made the report. The committee met on March 19. Lin Emmons gave an overview of the historical process. They had a rich conversation in which the committee explored ways to support the project, including the cost of housing of the archives. They are consulting with the Cleveland Historical Society. The Marketing Committee reviewed Mebbe Brown and Denise Kramer’s proposal to commemorate the 100th Anniversary. Three events were proposed, which include an enhanced summer picnic and holiday party to celebrate the centennial. Mebbe, Denise, Paul and Chris will continue to meet and plan for the upcoming events, address some of the concerns that have been raised, and will report back to the board.

President’s Report President Scott Fine’s letter to owners expressed a lot of his thoughts. After so many years on the board, he feels very comfortable passing on the leadership of the board to the individuals who remain and are coming on. He thanked Paul Stroud and his team for their dedicated service. He reiterated his excitement at having Mildred Brooks join the management team. While being on the board can be very challenging and can take a lot of time, one of the bonuses is that it gives you the opportunity to know some of your neighbors. He said it has been a pleasure to get to know the members of the board present and past and he is richer for it. He ended by wishing Kathleen Hickman and Chris Malstead best of luck, saying they will be fine additions to the board.

Correspondence A resident wrote a note to Paul expressing concern about conditions of the Courts building. The person was informed that work will be done shortly and expects the person will be pleased with the results.

Jim Collins requested more frequent updates on what is going on with Shaker Square. Paul Stroud agreed to include periodic updates in his General Manager’s reports.

Adjournment The meeting was adjourned at 8:41 p.m.

Executive Session.

A very short meeting of the Executive Committee was held to discuss a performance issue. The meeting adjourned at 8:55 p.m.

Respectfully submitted:



Jessica Schreiber
Secretary

Paul Stroud, Jr
General Manager