Moreland Courts Condominium Association, Inc

Board of Directors Meeting

November 30, 2021

DRAFT Not Approved for circulation

until reviewed by the General Manager

REGULAR MEETING

The regular meeting for November 2021 of the Moreland Courts Condominium Association Board of Directors was held remotely via Zoom on Tuesday, November 30, 2021. In attendance were President John Beeker, Vice President Archie Green, Treasurer Jim Collins, Secretary Jessica Schreiber and Directors Kathleen Hickman, Benoy Joseph, Chris Malstead. Management was represented by General Manager Paul Stroud, Jr, Controller Mildred Brooks and Administrator Assistant Tiara Smith.

Also in attendance were owners Pat Brownell, Terry Hamilton Brown, Sara Wotman, Judith Richards and (do you remember the person—an older gentlemen with tortoise shell glasses, round face, balding, maybe a new MC resident????)

President Beeker determined that a quorum was present and called the meeting to order at 7:00 pm.

Owners’ concerns. As there were no owner comments, President Beeker moved to the next item on the agenda.

Approval of Board Minutes. The October 26, 2021, Board minutes has been distributed to the board in advance of the meeting. On motion of Jim Collins, seconded by Kathleen Hickman, the September minutes were approved unanimously. The Minutes of the November 19, 2021 joint meeting of the Board and Budget and Finance Committee had also been distributed to board members in advance and were approved unanimously on motion of Benoy Joseph, seconded by Chris Malstead.

Real Estate Listings and Units Sales. Paul Stroud reported that there have been no unit transfers since the September Board Meeting. Currently there are four units for sale, one of which is by owner, one is under contract and other expected to closeon December 1, 2021.

General Manager’s Report.

* 2022 Budget. Budget planning for 2022 started in September by the Budget & Finance Committee. The budget has been presented to the Budget Committee. The Facilities and Landmark Committee is looking into 2022 with the intention of continuing capital spending oriented toward further enhancing the physical details of the facilities.
* Reserve Study. The Reserve Budget is being finalized by our reserve consultant Criterium Engineers.
* Window Progress. Out of seven outstanding units not in compliance, one unit owner has undertaken restoration of their windows since October, one unit owner is planning replacement in early 2022, and no other unit owners have presented plans or responded to requests for their plans. A penalty fee of $20/month per window is currently assessed on noncompliant unit owners.
* Marketing Committee. The Marketing Committee is planning to recognize the upcoming hundredth anniversary of Moreland Courts with a series of events, including a gala dinner and some smaller events. Lin Emmons and other residents have complied a the history of Moreland Courts with plans to self- publish a history of Moreland Courts to coincide with our centennial.
* Delinquent Suites. One serious delinquency is in foreclosure. The foreclosure case is proceeding, while the unit owner works with a lender to pay off arrears through a 1st mortgage. Two other residents are above the acceptable limits for arrears but have advised management that they intend to become current.
* Capitol Repairs. As of October 2021, $139,744 of $200,000 has been expended on Annual Capital repairs. Completion of the Security Office, employee break room and board room are still planned for completion in 2021. Additional back hall work will be done by contractors. Masonry repair work has been completed for 2021. Two projects remain to be completed: (1) the backline wall top repairs and (2) the rear area of the 13801 building.
* Reserve Fund. The Reserve study is currently undergoing an update through our Reserve consultant. The final report should be submitted in mid-November.
* Shaker Square. A City Council meeting will be held on 12/3/21 to discuss and vote on ownership of Shaker Square
* Staffing. Tiara Smith, our new Moreland Courts Administrative Assistant, began work on November 15, 2021 and is off to a very promising start.
* Resident Contact Information. Moreland Courts’ website programmer Acclaim is finalizing the password protected Resident Directory for the Moreland Courts website.

Moreland Courts resident Terry Hamilton Brown gave a brief update on the application for the City of Cleveland to make a $12 million loan from federal Covid Relief funds to the two nonprofits seeking to acquire and redevelop Shaker Square.

Treasurer’s Report Jim Collins reported a slight surplus in operating expenses expected at the end of Budget Year 2021. Controller Mildred Brooks advised the board that the employee retention credit may take 12-18 months before the IRS could release the funds.

**Committee Reports**

Budget and Finance Committee Reports. Finance Committee chair Jim Collins began the report by thanking the members of the Budget and Finance Committee, General Manager and Controller for their hard work on the process of adopting a budget for 2022. He went over some of the provisions in the 2022 budget:

* The decision was made not to fund the Gas Meter Project from the General Budget but instead treat it as an assessment on owners who utilize natural gas (99% of owners)
* A $25,000 increase in reserve funding
* $25,00 increase in operations
* A restored line item for major maintenance contingencies
* $22,000 increase in wages and benefits
* A slight increase in half-hour rates for in suite repairs

The proposed changes in the 2022 Annual Budget will result in an increase of 3.2% in unit owner assessments for the coming year to raise a total of $3,259.632, i.e. a $44/month increase for a 0.5% unit owner

Kathleen Hickman made the following motion:

* That the Budget for Calendar Year 2022 totaling $3,534,194 be adopted;
* That $3,259,632 be assessed to all Owners of record in accordance with their individual percentages of ownership for calendar year 2022, payable in twelve (12) equal monthly installments;
* That $274,562 be calculated for discretionary special service fees which include guest suite reservations and a $5 rate increase for in-suite repairs to $37.50/hour;
* That an estimated additional $305,000 be assessed to Owners obligated to continue making monthly payments according to their pro-rata share of the remaining Master Plan Rehabilitation Loan;
* That the Board, acting through its General Manager and/or Treasurer, is authorized to expend the funds collected in accordance with the attached budget;
* That the Board, acting through its General Manager and/or Treasurer, may throughout the year transfer unexpended funds from one budget account or category to another when needed; and,
* That all unexpended funds in the audited financial statement for the year ending December 31, 2021 be allocated based on recommendations from the Board in accordance with the Association’s Declaration and Bylaws.

The motion was seconded by Chris Malstead. During discussion, Vice President Archie Green stated it was important for unit owners to understand that the special assessment for the gas meter project will pay for itself in three years and that going forward unit owners will never again have to pay the $37-40 monthly hook-up fee.

The motion to approve the MCCA 2022 Annual Budget passed unanimously.

Facilities. Since Paul Stroup had covered many of the Facilities topics, Facilities Chair Archie Green asked if he had any additional comments on projects. Paul Stroud informed the board that the annual Facilities Committee planning meeting for 2022 will occur in early January to evaluate current projects for the year, estimate costs and set priorities. These recommendations will be finalized in March. Given the problems with contractor availability during the pandemic, the committee may choose to meet earlier. Archie Green added that once priorities are determined, it is important to communicate the capital projects to owners. Paul Stroud added that the laundry rooms and back halls are priorities in the plan for 2022.

Landmark Committee. Jim Collins had submitted the Landmark Committee report in advance of the meeting, which is attached as an appendix.

Rules Committee: Jessica Schreiber reported that all residents seem to be acting in the holiday spirit with no issues regarding Rules violations coming to the attention of the Rules Committee. Due to safety concerns, no large gatherings will be allowed in the Gallery during the winter holidays.

Marketing. Board members Chris Malstead, Kathleen Hickman and Jessica Schreiber are working together to restart the Moreland Courts newsletter under the Board purview with management support. Chris Malstead said the plan is to publish the newsletter monthly. All newsletters will be reviewed by the Board before going out. The newsletter will be distributed via email, posted in the buildings and available on the website. Content will include a letter from the General Manager & Board President, upcoming events, contact information for residents, new staff and residents and owner’s achievements (all with the consent of residents), and developments in the Shaker Square, Buckeye and surrounding neighborhood. Kathleen Hickman added that the newsletter will perform the essential function of keeping residents informed about what is going on at Moreland Courts. Chris Malstead expressed gratitude for the strong support for this effort provided by new Administrative Assistant Tiara Smith.

President’s Report. The revised MCCA mission statement was approved for posting on the Moreland Courts website for comments. President Beeker also reminded the Board of the COVID policy and to wear masks in common areas.

Correspondence: None

On motion of Jessica Schreiber, seconded by Archie Green, the meeting adjourned at 8:20 p.m. to go into Executive Session to discuss personnel matters.

Executive Session. The meeting of the Board resumed around 8:30 to discuss litigation and management bonuses and adjourned at 8:45 p.m.

Respectfully submitted: Approved by:

Jessica Schreiber Paul Stroud, Jr.

Secretary General Manager

Appendix I

**LANDMARK COMMITTEE MEETING MINUTES**

**November 16, 2021**

**Committee members:** Char Fowler, Lloyd Owens, Liz Patterson, Karen Schiavone, Chair, Jim Collins, Board Liaison, James Godfrey, Mebby Brown, Lee Jacobs, Gina Winstanley

**Actions taken since last meeting were:**

* Landscaping project has been completed by Kew
* Covers for picnic tables and server have been delivered and are now in use
* Mirrors for exercise facility have been ordered and will be installed shortly
* Ladies’ lounge is awaiting draperies, and reupholstered settee
* Pat Brownell and Anne Ames did a walk-through of the property and will forward their suggestions and plans at a later date.

**Discussion:**

Suggestion was made to purchase John Sailes’ artwork presently hanging over the long console table in the western red section of the gallery (dragonfly on a gilded background) All in attendance were in agreement. Ms. Brownell and Ms.Ames stated yesterday that it was an appropriate piece of art to purchase. Karen Schiavone will send out an email tomorrow asking everyone for their vote for or against this purchase, as we did not have full committee in attendance. Interiors will need to transfer $500. to the art initiative account for the purchase.

Joe Parisi was going to order a small bench for the vanity in the ladies’ lounge, along with a plant. It was decided that the small bench is unnecessary and I will relay the message to Joe.

**Projects for the next few weeks:**

* (2) tables will be refinished. Horace Young will pick up the small table by elevator 8 tomorrow.
* Awaiting an electrician to install the art apparatus and remaining East tower lights

Christmas décor was discussed. Last year we had decided to start replacing our old artificial trees. Jim Collins has donated an artificial tree to MC. We also decided to purchase one more artificial tree to install in the drawing room, with remaining funds.

Respectfully submitted,

Karen Schiavone