

MINUTES OF MEETING OF THE BOARD OF DIRECTOS OF BRECKENRIDGE CONDOMINIUMS

A meeting of the Board of Directors was held on May 22, 2024, at 5:00pm. The following individuals, being the directors of the Association were present:

Board of Directors:

Craig Birmingham- President

John Freeman- Vice President

Bob Menton- Treasurer

Michelle Friedberg- Secretary

Tim Goodfellow- Member at Large

Personnel:

Alex Freeman

Heather Merriman

JoAnn Gerhart

Homeowners:

Grigory Bonn

Mostafa Tabatabaeian

Sergey Kolyabin

Steve Ellner

Deborah Powers

Frank Alvarado

Jennifer (no last name on zoom box)

The meeting was called to order at 5:05pm and Quorum was established.

Annual Election Meeting was scheduled for June 18, 2024 @ 5:00pm.

- Craig Birmingham and Michelle Friedberg are up for re-election.

Cash Balances as of April 30, 2024:

- Operating Account- \$133,552.48
- Reserve Account- \$519,296.58
- Delinquency as of April 30, 2024- \$22,605.21
 1. 3 owners are filed with our attorney currently. Interest, late and legal fees are charged and added to the ledger accordingly by the lawyer. We are receiving wage garnishment for 1 of the 3 owners.

Old Business- Items completed as of May 22, 2024:

- Vendor Spread was sent to the board for review of what has been completed and spent to date.

Other:

- We are continuing to budget \$233,000 for siding and trim replacement, two roof replacements, asphalt repairs and stair tread repairs for 2025.
- Craig Birmingham mentioned keeping an open line of credit available through Primus Bank - will take the lead on this. Could run \$5,000-\$10,000 per year to keep open.
- Owner to investor ration is still high on the investor side. We have approximately 44 owner occupied units, with the remaining being rentals. This will prohibit FHA and possibly Fannie Mae loans.

- Banks are looking at the creditworthiness of the buyer and not the real estate.
- It is believed that the amount in the reserves needs to be a certain amount to obtain traditional financing.

Plumbing:

- It was recommended by Craig Birmingham that we have a program in place for owners to replace the polybutylene piping in the entire unit. He suggested as an incentive to offer the owners \$500-\$1000 to put towards costs.
- The costs for the replacement of the polybutylene piping will range depending on what type of pipe you are replacing (Pex, CPVC or Copper). Heather received quotes ranging from \$6700-\$14,340. Some include drywall and others do not. It was suggested we do drywall for the owners in house.
- The plumbing risers are still necessary to budget each year. Currently, we have not had any issues with the risers.
- Water saving toilets- for the units we are managing we are replacing with the .8 flush. Alex did state that they have now come out with the Niagara toilet with side flush.
- For the investor that owns 60 units (20%), we confirmed that they are using 1.2 flush water saving toilets.
- Craig Birmingham suggested the association contribute to replacing all toilets with water saving toilets to decrease the water consumption.
- We conduct weekly water meter readings; if the reading is over 200, we will then have maintenance go and inspect each unit in the building that has the high reading. Most of the leaks are caused by leaky faucets or running toilets.

New Business- Sink Hole

- Sink hole replacement cost- \$489,850 that was not budgeted. Due to these unexpected expenses for the year 2024, we are projecting a minimum of 7% increase over the next two years (2025/2026) to increase the reserves. The 7% total increase assumes a 5% operational cost increase and could change if a bigger increase is needed on the Operating Expense side.
- As of May 20, 2024, the reserve account balance is- \$417,838.
- Contracted and completed Cap ex for 2024 is \$857,522, compared to a budgeted \$550,000 (\$460,000 in CapEx plus the \$90,000 reserve contribution).
- It is projected that by the end of the year 2024 the reserve account balance would be \$114,904.
- By the end of the year 2026 the projected reserve account balance would be \$560,989.
- A reserve study was completed- Alex is making changes and once complete will send to the board for review and set date to discuss.

Master Insurance

- 2023 Actual- \$143,590
- 2024 Budget- \$159,700
- 2024 Actual- \$176,111- this is about a 10% increase above what was budgeted.

Security:

- There has been elevated activity throughout the community in which Heather is working closely with Montgomery County Police. This seems to stem from an adjacent complex (Cider Mill Apartments) where the County Police ran them out and now have fled here. It is highly encouraged by all residents that if you see something call the police, do not approach, or confront anyone. The County will be working hard on this matter but could take several months. They

have assured me that they will be successful in removing them.
Arrests are being made.

Open Discussion:

- Tim Goodfellow requested that we pressure wash building 18520 due to the recent fire and dirt that has accumulated. Our maintenance technicians will begin pressure washing all the buildings and will start with 18520 once ServPro has completed the remediation of the effected fire units.
- Deborah Powers thanked Heather for removing all the trucks that were parked in front of her building.
- Michelle Friedberg commented on the landscaping replacements which include the removal of three Bradford Pear trees and replacement with new trees and sod at building 18537.
- Michelle Friedberg also mentioned now that the Bradford Pears are removed you can see the building trim damage (rotten wood) more clearly. We will assess all buildings for next year's budget and start with the worst one.

There being no further business to come before the Board, the meeting was adjourned at 6:18pm

Craig Birmingham, President

ATTEST:

Michelle Friedberg, Secretary