

WALDEN WOODS
BOARD OF DIRECTORS MEETING MINUTES

MEETING DATE: November 17, 2020

STATUS OF THESE MINUTES: Second Draft (12/7/2020)

ATTENDANCE:

Directors in Attendance: A. Heikoff, D. Heikoff, Palladino, Webber, Dostal, Giampolo, Devlin (arrived at 7:31), Onessimo (arrived at 7:31), DeMarco, Raupach (arrived at 7:24), Grigg, Patel

Directors Absent:

Elite Property Management Representative: Chris Kohnle, Property Manager.

1. CALL TO ORDER:

Director Webber called the meeting to order at 7:05 PM.

COMMENT FROM THE PRESIDENT OF THE BOARD: When the meeting was called to order, Director Webber wanted to review the Board's Fiduciary duty to the Conservancy as a whole and not any individual homeowner or individual council. She reminded the members that the duties of the members of this Board are to do what is best for the community and not any individual council or personal issue. She commented that the last Board Meeting was a disappointment as she did not see that the Board was mindful of their Fiduciary duty and she felt it required a reminder before the start of this meeting.

2. APPROVAL OF THE PRECEDING MINUTES: This motion was voted on at the end of the meeting. **MOTION** to accept the minutes with amendments by Director Webber, seconded by Director Devlin passed unanimously.

3. FINANCIAL REPORT: Director DeMarco reviewed the financials for each council and the conservancy as provided by Elite. Mr. Kohnle provided written content within the Board Packet showing the current numbers, Director DeMarco's report included other outstanding costs which are not reflected below.

The Conservancy	Current Year	\$9,952.50
The Village	Current Year	\$11,273.59
The Ridge	Current Year	(\$214.13)
The Duplex	Current Year	\$6,404.26
The Townhome	Current Year	(\$2,239.66)

4. MANAGER'S REPORT

a) **Inspection Reports:** Mr. Kohnle reviewed the current inspection reports. Director Palladino followed up about unit 342 Mercer and the speed bump

necessitated by cable issues. Mr. Kohnle stated that the bump was temporary, and the cable line has been replaced.

- b) Document Revision/Update: Mr. Kohnle commented on the long-time project, many, many hours and reviewing. Dir. Webber reported that the documents committee met to address comments and questions they had with Attorney Ryan in October in order to finalize the proposed documents they had been presented with. Village Allocation is at the finish line. Mailings to go out December 1, 2020. The Board was reminded that there needs to be 67% vote to pass.
- c) Landscaping/Snow Contract Bids: Mr. Kohnle reported that the contract had been finalized with Butler and they will begin as the Community's new provider on 12/1/20. There was one concern though regarding the language in one clause. Butler asked that that language be changed. The clause on Dispute Resolution. Currently the contract language says that is mandatory mediation with each party paying half of the cost for that mediation if negotiations to resolve an issue fail. Butler would rather that say "Voluntary" instead of "Mandatory" mediation. They feel mediation will end up doubling the legal fees if they are required to try mediation before a civil action is brought. Discussion ensued. None of the Board members saw that this as a huge issue and agreed to the change since this provider has been very willing to compromise when asked. Mr. Kohnle also pointed out that the contract needs to be signed and wanted to know if that could be decided tonight.

MOTION: To allow Director Webber to sign the Butler Landscaping/Snow Removal contract with the amended clause regarding mediation. Motion was made by Director Webber and Seconded by Director DeMarco. Motion passes unanimously.

Mr. Kohnle confirmed that the current vendor, Brightview, will continue to do fall clean up through the end of the contract and that they will not receive their final payment until all of the contracted for work is completed.

- d) Morgan Stanley: As discussed in prior meetings, the Board is reviewing the bank accounts to ensure all funds have proper FDIC insurance coverage. The Committee reported the following: Director A. Heikoff reported that due to balances being held by Morgan Stanley for the councils, it is advisable to move some of those liquid assets into CDs in other banks so that the interest rate on return is higher than what is earned in a simple savings account. By making these transfers to higher earning products with different vendors, the goal of making sure all the funds held for the Conservancy and its Councils would be FDIC insured as well. The limit per bank is \$250,000 in FDIC insurance. The funds held in Morgan Stanley (in total) exceed that figure by a large amount. The suggestion is one short term CD per bank for each council with a rollover option, that would effectively cover the FDIC insurance issue. It was discussed that each council would need to decide exactly how much they would want to lock into a CD and still have an operating account to work from. It was pointed out that currently there is only once Tax ID# and that is for the Conservancy (the only legal entity) and if the funds from different councils were to be held at different banks, it was suggested that it may be advisable to obtain a tax ID for

each council. Discussion on the Committee's suggestion ensued including that the Councils are not separate legal entities and cannot receive their own tax ID #'s. It was stressed by Director Webber that the Directors from each council should make recommendations to the Board soon as much of the funds currently being held in the Morgan Stanley account are not FDIC insured. It was also suggested that the Councils that needed access to those funds but still wanted to invest should put them in a money market account which allows the account holder to still draw from those funds while the rate of return is higher than a standard savings account. That led the discussion as to whether Money Market accounts qualify for FDIC insurance which the Committee believed they would. The members agreed to investigate to be sure.

It was reported that the councils had an estimated liquid amount in their accounts as of this meeting as such:

- Conservancy (\$308,000)
- Village (\$255,000)
- Ridge (\$159,000)
- Duplex (\$529,000)
- Townhomes (\$480,000)
- Reserves at Morgan Stanley

The accounts held in any bank account should be just below the \$250,000 threshold for FDIC insurance and some funds could be kept at Morgan Stanley. It was suggested that several local banks including Webster, Windsor Federal Savings, People's Bank and so on could hold those accounts and that would allow for the FDIC coverage, so long as those combined amounts are under the \$250,000 threshold at each bank. Morgan Stanley works with 2 banks so up to \$500,000.00 can be kept with them.

Discussion ensued on the quickness this action needed to take place and that a vote via email between now and the next meeting may be the best way to act on this issue to get it done in time for the 2020 audit of the Conservancy accounts by the Community's independent auditor.

5. UNIT OWNERS FORUM

17 Haskins (Duplex) – Commented on the matters tonight regarding the different accounts, a line of credit a better rate of return; the relationship with Brightview are they causing the sprinkler issue. Mr. Kohnle reported that the sprinklers are being winterized which requires a blow out of the lines and that should be completed now. He also asked about the painting of the entrance signage and all was to happen. Mr. Kohnle reported that the painting was pushed off until spring of 2021 due to the weather.

3 Marble Faun (Duplex) – wanted to ensure that the Board is insuring their reserves according to the documents. Mr. Kohnle confirmed.

Peter (Village) – expressed his dislike of the October's minutes brevity and felt that more detail should be added specifically regarding the landscape allocation.

6. UNFINISHED BUSINESS:

- a) **2020 Community Goals** - Mr. Kohnle stated that this was on hold.
- b) **Village Rules** – Mr. Kohnle reported that these were pending votes at the Annual Meeting, having already passed at previous board meetings.
- c) **Budget Draft** – A review of the draft changes provided in the Board Packet were discussed. Discussion regarding the allocation of basic service cost for water percentages between the Conservancy and the Village needed to be addressed. The split is 85% to Village and 15% to Conservancy.

MOTION: Director Palladino made a motion, seconded by Director Devlin to reallocate the business service cost between Conservancy and Village from 85/15 to 50/50. 5 Yes, 6 No (Patel, Webber, Raupach, Giampolo, DeMarco, Griggs), 0 Abstain Motion did not pass.

MOTION: Director Palladino made a motion, seconded by Director Webber that the Fire Suppression system for the Meeting House be paid 100% by the Conservancy. Motion PASSES unanimously.

A review of the Insurance coverages was discussed as well regarding the various budgets. The issue about the Village is what coverage is required on those units that have a communal wall between the units. For those units there is a question as to whether they must be covered by the Community policy for property damage and loss. In the alternative the documents can be altered to make it clear the community policy does not cover joined units in the Village. The coverage change decision has not been determined by the Village unit owners or Directors in time for this meeting and may not have been made before the Annual Meeting. If there is a decision that Coverage should be obtained after the fact, that decision may have to be addressed as a special assessment to those affected unit owners in the 2021 calendar year. Discussion ensued.

MOTION: Director Palladino made a motion and seconded by Director Webber to Accept the Drafted Budget as provided in the 11/17/20 Board Packet by the Property Manager. Motion passes unanimously.

- d) **Village Loan** – A brief review of the Conservancy loaning funds to Village was discussed. Director Palladino stated that this was addressed in prior meeting and not sure if Village even needs the loan but wanted to get approval for that possibility if needed. Some discussion ensued that possibly one of the other Councils with funds that need to be FDIC insured could make a better loan allocation for return and that could be a consideration as well. Director Palladino that this could be tabled until 2021.
- e) **Amazon Facility** – Mr. Kohnle reported there was a Town Planning and Zoning meeting was held and several conditions were placed on Amazon to address the concerns of neighboring homeowners. The conditions are now available on the Town website to review. If unit owners within Walden Woods have issues with Amazon not meeting the conditions set by TPZ and they are not addressed, they

can be brought to the Town Planner Mr. Barz, whose job it is to supervise compliance with the conditions set by TPZ.

- f) **Rule Revision** – Director Giampolo reported that the Standards Committee reviewed changing rules regarding many items for example storm doors and steps. There was some discussion of whether “Grandfathering” in some homeowners as they complied for years was included in the new proposed rules. Discussion ensued.

MOTION: Dir. Webber made a motion that the Board agrees to accept the New Rules as outlined by the Standards Committee as to Rules 29.2, 29.3, 29.4, 29.5 for the Town Homes; 25.4 and 27.1 as to the Village, Town Homes and Duplexes. 9 Yes, 1 No (Devlin), 1 Abstain (Dostal). Motion passes

7. NEW BUSINESS:

- a) **Holiday Bonus for Minutes Secretary, Robin Daly** - There was an email discussion about giving Minute Secretary, Robin Daly a holiday bonus as this has been a challenging year.

MOTION: Payment of \$150 to Robin Daly for her work and extra efforts in this particularly hard year. Motion passes unanimously.

- b) **Annual Meeting/Mail-in Voting** - Mr. Kohnle reported that the annual meeting will be held on December 9, 2020 at 7:00 p.m. as a “GO TO” type virtual meeting due to the pandemic. There will be an email deadline to address votes for things like Rule Changes and Confirmation of Officers for the WWC Board. Discussion included sending a personal email to the new members of the 2021 Board as a courtesy.

- c) **Hearings Update** - Mr. Kohnle reported on the hearings since no unit owners appeared. The following motions were made:

MOTION: Unit Owner 17 Last Leaf – made by Director Webber and seconded by Director DeMarco That due to UO failure to provide the Property Manager with a copy of the applicable lease that fines of \$50 per week starting 11/17/20 should be assessed until such time as the lease is produced as requested. 11 Yes, 0 No, 1 Abstain (Devlin). Motion passes

Director Giampolo reported that the letter Elite issues on the failure to comply with Leasing rules and requirements currently states”... Standards Committee recommends” where it should be amended and state ”due to investigation by the property manager showing that your property has been leased and that you have failed to provide the PM with a copy of that lease in violation of the Community documents and rules” and remove “Standards Committee” when such violation letter is issued by Elite.

MOTION: 618 Thoreau Circle and 107 Pond Bridge. Director Webber made a motion seconded by Director Patel to send notice to these 2 UO that the fines will be suspended from November 17, 2020 until May 31, 2021 and those fines will

be abated if the violation has been remedied to the satisfaction of the PM or Standards Committee before May 31,2021. If the violation has not been remedied all fines will be reinstated back to suspension date of November 17, 202 forward until violation is corrected. 11 Yes, 0 No, 1 Abstain (Giampolo). Motion passes.

8. COMMITTEE REPORTS:

None

9. EXECUTIVE SESSION:

None

10. NEXT BOARD MEETING: Wednesday, December 9, 2020 at 7:00 PM

11. ADJOURNED:

MOTION to adjourn at 9:46 PM by Director Webber, seconded by Director DeMarco Motion passed unanimously.

Respectfully Submitted by,
Robin Daly, Minute Secretary (Non-Member)
Approved by Secretary Deborah Giampolo (12/--/2020)