

**AUDUBON TRACE CONDOMINIUM ASSOCIATION, INC.
MINUTES OF THE BOARD OF DIRECTORS**

Wednesday, August 22, 2012
Third Meeting of Fiscal Year 2012-2013

Board members present: Sara (Sawese) Bugbee
Linda Harang
Al Lafaye
Teva Ostarly
Stephanie Prunty
Lenny Simmons

Absent: Pat Traina (no proxy issued)

Staff present: Tim Munch, Jeff Adams

1. CALL TO ORDER

- Stephanie Prunty called the meeting to order at 6:40 pm at Unit 2704

2. AUDIT REPORT

- Matt Roger, CPA, ATCA's outside independent auditor attended, and presented his preliminary audit report for fiscal year 2011-2012
- ATCA's corporate tax return will be timely filed by Sept. 15, 2012
- Roger reviewed key portions of the annual cash flow report, the balance sheet, and highlighted some changes from the previous audits
- the audit report will note that ATCA has not performed a reserve study
- the audit report will suggest implementation of a "reimbursement" policy; this will be addressed by the ad hoc governance committee
- a "no pending litigation, exclusive of collections" comment will be added to the report
- the report will be finalized and submitted to the Board within the next two weeks

3. COMMITTEE REPORTS

A. Treasurer

- Teva Ostarly reported on the status of the operating budget and the investment of the Reserve funds
- last fiscal year ended with a surplus of \$23,415
- current interest on \$150,000 in a CD is 0.15%, due in September; current

- interest on \$128,000 in a CD is 0.30%, due in December
- approximately \$100,000 (almost half) has already been collected in Special Assessment payments for deposit into the Reserve account
- Teva Ostarly moved, Sawese Bugbee seconded to invest \$250,000 of the Reserve funds in a 1-year CD, paying 0.5% interest, when the present \$150,000 CD comes due in September
- Motion passed 6-0

B. Permits

- Sawese Bugbee reported on the Committee's recommendations, as follows:

Unit 904

- owner requests installing concrete pavers within fence of rear patio, adjacent to existing exposed aggregate paved patio surface
- Committee unanimously recommends approval with these stipulations:
 - Subsurface is to be gravel/sand
 - Tim, Jeff inspect for grading to ensure adequate drainage
 - All work is to be done at owner expense
- Al Lafaye moved, Lenny Simmons seconded to accept the Committee's recommendation as presented
- Motion passed 6-0

Unit 1904

- owners request ATCA remove 2 pine trees on street side of unit; owners will replace with 1 Grancy Graybeard Star tree
- Committee unanimously recommends approval with these stipulations:
 - Owners pay for removal of pine trees and grinding of stumps (current pine trees are not diseased, not causing damage at this time, not on Manager's priority list for removal, and removal cost @ \$1,800)
 - Replacement tree that owners request is too large for the area; owners will consult with Tim, Jeff on appropriate-sized tree or shrubbery
- Sawese Bugbee moved, Teva Ostarly seconded to accept the Committee's recommendation as presented
- Motion passed 6-0

C. Community Relations

- Al Lafaye reported for Pat Traina
- the Committee proposes having 2 socials in the Fall; one for a Saints game “tailgating party”, the other for Christmas
- after discussion, it was suggested that the two be combined, and set for Sunday Dec. 9 (Saints on tv at N.Y. Giants, at 3:15 pm)
- Teva Ostarly moved, Sawese Bugbee seconded to allocate a budget of \$1,500 for this social event
- Motion passed 6-0

D. Legal

- Pat Traina submitted a report on the status of the three units presently under a lien for nonpayment of dues
- the Board instructed Tim Munch to notify ATCA’s counsel that Darcy Redmann be given a deadline of 5 pm on Thursday August 30, 2012, to perfect her agreement with the Association; if she has not made the required payment and signed the necessary documents by that time, then the Association will proceed with litigation
- there is no change in the status of the other two liens or litigation

E. Governance

- Lenny Simmons will chair this ad hoc group; Linda Harang will assist
- the goals are to: (1) develop governance policies for the Board, and (2) to review all policies adopted by all prior ATCA Boards, determine which ones are still in effect, and recommend any that should be formally rejected or cancelled

F. Finance/Long Range Planning

- Al Lafaye is chair; Teva Ostarly is co-chair; the Committee will hold its first meeting after hurricane season
- the Committee will consider a time line, and method of finance, for roof replacement, street repair, and funding the Reserve account

3. MANAGER’S REPORT

- Building status
 - Building 3 is complete, 4 is being finished, 21 is underway, 6 is next
- Work orders
 - all work orders are current
- Pest Control
 - @ 15 owners have asked for inside treatment
 - in the first week of September the vendor will repeat-treat the outside of

- every building; this process usually takes 3-4 days, weather permitting
- Landscapers
 - Manager reported numerous problems, complaints with new landscaping contractor; primary complaint is they do not pick up debris in a satisfactory manner (they blow debris into flower beds and through fences)
 - current contractor (Mullin) annual price is \$29,700
 - in meetings with Manager, contractor said that in order to clean and pick up all debris would take a full day of work, and the bid anticipated only a half day of work
 - to perform all cleaning and pick up of debris as ATCA requires, Mullin would have to increase its contract price from \$29,700 to \$59,100
 - Manager has spoken with prior contractor (Crescent City Cutters); they will return to provide ATCA with same service as they previously provided with cutting, and picking up all debris for an annual contract price of \$43,200 (a slight reduction from their prior contract price); additionally they will trim shrubbery 3 times per year at a cost of \$4,200 per trim, for a total of \$12,600 for trimming
 - total price to return to Crescent City Cutters will be \$55,800
 - the surplus of \$23,415 from last year's operating budget can be used to offset the difference in price between Mullin and Crescent City Cutters
 - Manager confirmed that Mullin contract does not have a mandatory cancellation notice period; cancellation can be effective immediately
 - Teva Ostarly moved, Sawese Bugbee seconded that the contract with Mullin should be cancelled effective immediately, that the Manager should re-contract with Crescent City Cutters and to include 3 trimmings, and that the surplus from last year's operating budget will be used to offset the difference in price from Mullin to Crescent City Cutters
 - Motion passed 6-0
- Gazebo repairs
 - \$18,080 from Lumber/construction will be used to replace all wood poles and railings at one gazebo with iron structure
 - North Pool gazebo will be done this year
- Street/concrete repairs
 - \$15,000 is budgeted for street/concrete repairs
 - one area of streets (Y intersection at Bldg 8,6,7) will be done this year, an access ramp for Bldg 39 will be installed, and one driveway badly damaged by a pine tree will be replaced
 - total cost for these 3 projects is \$19,520
 - Manager will report to the Board on where the additional \$4,520 can be pulled from the budget
 - these projects will be done later in the year

4. NEW BUSINESS

- Pool tags
 - general discussion of keeping pool tags
 - other systems for restricting non-authorized persons from the pools were discussed
 - topic tabled for discussion at a future meeting
- Car stickers
 - general discussion of keeping AT car stickers
 - discussed suggestion of issuing new stickers at the start of each fiscal year
 - topic tabled for discussion at a future meeting
- Complaints about Unit 305
 - Board discussed recent complaints about a disruptive guest at the Unit
 - JPSO had to be called out twice in the past month due to disturbances caused by a guest at the Unit
 - Manager reported on discussions with neighboring owners, the guest, and the Unit owner
 - Board members reported on discussions with neighboring owners regarding the repeated disturbances at Unit 305
 - Board agreed that Manager is to notify the Unit 305 owner that due to recent numerous disturbances caused by guests at the Unit, that the Board will begin to fine the owners, in increasing amounts, with each new violation or disturbance
- New signs for Buildings
 - latest prototype discussed
 - Jeff Adams will modify the latest design
- Property values
 - Linda Harang reported on an analysis of AT property values, when compared to other property in the 70121 zip code
 - figures used for comparison were taken from a chart produced in the July 22, 2012 Times-Picayune, showing price per square foot based on sales
 - AT values were based on an internal AT chart, showing price per square foot based on reported sales
 - good news for AT is that in every year, from pre-Katrina to the present, Audubon Trace values have exceeded those in the rest of our zip code
 - additional good news is that AT values are up thus far in 2012, above 2011 values
 - current AT values per square foot are only slightly below pre-Katrina values
 - a chart comparing the 70121 values with AT values was presented (and is attached to these Minutes)

5. ADJOURN –

- Linda Harang moved, Lenny Simmons seconded that the meeting be adjourned

- Motion passed 6-0; meeting adjourned at 9:05 pm
- next Board meeting is scheduled for Wednesday, September 26, 2012, at 6:30 pm, at Unit 2701

Submitted for publication on the _____ day of _____, 2012.

Linda S. Harang, Board Secretary
Unit 602

PROPERTY VALUE COMPARISON – 70121 vs. AUDUBON TRACE
 [70121 values used, as per T-P chart of 7/22/2012]

Zip code 70121* [as per T-P, 7/22/2012]

Pre-K	2008	2009	2010	2011	2012
\$111.00	\$120.00	\$119.00	\$109.00	\$114.00 (½)	\$107.00 (½)
				\$108.00 (½)	

Audubon Trace* [as per ATCA records, taken from T-P reported sales]

Pre-K (2005)	2008	2009	2010	2011	2012
\$136.80	\$141.64	\$137.26	\$132.74	\$124.57	\$131.77 (½)

* = Price “per square foot, from reported sale price”