

GRENELEFE ASSOCIATION OF CONDOMINIUM OWNERS NO. 1, INC.

Minutes of the Meeting of the Board of Directors

August 12, 2010

(Via teleconference)

Shirley Gold called the meeting to order at 10:08 a.m. via teleconference on the date and time specified in the notice of meeting.

Those present were:

Shirley Gold, First Vice-President

Robert Krueger, Treasurer

Carl Bauer, Director

Earl Monari, Director

Joyce Morris, Director

Chris Gourdie, General Manager

Carol Post, Assistant General Manager

Joyce Brown, Richard Moore, John Rasmussen and Bryon Smith were absent.

The first vice-president announced that a quorum was present and that the notice for this meeting was posted in accordance with the bylaws and statutory requirements.

Shirley Gold then turned the meeting over to Chris Gourdie to explain the pooled method of accounting for reserves. He explained that he had ordered a reserve study done for 2011 based on the pooled method, and the recommended funding level was \$415,000, compared with the \$1,040,594 figure from the 2010 reserve study using the current method. Carl Bauer asked if there was any requirement that the reserves be funded at 100 percent if the Association changed to the pooled method, and Chris indicated that he had already verified with the attorney that 100-percent funding could be waived by the membership with either method.

Chris stated that an advantage to the pooled method is that all the funds are available for whatever projects are required in a given year, with less likelihood of a special assessment. Earl Monari expressed concern that the Association could run out of money in the reserves which would require a special assessment. Carl Bauer expressed apprehension in making the change, and Robert Krueger felt that the issue should be considered at a regular board meeting.

Shirley Gold then asked if the board was ready to take a vote. Shirley Gold moved and Carl Bauer seconded a motion to change the method of collecting reserves to the pooled method. Robert Krueger prefaced his vote with the statement that he would like the item to appear on a regular board meeting agenda and get the proper support or non-support of the entire board. The motion was defeated, with five no votes and zero yes votes.

Earl Monari then left the meeting, and the meeting was adjourned at 10:45 a.m.

Respectfully submitted,



Carol Post

Secretary pro tem