

GRENELEFE ASSOCIATION OF CONDOMINIUM OWNERS NO. 1, INC.
Minutes of the Meeting of the Board of Directors
June 5, 2014

In the absence of the president and vice-president, the meeting was chaired by the treasurer. Robert Krueger called the meeting to order at 1:05 p.m. on the date above noted at the location and time specified in the notice of meeting.

Those present were:

Robert Krueger, Treasurer	Earl Monari, Director (via phone)
Bryon Smith, Secretary	Joyce Morris, Director (via phone)
Carl Bauer, Director (via phone)	Chris Gourdie, General Manager
John "Randy" Kuhl, Director (via phone)	Carol Post, Assistant General Manager

Richard Moore, Glenn Norton and John Rasmussen were absent.

The treasurer called the meeting to order and announced that a quorum was present and that the notice for this meeting was posted in accordance with the bylaws and statutory requirements.

Under provisions for owner comments, there were no owners present to address the board.

The minutes of the February 6, 2014, February 21, 2014 and March 10, 2014 board meetings were then presented to the board. There being no corrections to the minutes, the treasurer stated that the minutes of the February 6, 2014, February 21, 2014 and March 10, 2014 meetings stand approved as submitted.

The treasurer's report was then presented to the board. There being no corrections, the treasurer's report was approved as submitted.

Chris Gourdie then presented some highlights of the general manager's report. He stated that, in light of recent work completed at the lakelofts, it has become clear that the current plan to renovate four per year will not be sufficient, as none of them can wait eight years for renovations. He suggested that the board recommend to the membership to increase funding to this reserve at the maximum allowed rate of 10% per year, which would allow for the majority of the renovations to be completed by the end of 2017. Mr. Krueger asked if this recommendation would be put into the budget presentation, and Mr. Gourdie indicated that it would.

He then reported on the parking lot paving project and stated that he hoped to have the repaving completed in the next two to three years. He indicated that the engineer stated that seal coating one year after asphalt is overlaid is not necessary, that it doesn't need to be done until the asphalt starts to show signs of wear, and can even be a bad thing if it is overdone. He also reported that the life of the pavement should be 25 to 30 years.

Carol Post then gave a report on delinquencies. She stated that the Association completed the foreclosure process on unit 5016, but the unit has a mortgage. Mr. Krueger asked what bank carries the mortgage on units 2035 and 5016, and Ms. Post indicated that the Association has not received a Certificate of Sale yet on 5016, but that she would find out.

The next item on the agenda was the appointment of a budget committee. Mr. Krueger stated that the board should not appoint the committee without the president being present. He stated that the past couple of years the committee has consisted of Carl Bauer, Earl Monari and Mr. Krueger. Carl Bauer and Earl Monari both indicated that they would be willing to serve, and Mr. Krueger stated that the same members would serve if appointed by the president.

The next item on the agenda was a request for assigned parking at building 336, which was made at the June meeting. Chris Gourdie indicated that the problem has solved itself, that some people moved out, and Association staff added four parking spaces to the area. He reported that he and Mr. Rasmussen had looked at the issue and decided that, with the extra staff needed to police parking and the battles sure to ensue over towing cars, etc., it would be much easier to expand the parking area. Mr. Krueger asked if the Association needed to respond to the owner who made the request, and Mr. Kuhl stated that the Association office should send a letter explaining that it decided to expand the parking area rather than assign spaces.

The next item on the agenda was a proposal to rent Association-owned units 2035 and 5016. Earl Monari stated that he thought it was a good idea, as it would cover the maintenance fees. Randy Kuhl asked how much is outstanding on the mortgages and what it would take to pay those off and own the units unencumbered. Ms. Post indicated that on unit 2035, the Association attorney has been in contact with the bank's attorney, but the bank's attorney has not been able to get an answer from the bank. She stated that since the Association recently acquired 5016 and doesn't have a Certificate of Sale yet, it doesn't have any information on that one.

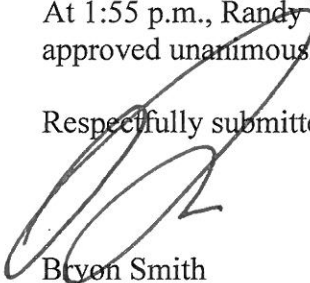
Mr. Monari asked Mr. Bauer if CFI would want to add the two Association-owned units to their rental pool and receive a commission for handling them. He stated that Heike is currently out of two-bedroom units to rent, but he would have to see if her office wants to handle it and check with Brian Siegel regarding liability issues. The board then instructed Mr. Gourdie and Ms. Post to gather all the information possible and bring it to the next board meeting.

The next item on the agenda was a report on insurance renewals. Ms. Post indicated that both the auto policy and the directors and officers policy renewed on May 1. She stated that although the board voted to have all of the Association's insurance needs handled by McGriff, Siebels and Williams, McGriff does not handle smaller policies and referred the Association's business to other BB&T companies. She reported that since the workers' compensation and directors and officers policies were already handled through a BB&T company, McGriff's Alice Butker said to keep those policies where they are. The Association's auto insurance was referred to a BB&T agency in Raleigh, North Carolina, but upon learning that the premiums would be approximately \$2,000 higher, Ms. Post indicated that the Association would remain with Nationwide, and Ms. Butker agreed. Joyce Morris asked if Ms. Post had checked with Brian Siegel, and she indicated that she had not, since the board's instructions were to work with McGriff.

The last item on the agenda was repair of the roads. Mr. Bauer stated that the board was previously told that the reason CFI wasn't going ahead with the road proposal was because it was going to do a redevelopment plan. He indicated that CFI thinks it has a buyer and that it believes there could be a sale announcement in 60 to 90 days. Therefore, any redevelopment plans previously referred to are on hold until there is a confirmation one way or another. Randy Kuhl asked about going ahead with getting the vote of the ownership regarding repair of the roads. He felt that it would be helpful to know how the owners feel about it, that it would facilitate the vote in the event that the sale fell through. However, the board decided that it would be better, rather than offering up the Association's money, to let the financial responsibility for the roads be part of the buyer's development plan.

At 1:55 p.m., Randy Kuhl moved and Earl Monari seconded a motion to adjourn, which was approved unanimously.

Respectfully submitted,



Bryon Smith
Secretary