

**Highview Condominium II**  
**Board of Directors – Meeting Minutes**  
**November 22, 2022 – 7:00 p.m.**

The twenty-ninth regular meeting of the 2019-2020 Highview Condominium II Board of Directors was called to order at approximately 7:00 p.m. by Madalina Rauscher, President. The meeting was conducted remotely by Zoom. Board members in remote attendance: Robert Boynton, Joseph Cann, Marjorie Cannon, Christine Chun, Kathleen DeVaynes, Max Lucci, Sindhu Mathew, Madalina Rauscher, and Virginia Re. Marissa Zinnanti attended from CRM Management.

- 1) Minutes of 10/25/22 meeting: Distributed by email. Continuing review. Minutes of the 08/23/22 meeting and 09/22/22 meeting were previously distributed by email, but remain subject to continuing edits.
- 2) Treasurer vacancy: With all board members present, Madalina requested self-nominations. There were none. Position has been vacant since 10/24/22.
- 3) Vice President vacancy: Sindhu Mathew self-nominated at the 10/18/22 meeting and was confirmed by an email vote. Position had been vacant since 08/01/22 without nominations. Vote questioned and re-confirmed at this meeting.
- 4) Financial Report:
  - a) Bank account balances: As of 10/30/22, Empire checking account balance \$111,912.68 and Empire Savings \$9,998.22. CRM has set up an additional account to segment income from the 10/31/22 Special Assessment for Local Law 11 work and the account balance is currently \$154,430.65. As of 10/06/22, the Citibank Reserve account balance totals \$23,401.33
  - b) Special Assessment for Local Law 11 9-b Facade repairs: All but about 10 units paid their Local Law 11 (facade work) Special Assessment in full by the 10/31/22 due date. Noted at time of Special Assessment that the \$200,000 assessment may not be sufficient to cover the final cost as additional facade repairs are identified. Initial 08/2022 contract with Basonas was for \$178,002, with any additional work required for passing the City inspection to be completed at same cost per foot. Additional worked currently totals \$33,122 (\$12,795 added 11/03/22, \$15,485 added 11/10/22, and \$4,842 added 11/21/22). In addition to Basonas, there is the cost of initial engineering work on the project, ongoing inspections, and work approvals, with final cost for Capital Reserve reimbursement to be determined at completion of the project. Current outstanding balance due to Salamon Engineering reported by management is \$40,975 as of 10/31/22. Balance includes the facade repair work (Local Law 11 9-b), boiler design work, and foundation crack investigation and design work.
  - c) Aged payables (owed by Highview II): As of 10/31/22, payables totaled \$249,213.
  - d) Reserve Funds summary: No update at this meeting.
  - e) FY2021 Audit: Completed. Awaiting final copy for General Membership distribution, along with final approved copy of FY2019 and FY2020 with recent cover letter from auditor.
  - f) Coin Mach: Coin Mach's contract calls for Highview to be reimbursed for the laundry room's separate ConEd electric bill. CRM reported that they have been unsuccessful in collecting any reimbursement from them. Madalina asked Marissa whether this needed to go to the building's attorney for collection. Marissa will discuss with Madalina later. No update at this meeting.
  - g) Capital Reserve Engineering Study: Boynton in contact with Becht Engineering and they are making final revisions. Becht will be available for Board meeting to review. Meeting not currently scheduled.
  - h) Search for new Auditor: Board approved new auditing firm for Highview. There were no dissenting votes. This followed a search involving four potential candidates and a final interview with Carl Cesarano of Cesarano & Khan, CPAs, PC, the Financial Planning Committee recommended contracting with Cesarano & Khan. The firm focuses on condominium finances and serves approximately 300 condominiums in the area. Similar to the service received prior to 2015 from Wilken & Guttenplan, the firm will offer both annual

audits and tax return preparation, but will offer guidance in best practice and is familiar with NYC Local Law compliance.

i) Staff salaries and bonuses: Discussed and approved.

5) Legal Report:

- a) Legal actions by building attorney: Three units are with attorney for Small Claims Court proceedings totaling \$19,107.88. Highview attorney costs are adding to the unit owners' balances: In addition, one unit is in foreclosure with a balance in excess of \$47,828.73.
- b) NYC Department of Buildings (DOB) and Environmental Control Board (ECB) building fines: No update at this meeting.
- c) Records of insurance compliance by unit owners: Six unit owners remain out of compliance and receiving month fines. No updated list at meeting from management.
- d) Records of insurance compliance by unit owners' tenants: Only one tenant out of compliance without proof of current renter's insurance on file. Landlord receiving monthly fine. No updated list at meeting from management.
- e) Leased units: Two units currently in rental without current lease on file. Unit owners receiving monthly fine. No updated list at meeting from management.
- f) List of pre-approved contractors: No update from management.
- g) Local Law 11 - Cycle-9b: Additional facade cracks have been found as the work progresses, inspection and confirmation by engineer, and added to project cost. Noted that it is typical to identify addition work once scaffolding is up and a close visual inspection can be made. Previous Local Law 11 inspections have proceeded the same way with additional work determined. City requires completion of the project and submission of certification paperwork by 02/23/23.
- h) Vendors and contractors insurance: No update from management.
- i) NYC Condo Tax Abatement Law changes: As noted at previous meeting, tax law changes are taking effect in 2022. Although Highview II was not listed among buildings affect this year, Board requested on 01/25/22 that management provide a better understanding of the change in order to anticipate if/when it might apply to the building in future year. No update from management.

6) Building Repair & Maintenance:

- a) Boiler operation and NYC DEP/ECB compliance update: Marissa updated that the previously discussed National Grid surcharges were only for failing to submit a Non-Firm Demand Response Affidavit. National Grid confirmed that through the cold weather events that took place this past winter, they did not find any violations for this property and onsite equipment successfully switched over during these periods. The charges are strictly regulated by the NYS Public Service Commission and no further penalties for 2021 were assessed after 3/31/2022. Marissa now filing papers for 2022.
- b) Boiler replacement: Meeting with engineer to discuss boiler plans on hold until foundation crack bidding is completed in mid-December. Board anticipates meeting with engineer to discuss both projects in mid-December. Possible follow up meeting with individual bidders. Once those meetings are completed, a General Membership meeting may be scheduled in late January with engineer and selected bidders on both boiler and foundation repairs. Remaining question as to whether Highview might qualify for a New York State Energy Research and Development Authority (NYSERDA) grant for the boiler's increased efficiency. Also question of any building issues of compliance with Local Law 97's 2030 deadline from building's recent energy audit.
- c) Foundation cracks: Design work completed and engineer currently awaiting approval to go ahead with bidding. Marissa will call engineer tomorrow to confirm go-ahead. Engineer anticipates bidding will be concluded by mid-December.
- d) Local Law 11 - Cycle 9b: Special Assessment payment deadline was 10/31/22. Work is progressing. Additional required masonry repairs have been determined and approved in the last couple weeks. NYC requires completion of the work and submission of paperwork by 02/23/23.

- e) Roof exhaust fan: CRM getting estimates for repair/replacement. Noted by both Cann and Boynton that the only bid received to date did not provide any breakdown of actual components that would be utilized for the repairs. No update from management at this meeting.
- f) Maintenance schedule: Zinnanti will review and share with board at next meeting. No update from management.

7) Committee Reports:

- a) Financial Planning Committee: Boynton, Rauscher, and Deirdre Snyder met with Carl Cesarano on 11/21/22 and recommended the firm to Board at this meeting. Currently working on the budget for FY2023 and anticipate recommended FY2023 Budget for board approval by 11/30/22. Anticipating budget increase of approximately 5% to match inflation at the recommendation of CRM, plus additional increases to match increased utility costs.
- b) Building Beautification & Improvement Committee. No update.
- c) Rules & Regulations Committee: On 11/01/22, the Board met in Special Meeting to review all Rules & Regulations and Fine Schedule, update as needed, and consider any amendments or additions. Following the meeting, revisions were distributed on 11/11/22. Following online discussion, additional edits were completed and distributed.

House Rule #27 (moving rule) was amended for clarification and House Rule #28 (No Smoking rule) was added. As discussed by the board, NYC Local Law 147 requires all New York City residential buildings with three or more units to establish and enforce a no smoking policy, with no “grandfathering” or other exceptions. The Rule covers emission of all air contaminants, not just tobacco smoke, that may cause detriment to the health, safety, welfare or comfort of any person, or injury to plant and animal life in or on the property. Accordingly, smoking within an apartment unit that transmits air contaminants and smells to surrounding apartment units or common areas will also represent a violation of this rule. The Fine Schedule was updated as well.

Final approval of the revised Rules & Regulations was scheduled for this evening's 11/29/22 meeting. However due to the lengthy agenda, board decided to delay a final reading and approval for either a Special Meeting or December's regular meeting.

8) General Membership meetings.

- a) Meeting #1: Scheduled for 11/29/22. Auditor and building attorney scheduled to attend. Agenda items will be limited to review of 3 audits, election of Board members, with time for new business last. Anticipating that complete review of the separate FY2019, FY2020, and FY2021 audits will take approximately 2 hours to complete. Final copies of the 3 audits, as approved/accepted by the Board will be distributed to all unit owners in advance of the meeting. As previously noted, Virginia Re declined to approve the audits and Boynton approved conditional to additional or amended text in the FY2020 audit. As of this meeting, copy with amended text has not been received by Board.

CRM Management drafted and mailed letter to owners informing them if they would like to be on the board to let us know so they can be included on the ballot. The deadline for nominations was November 18, 2022. The ballots will be printed and mailed in advance for the meeting, but will also be available online for those unit owners attending remotely.

- b) Meeting #2 (and possibly #3): Need to meet and discuss Capital Reserve Study, along with comprehensive list of future projects, including the next Local Law 11 inspection. Attendees need to include Becht Engineering (capital Reserve Study forecasts), Salomon Engineering (current engineering projects), the building's auditor (discussion of adequate reserves), and the building's attorney (legal options and responsibilities). It is anticipated that this meeting will take 2-3 hours.

- c) Meeting #4 (Building loan discussion): Once cost of all urgent projects is finalized (including foundation repair and boiler replacement), possibility of a building loan will be discussed for those unit owners unable to pay their share of Special Assessment expected for early 2023.

The meeting was adjourned at approximately 9:00 p.m. Minutes submitted by Robert Boynton, Secretary.