

Highview Condominium II
Board of Directors – Meeting Minutes
December 27, 2022 – 7:00 p.m.

The first regular meeting of the 2022-2023 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, Marjorie Cannon, Christine Chun, Kathleen DeVaynes, Max Lucci, Sindhu Mathew, Deirdre Snyder and Madalina Rauscher. Board member absent: Richard Re. Marissa Zinnanti attended from CRM Management.

- 1) Update from building super: Luis Perez joined the meeting for a maintenance report. Discussions included a possibly illegal move-in and progress with the Local Law 11 repairs.
- 2) Meeting Minutes to approve: Minutes of the 08/23/22 meeting distributed by email on 09/27/22, the 09/22/22 meeting distributed by email on 10/24/22, and the 11/22/22 meeting distributed by email on 11/30/22 were approved. The 10/25/22 Minutes were previously approved by email.
- 3) Treasurer vacancy: Madalina requested self-nominations. There were none. Position has been vacant since 10/24/22. Deirdre Snyder agreed to assist, but as a new Board member felt she was not ready to assume the role of an officer yet.
- 4) Financial Report:
 - a) Bank account balances: As of 11/30/22, Empire checking account balance \$104,431.12 and Empire Savings \$9,998.63. 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) Debt/aged payables (owed by Highview II): As of 11/30/22, payables totaled \$200,799.02.
 - c) Reserve Funds summary: No update at this meeting.
 - d) FY2023 Budget: Madalina Rauscher currently working on the budget; Deirdre Snyder will assist. Final budget to be discussed by Committee with Carl Cesarano and then forwarded to full board for discussion and approval. In general, anticipating a 5% increase according to CRM. May still need to incorporate payment of outstanding FY2022 debt.
 - e) FY2022 Audit: As previously authorized by the Board, letter of engagement signed on 12/05/22 with Cesarano & Khan, CPAs, PC. Carl Cesarano has requested copies of previous tax returns, previous audits, and all active contracts of Highview II. Marissa reported that all of the requested documents have been set to Cesarano.
 - f) Special Assessment for Local Law 11 9-b Facade repairs: Marissa will provide Madalina with a comprehensive update of related expenditures, contracted sums, and status of five unit-owners who remain in arrears for non-payment of the Assessment.
 - g) 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.
 - h) Capital Reserve Engineering Study: Boynton in contact with Becht Engineering and they are making additional revisions. Becht will be available for Board meeting with Carl Cesarano to review capital reserve forecast. Meeting not currently scheduled.
 - 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 \$22,845. Highview attorney costs are adding to the unit owners' balances: In addition, one unit is in foreclosure with a balance on 11/30/22 of \$48,533.94.
- b) NYC Department of Buildings (DOB) and Environmental Control Board (ECB) building fines: Marissa reported that all outstanding violations with DOB and ECB have been resolved. There are several violations from the Fire Department that she is working on.
- 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: Repairs continue. 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 to anticipate if/when it might apply to the building in future year. No update from management.
- j) NYC Code compliance: Discussion of NYC code and current Local Laws with 12/31/22 and other deadlines. Noted that CRM was unaware of such as the Non-Firm Demand Response Affidavit.

6) Building Repair & Maintenance:

- a) Special Meeting: Per Rich Re's email of 12/14/22, he has been in contact with Champion Combustion, Redocs, NYC Accelerator, NYSERDA and along with Deirdre Snyder is exploring various Highview compliance issues with Local Law 97 and Local Law 84. As these are critical issues, the Board agreed to hold a Special Meeting in the next couple weeks for Rich Re to brief the Board in detail. Of greatest concern is how these issues relate to the building's planning for boiler replacement. Date to be determined by email for full board availability.
- b) Boiler operation and NYC DEP/ECB compliance update: Marissa reported that the Non-Firm Demand Response Affidavit has been filed and no further penalty charges should be incurred while the Affidavit is in effect. Marissa will be going to court on 02/01/23 for the building failing to have a valid boiler Operations License. Noted that Highview has been attempting to renew the expired license since summer 2021 without success, as the renewal requires passing an ECB inspection that the building has repeatedly failed. Rich Re is in contact with Champion Combustion to explore options for a successful inspection.
- c) Boiler replacement: Meeting with Salamon Engineering to discuss boiler plans on hold pending Rich Re's meetings with Champion Combustion, Redocs, NYC Accelerator, NYSERDA and exploring various Highview compliance issues with Local Law 97 and Local Law 84. As noted at December board meeting, 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.
- d) Foundation cracks: Design work completed and Salamon Engineering currently bidding the project. Bidding was anticipated to be completed by mid-December. No update from management. Once bidding is completed, advisory meeting to be schedule with Salamon Engineering and full board.
- e) Local Law 11 - Cycle 9b: Work is progressing. DOB requires completion of the work and submission of paperwork by 02/23/23.
- f) 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.

g) Maintenance schedule: Zinnanti will review and share with board at next meeting. No update from management.

7) Committee Reports:

- a) Financial Planning Committee: Boynton completed initial review of FY2023 budget proposed by CRM and passed along to Madalina Rauscher and Deirdre Snyder who will finalize. Final budget to be discussed by the committee with Carl Cesarano and the forwarded by committee to board for final approval. In general, anticipating a 5% increase according to CRM and possible Common Charge increase in April. May still need to incorporate payment of outstanding FY2022 debt.
- b) Building Beautification & Improvement Committee. No update.
- c) Rules & Regulations Committee: November revision was approved on 12/03/22. Has been posted on the HighviewCondo2.com website. Management has access to the website and advised to utilize for lease processing and unit sales. No new/active deliberations currently.

8) General Membership meetings schedule:

- a) Capital Reserve Planning meeting: On hold. The General Membership Meeting to discuss Capital Reserve planning on hold pending accumulation of additional information. Meeting will be to 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), Salamon Engineering (current engineering projects), the building's auditor (discussion of adequate reserves), and the building's attorney (legal options and responsibilities).
- b) Building Loan discussion meeting: On hold. General Membership meeting to discuss building loan 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.