

**FAIRLINGTON GLEN COUNCIL OF CO-OWNERS
September 13, 2011 Board Minutes
Held at the Fairlington Community Center**

ATTENDEES

Kathy Clatanoff, President; Ray Alexander, Vice President; Margaret Windus, Treasurer; Amanda Deringer, At-Large; and Terry McGuire (Cardinal Management). Absent: Jonathan Rolbin, Secretary.

Representative from USI Insurance Services: Theresa Melson

Glen Co-Owners: Janey Bamonte, Court 1; Jay Yianilos, Court 12; Maynard Dixon, Court 16.

CALL TO ORDER

The meeting was called to order at 7:00 pm by Kathy Clatanoff.

Agenda Item 1. RESIDENTS' FORUM

Ms. Bamonte noted that her basement at 3519B S. Stafford St. had water intrusion during the past week's rainstorms. She understood the responsibility of the co-owner for such intrusion but wondered whether the Glen might ameliorate standing water that appears behind and to the side of the unit during heavy rainstorms. Environmental Enhancements has proposed an approach that may help and the Board will examine the area further.

Agenda Item 2. INSURANCE RENEWAL

Theresa Melson, insurance agent from USI Insurance Services, presented insurance options for September 24, 2011 through September 23, 2012 and described in some detail the positive aspects of the insurance the Glen now has with Travelers. Options were provided for umbrella insurance. Workman's Compensation is a separate policy that will be renewed in November.

09.13.11.01 MOTION

Moved to approve insurance for 2011-2012 with Travelers, Hartford Steam, and Great American as presented by USI at a cost of \$58,633.

Motion passed unanimously.

Agenda Item 3. PRESIDENT'S ITEMS

09.13.11.02 MOTION

Moved to approve the August 9 Board minutes.

Motion approved unanimously.

Transfer Fees. The Glen's Finance Committee discussed and did not support the initiation of a transfer fee that would be charged to buyers of Glen units at closing as a contribution to

replacement reserves. For further clarification, the Board asked counsel if such a fee would be permissible under the Fairlington Glen Master Deed, Bylaws, and state law.

Based on the advice of counsel, the Board concluded that our governing documents do not allow the imposition of a transfer fee and, even if the documents were amended, a transfer fee might not survive challenge. Counsel provided a decision from the Superior Court of New Jersey, Appellate Division that considered many of the same issues--MICHEVE, L.L.C. v. WYNDHAM PLACE AT FREEHOLD CONDOMINIUM ASSOCIATION, 381 N.J. Super. 148; 885 A.2d 35 (N.J. 2005).

09.13.11.03 MOTION

Moved to waive the Board's right of confidentiality in the September 9 Rees-Broome legal opinion on transfer fees and to decline to consider the adoption of transfer fees.
Motion passed unanimously.

Allocation of Condo and Co-owner Responsibilities. The Glen has a long-standing policy that co-owners are responsible for water intrusion and its effects on their unit, and should address the problem of property damage through their insurance. The condominium seeks to deal with drainage problems in the common area. A summary of the policy was posted on the Glen's website following the significant rainfall of the last few weeks.

Results of Fall Landscape Walkthrough. Environmental Enhancements sent their estimate of costs associated with requests made during (or submitted before) the fall landscape walkthrough on August 27. The Board agreed that the Glen would replace the two benches in front of the Stafford St. tennis courts as part of the joint Glen-Meadows replanting effort at the entrance.

09.13.11.04 MOTION

Moved to authorize Kathy Clatanoff and Amanda Deringer to review options for fall landscaping work and, after making recommendations available to the community, decide on fall work NTE \$14,000.

Agenda Items 4. TREASURER'S REPORT

Margaret Windus noted that she is assembling material to update the historical document disk last updated by Edge Digital in 2009. She distributed a reference binder on replacement reserves to each Board member. She reported that the annual tax basis letter has been provided by our auditors, information that is provided on request to selling co-owners for establishment of tax basis on sale of a home.

09.13.11.05 MOTION

Moved to approve use of Edge Digital to update the Glen's historical disks.
Motion passed unanimously.

Agenda Items 5. MANAGEMENT REPORT

Terry McGuire reported on work efforts underway in the Glen, providing status reports on paving and numbering of parking lots, roofing, painting, basketball court, tennis courts, and drainage proposals. Jay Yianilos provided a status report on mailbox installation in B units. The 2010 windstorm claim is nearing resolution.

09.13.11.06 MOTION

Moved to go into Executive Session.
Motion passed unanimously.

09.13.11.07 MOTION

Moved to return to Open Session.
Motion passed unanimously.

09.13.11.08 MOTION

Moved to refer account #3078 for a 10-day demand letter.
Motion passed unanimously.

The meeting was adjourned at 9:00 pm.

The next scheduled meeting of the Board is on Tuesday, October 11 at 7:00 pm in the Fairlington Community Center.

Respectfully submitted,

Margaret Windus, Acting Secretary