
LCA BOARD MEETING 2008-02-26
MINUTES

LOCATION: "Nyumbani House" (1014 S 47th St.)
6:45pm walk-thru
7:?? pm Convened

PRESENT:

Naima, Cameron (Nyumbani)
Misia, Jennifer (Tree House)
Teresa (4722)
Robert (Ailanthus)
Julie (Vortex)

MINUTES taken by Robert Monk, LCA Secretary

SUMMARY AND TABLE OF CONTENTS

I REGULAR AGENDA ITEMS

- A) ACTION: Insurance/Safety Walk-thru Inspection (Nyumbani) >> **SEVERAL ITEMS FOR CORRECTION**
- B) SCHEDULE: Next meeting >> **Monday, March 17th @ Percolator (4819 Springfield Ave.) 6:45pm**
- C) REPORT: Community Check-ins
- D) REPORT: Financial Report (see attached Appendix A - 'Financial Report')
- E) REPORT: Maintenance committee report (see attached Appendix B - 'Roofing Finances')

II OTHER BUSINESS

- A) Roofing for Shofam (5023 Cedar Ave.) and Tree House (906 S 49th St.)
- B) Loans for Maintenance (see attached Appendix C "Loan Scenarios") >> **Robert to report word from Commerce; Teresa to Proceed w/ NASCO if loan doesn't go through.**
- C) Discretionary Maintenance Spending >> **Teresa to write up formal policy**
- D) Fundraising
 - 1) NASCO Fundraising >> **Misia and Morgan continuing to develop monthly dinner w/ rotating duty for houses**
 - 2) General Fund fundraising >> **Community members sell nylon bags with 50% net proceeds for LCA ??**
- E) Nyumbani House Changes (1014 S 47th St.) >> **Sell? No. ... Rent out again**

III TABLED ITEMS

A) Ailanthus House individual member -- late rent repayment plan report.

B) Collect and Sign Community Leases

ACTION ITEM: Board members to ensure their community has a signed 2007-2008 lease for Board signature at or before March meeting.

C) Fundraising -- additional ideas (alumnae development, annual reunions...)

D) Switch to quarterly Board meetings and firm up a few committees for monthly detail work

E) Provide for funding phone/internet service for needy communities

F) Start new regular agenda item: Review action items

G) Board to discuss debt repayment schedule with Nyumbani at its March meeting. >> SCHEDULED

SUMMARY OF ACTION ITEMS THROUGH BOARD MEETING 20080226

NEW:

* Robert to Notfiy Jay Sand of March LCA Board Meeting date.

* Robert get phone number for Jerry from Jennifer (Tree House), for possible masonry work at Ailanthus House (4811 Springfield)

* Tree House to fulfill conditions for grant request

>> Julie to coordinate w/ Steve to verify receipt of receipts, notify Robert, who will put Tree House in touch with Kurtz roofing

* Teresa to write up formal community maintenance collection/spending policy for Board's consideration.

* BOARD MEMBERS: Shop idea of nylon bag fundraiser w/ housemates.

* Teresa to dig up materials and coordinate posting 'house available' announcement.

* Board members to ensure their Community has a signed 2007-2008 lease for Board signature at or before March meeting.

* Nyumbani inspection items correction (see 20080226 minutes)

PREVIOUS:

* Ailanthus to establish 3 ft. clearance around furnace, repair slat on attic ladder, 3rd floor smoke detector needs to be taken down and checked. >> PENDING

* Julie will edit the wording of the Late Rent Policy to reflect the approved changes. >> PENDING

* Ailanthus to report results of Late Rents Policy 'financial consultation' to LCA Board. >> PENDING

*** Board to discuss debt repayment schedule with Nyumbani at its March meeting. >>
SCHEDULED**

*** Secretary to inform Bookkeeper, Collector, and Treasurer of forbearance for Nyumbani.**

*** Tree House correct walk-thru inspection issues.**

*** Ada to follow up with Julie on roof leak status.**

*** Julie to follow up with Trama, in the roof event leak persists.**

MINUTES -- DETAIL

I REGULAR AGENDA ITEMS

A) Insurance/Safety Walk-thru Inspection (Nyumbani) >>> **Several action items**

1. WHOLE HOUSE

- a. All fire extinguishers were out for service.
- b. The hard-wired smoke detection system throughout the house needs inspection/battery-replacement/repair

2. BASEMENT

- a. Repair/replace stair pullchain light fixture (porcelain utility fixture)
- b. Fix open junction(s) / dangling wires
- c. Locate/replace smoke detector

3. FIRST FLOOR

- a. Repair/replace back steps; add hand-rail.
- b. 'Trip' step at front?

B) NEXT MEETING

Monday, March 17th @ Percolator, 4819 Springfield Ave. 6:45pm

ACTION: Robert to Notfiy Jay Sand of March LCA Board Meeting date.

C) Community Check-ins

1. Vortex -

stairs not progressing
rear bay roof leaking again 1 year after patch job there.
rat problem >> Beth the bug lady

2. Tree House -

roof still leaking
slate still falling off
snow not making difference over rain
attic leaking @ roof trap door

shuffling in the wall

kitchen floor, living room floor deteriorating

community gelling together

3. 4722 Association -

no building meeting for a long time
locks have been getting glued shut

4. Ailanthus -

Working to find a masonry contractor for Ailanthus front steps, front yard retaining wall, and Percolator sidewalk.

ACTION : Robert get number for Jerry from Jennifer (Tree House), for possible masonry work at Ailanthus House (4811 Springfield).

5. Nyumbani -

Cameron and Naima put offer in for another house. Need to give two months notice. Intention is to give notice March 1. Emotional, scheduling difficult.

Rahim and Salim -- looking for an apartment.

D) Financial Report (see attached Appendix A - 'Financial Report')

Tree House - Ephraim still on their house account
Nyumbani - Owe quarterly, some maintenance balance
Everybody else thinks they're on time.

E) Maintenance Committee Report (see attached Appendix B - 'Roof Budgeting')

Robert presented a printout of one scenario from the 'Maintenance Replacement Schedule' spreadsheet, showing budgeted income and expenses for maintenance, including a \$145,000 loan in 2008.

II OTHER BUSINESS

A) Roofing for Shofam (5023 Cedar Ave.) and Tree House (906 S 49th St.)

1) Rob had emailed a proposal to pay for Tree House roof work out-of-pocket and then either delay or pay with loan money for Shofam (see attached Appendix C - 'Roofing Finance').

concerns: wipes out emergency, leaves no grant money
concerns: Nyumbani emptying -- what about that income

Jennifer -- make a decision that accounts for Commerce answer

ACTION: Tree House to fulfill conditions for grant request

>> Julie to coordinate w/ Steve to verify receipt of receipts, notify Robert

B) Loans for Maintenance

1) Robert reported on prospects for a loan from Commerce.

Commerce looking good, answer by Friday about feasibility. If feasible, about 1 month to get funds.

2) Teresa reported on communications with NASCO about loan consulting.
Jim Jones coming to consult.

The Board discussed getting advice from Jim out getting a loan, selling houses...

C) Discretionary Maintenance Spending

Teresa tested the water for a future formal proposal on policy for maintenance spending.

The proposal will emphasize that responsibilities of a tenant are not included in maintenance. For example: fines incurred for leaving trash out, not shoveling snow, costs to keep and feed animals, etc. are not maintenance items.

ACTION ITEM: Teresa to write up formal community maintenance collection/spending policy for Board's consideration.

D) Fundraising

1) NASCO Fundraising

Misia reported she and Morgan are moving forward w/ plan to have monthly evening meal fundraisers with a rotation of LCA houses providing the meal.

2) General Fund Fundraising

Teresa announced her strong interest in increasing LCA's fundraising efforts, for starters by participating in an easy program where community members sell re-usable nylon shopping bags and net 50% of the bag cost for their organization (the LCA).

ACTION ITEM: BOARD MEMBERS: Shop idea of nylon bag fundraiser w/ housemates.

E) Nyumbani House Changes (1014 S 47th St.)

1) What's next?

a) Who's interested?

>> Some folks from Tree House

With the knowledge that some current residents in LCA are interested in branching out and take 1014 S 47th, some board members reminded that no more than 5 unrelated adults are permitted to reside at any of the LCA houses, and that this has been a major issue for neighbors (and a costly one for the LCA) in the case of 1014 S 47th St.

b) Sale?

i) Some board members felt that we're probably going to wind up selling a house to make the payments for the new loan.

ii) Several felt that Shofam (5023 Cedar) would be the best property to sell, based on the condition of the house and ease of long-term maintenance. We tabled further discussion of this until Russel (Shofam) could be a part of the discussion

iii) Land Trust Sale of multiple properties?

- concern: personal responsibility of 'owner'

- concern: not enough incentive to owner -- might as well put rental savings into CD and save the trouble.

2) Find a New Community to Rent

a) Recruitment process:

* needs to be less labor intensive.

* Misia and any other Tree House folks not part of decision.

* Existing e-posting, flyers, applications.

* Teresa can respond to phone messages.

ACTION ITEM: Teresa to dig up materials and coordinate posting 'house available' announcement.

END MINUTES 20080226

February 2008 Financial Report:

Who owes what:

Ailanthus -- All Paid up

Nyumbani -- Owe \$202 (Old Cost Share) & Jan. & Feb. Cost Share, \$1384 unspent maintenance money, Q1 financial report

Percolator -- Owe Feb Cost Share, Q1 financial report

Quilumbo Shofam -- Owe \$1030 Feb Cost Share, Final Financial Report and receipts from Q1,2,3, Q1 financial report

Tree House -- Owe \$469.99 (Oct 05) , Financial Reports FY06-07 Q1&2, Receipts from FY05-06 Q2-4 and FY06-07 Q1-4, Q1 financial report

Vortex -- All Paid up

4722 -- Paid March Cost Share

Pentridge Children's Garden -- \$213 this year's property tax

Harmony House -- Owe (Jun& Jul '06), (Sept, Oct, Dec, Jan, Feb, April-Dec '07), (Jan - Feb '08). loan installments (received a payment in 8/06, 11/06 & 3/07)

Harmony House -- \$10976 Debt from FY03-04 & 04-05 & 05-06 (Original Debt was \$7600 in Owed Cost Share + in \$5076 Owed Maintenance, so far they have paid \$1600)

Current Balance:

\$22,389 in our general fund (This can be used for maintenance grants)

\$10,000 in our emergency fund (the goal is to have \$10,000 for emergency maintenance)

\$0 set aside for our property taxes which are due in February (I am setting aside \$1200 a month)

Agenda Items:

Nyumbani owes more than two months cost share.

Notes:

Paid All Rental Licenses.

Paid All Property Taxes, except Pentridge Children's Garden (don't have bill yet)

Roofing Loan Sketches 2008

ANNUALIZED RATE	PRINCIPAL LOAN AMOUNT				
	\$100,000	\$125,000	\$150,000	\$175,000	\$200,000
7.000	\$899	\$1,124	\$1,348	\$1,573	\$1,798
7.125	\$906	\$1,132	\$1,359	\$1,585	\$1,812
7.250	\$913	\$1,141	\$1,369	\$1,598	\$1,826
7.375	\$920	\$1,150	\$1,380	\$1,610	\$1,840
7.500	\$927	\$1,159	\$1,391	\$1,622	\$1,854
7.625	\$934	\$1,168	\$1,401	\$1,635	\$1,868
7.750	\$941	\$1,177	\$1,412	\$1,647	\$1,883
7.875	\$948	\$1,186	\$1,423	\$1,660	\$1,897
8.000	\$956	\$1,195	\$1,433	\$1,672	\$1,911

Monthly Payment

Years to payoff
(change this number to see different monthly payments scenarios)

15

Note that the proposed Commerce loan is more complex, with increasing interest rates after the first 5 years.

Adjustment to monthly cost-share to pay all of debt service without using ANY of maintenance budget											
RATE	Dollar Increase, Each of 6 hses	%	Dollar Increase, Each of 6 hses	%	Dollar Increase, Each of 6 hses	%	Dollar Increase, Each of 6 hses	%	Dollar Increase, Each of 6 hses	%	
7.000	\$134	12%	\$167	15%	\$201	18%	\$234	21%	\$268	25%	
Per person (6/house)	\$22		\$28		\$33		\$39		\$45		
7.125	\$135	12%	\$169	15%	\$202	19%	\$236	22%	\$270	25%	
Per person (6/house)	\$22		\$28		\$34		\$39		\$45		
7.250	\$136	12%	\$170	16%	\$204	19%	\$238	22%	\$272	25%	
Per person (6/house)	\$23		\$28		\$34		\$40		\$45		
7.375	\$137	13%	\$171	16%	\$205	19%	\$240	22%	\$274	25%	
Per person (6/house)	\$23		\$29		\$34		\$40		\$46		
7.500	\$138	13%	\$173	16%	\$207	19%	\$242	22%	\$276	25%	
Per person (6/house)	\$23		\$29		\$35		\$40		\$46		
7.625	\$139	13%	\$174	16%	\$209	19%	\$243	22%	\$278	26%	
Per person (6/house)	\$23		\$29		\$35		\$41		\$46		
7.750	\$140	13%	\$175	16%	\$210	19%	\$245	23%	\$280	26%	
Per person (6/house)	\$23		\$29		\$35		\$41		\$47		
7.875	\$141	13%	\$177	16%	\$212	19%	\$247	23%	\$282	26%	
Per person (6/house)	\$24		\$29		\$35		\$41		\$47		
8.000	\$142	13%	\$178	16%	\$213	20%	\$249	23%	\$285	26%	
Per person (6/house)	\$24		\$30		\$36		\$42		\$47		

4722 Assoc. Monthly cost-share
6 Houses' Monthly cost-share

780
1090

Total Monthly cost-share

7320

Costs – Simultaneous Major Repairs

	FOR IMMEDIATE REPAIRS		FOR REPAIR WITHIN 3 YEARS	
	Initial Deposit	Upon Completion	Initial Deposit	Upon Completion
Shofam Roof Gutter Repairs	\$5,133	\$10,267	\$0	\$0
Shofam 1 Rear Roof Replacement	\$0	\$0	\$1,033	\$2,067
Shofam Main Roof Repairs	\$1,567	\$3,133	\$0	\$0
Tree House Main Roof Replacement	\$12,533	\$25,067		\$0
Tree House 2 Side Bays Re-siding	\$1,200	\$2,400		\$0
Tree House Porch Roof Replacement	\$0	\$0	\$1,533	\$3,067
TOTALS	\$20,433	\$40,867	\$2,567	\$5,133
Grand Total	Due Now	Due Now + 3 mos.		\$7,700

February 2008 Financial Report:
 \$18,914 in our general fund (This can be used for maintenance grants)
\$10,000 in our emergency fund (the goal is to have \$10,000 for emergency maintenance)
 \$13,200 set aside for our property taxes which are due in February (I am setting aside \$1200 a month)

Costs – Sequential Major Repairs

	FOR IMMEDIATE REPAIRS		FOR REPAIR WITHIN 3 YEARS	
	Initial Deposit	Upon Completion	Initial Deposit	Upon Completion
Shofam Roof Gutter Repairs			\$5,133	\$10,267
Shofam 1 Rear Roof Replacement	\$0	\$0	\$1,033	\$2,067
Shofam Main Roof Repairs			\$1,567	\$3,133
Tree House Main Roof Replacement	\$12,533	\$25,067		\$0
Tree House 2 Side Bays Re-siding	\$1,200	\$2,400		\$0
Tree House Porch Roof Replacement	\$0	\$0	\$1,533	\$3,067
TOTALS	\$13,733	\$27,467	\$9,267	\$18,533
Grand Total	Due Now	Due Now + 3 mos.		\$27,800

Availability of Funds								
	Feb, 2008	May, 2008	Aug, 2008	Nov, 2008	Mar 2009	Jun, 2009	Sep, 2009	Dec, 2009
General Fund (available for maintenance)	\$22,389	\$25,556	\$28,722	\$31,889				
Emergency Fund	\$10,000	\$10,000	\$10,000	\$10,000				
TOTAL AVAILABLE	\$32,389	\$35,556	\$38,722	\$41,889				
Monthly budget for immediate roofing: [= same as monthly budget for ongoing maintenance = same as emergency fund replenishment]	\$1,056		We propose to use 1/3 of available income to pay off roofing, 1/3 to replenish Emergency Fund, and 1/3 to cover ongoing maintenance expenses.					
SCENARIO: Simultaneous Repairs								
Tree House and Shofam Roofs Repaired Simultaneously (or in the same month)								
Total due to date	\$20,433	\$61,300	\$61,300	\$61,300	\$61,300	\$61,300	\$61,300	\$61,300
Total paid to date	\$20,433	\$38,722	\$41,889	\$45,056	\$48,222	\$54,056	\$60,389	\$61,300
From General Fund	\$20,433	\$5,122	\$3,167	\$3,167	\$3,167	\$5,833	\$6,333	\$911
From Emergency Fund	\$0	\$13,167	\$0	0	\$0	0	\$0	0
Percentage paid of due	100%	63%	68%	74%	79%	88%	99%	100%
General fund balance = cumulative amount remaining for routine maintenance	\$1,956	\$3,167	\$25,556	\$28,722	\$31,889	\$35,056	\$38,222	\$43,645
Emergency Fund balance, date	\$10,000	\$0	\$3,167	\$6,333	\$9,500	\$10,000	\$10,000	\$10,000
								Note: General Fund balance assumes zero additional spending for maintenance.
SCENARIO: Sequential Repairs								
	First Roof - Tree House			Remaining Roof - Tree House & Shofam				
Total due to date	\$13,733	\$41,200	\$41,200	\$2,567	\$7,700			
Total paid to date	\$13,733	\$38,722	\$41,200					
From General Fund	\$13,733	\$11,822	\$2,478	[USE FINANCING]				
From Emergency Fund	\$0	\$13,167	\$0					
Percentage paid of due	100%	94%	100%	100%	100%			
General fund balance = cumulative amount remaining in budget for routine maintenance	\$8,656	\$3,167	\$7,022	\$13,356	\$19,689	\$26,522	\$36,022	\$45,522
Emergency Fund balance, date	\$10,000	\$0	\$3,167	\$6,333	\$9,500	\$10,000	\$10,000	\$10,000
								Note: General Fund balance assumes zero additional spending for maintenance.