

October 14, 2019

To: All SWCA Unit Owners

From: SWCA Board of Managers

Subject: SWCA Annual Meeting Notes From September 24, 2019

The annual meeting of SWCA unit owners was called to order at 7:10pm by President Bill Schoenstein. We were extremely pleased that we were able to achieve a quorum of 175 units (171 were needed) by way of proxy and in person attendance at the meeting. This allowed us to conduct an official meeting and hold elections. We appreciate the positive response to our mailings and are hopeful that we will continue to achieve a quorum in the future. Thank you.

Other Board members in attendance were Bob Zapo, VP, Nick Papas, Treasurer, Larry Yarcheck, Secretary, Steve Selmants, Frank Vincent, and Mike Livesay.

It was announced that long time Board member Burt Sagen has sold his units and relocated out of state. We would like to thank Burt for his countless hours of service on behalf of SWCA. His experience and expertise were of great value to SWCA. We wish Burt the best with his newest adventures. The Board appointed unit owner Mike Livesay to fill Burt's position. Mike is a CPA, and a partner at Weidrick Livesay & Co. with offices in the Akron area. Mike and his partners own multiple units at the complex and he is well versed in our type of facility. Welcome Mike.

Larry read the minutes from the 2018 annual meeting, and added his own comments and observations. The report was accepted into the record by members in attendance.

Treasurer Nick Papas delivered the financial report. He discussed the 2018 financial statement and the 2019 interim statement. It was noted by Nick that due to careful financial management, we were able to transfer approximately \$26,000 of funds from 2018 into the reserve account. Nick also noted that due to a mild winter and a new snow plow contract negotiated by Steve Selmants that our plowing costs were lower than previous years. Overall, our financials are finally improving.

As mentioned, Steve was successful in negotiating a new snow plow contract which should save us several thousand dollars during a typical winter. We also entered into an agreement with the former developer to lease a parcel of land to the south of the complex whereby we could place excess snow. Even with that, due to heavy snowfall in January, we ran out of room to place the snow. Frank Vincent was able to rent a front end loader for a few days to relocate piles of snow to make room for new snow. Frank operated the loader in some very cold conditions, so we owe him a big thanks for his efforts.

Bill delivered the Presidents report starting with the status of collections. We billed \$323,000 for the special driveway assessments, and as of the meeting date we had collected \$317,500. We have successfully sued one owner in small claims court and have a judgement in the amount of \$4,523 for his unpaid special assessment, unpaid prior years maintenance fees, interest, lien fees, and legal expenses. We have another small claims case in October and expect to obtain a judgement for approximately \$3,300. We have approximately \$7,800 of other past due maintenance fees, interest charges, lien fees, legal collection expenses, etc. We continue to

aggressively pursue these receivables with the assistance of Board members, our CPA firm, and attorney Lee Skidmore. All seriously past due accounts have liens files on their units.

The new website is operational at www.swcamedina.com. You can find your condominium declarations, by-laws, insurance certificate, newsletter, special announcements and contact information. **Due to the high cost of traditional mailing, its our intention to only provide future communications by using e-mail and having owners visit the website.** If you have not furnished us with your contact information including an e-mail address this is the time to provide the information to any Board member. All owner information is kept confidential and is only used by the Board and accounting firm.

We continue to monitor electrical usage and are pleased to report that our costs have stabilized and even appear to be trending lower. Over the past four years, we have averaged \$30,236 per year in electric expenses. Right now we are trending to an annual cost of \$26,000. This is due to owner awareness and cooperation as well as converting the exterior lights to LED. We ask all owners to conserve electric usage wherever possible which will have a positive impact to the budget.

We are watching and inspecting the F building roof as it's approaching the end of its useful life. We will patch and repair as long as possible in an effort to accumulate further reserves. Depending on a number of factors, it's estimated that a new roof will be in the range of \$75,000-\$80,000.

Eric Markert, our maintenance supervisor, has had difficulty trying to control our industrial grade weeds. We will be looking at new methods or products in an effort to control the weeds in 2020. He has replaced broken pavers near the sign, north of the A building; he has also installed bollards at the southeast corner of the property to avoid vehicle damage to the turf. We will be removing several dead trees near the east property line. The older, smaller drain line servicing the area east of the C building, was inspected and jet cleaned.

Eric continues with the door wrapping project at a cost of \$150.00 per door. This work is required primarily due to corrosion and environmental factors. Eric has wrapped 15 doors and has 22 more doors to go.

Frank and Bill inspected the parking lots in August and have prepared a report for all owners to study. We have deteriorating concrete, and drainage that will need to be repaired. Unfortunately, it will take in excess of \$300,000 at today's pricing. We discussed funding ideas with the owners but no decisions were made. We only have two ways to collect money: the annual maintenance fees and/or special assessments. The drawings and cost spreadsheet will be posted on the website.

Bill reported that the surveillance system continues to work well and has caught several instances of damage and other infractions. The system records 24/7 and is managed and monitored by Frank Vincent.

Board members Bob Zapo and Frank Vincent, in conjunction with the management of the other two associations operating at the property, did an excellent job with the driveway and drainage project. This included installation of the retention pond north of the A and B buildings. Special

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thanks to Perrin Asphalt and Lewis Land for their guidance, engineering, and ability to do the project with minimal inconvenience to the unit owners. And additional thanks to everyone involved, and to our unit owners for their cooperation with payment of the special assessments.

The President's report was completed, and with no remaining old business and no further new business we were able to hold elections for Board positions. The votes were counted as follows:

For the current Board as a slate - 151 (Bill, Bob, Larry, Steve, Nick, Frank and Mike)

Harry Covington - 3

Paul David - 6

Ed Jones - 5

Richard Maryo - 1

Dave Mangan - 6

Tom Borrer - 6

Nick Papas - 2

Bob Zapo - 1

Frank Vincent - 2

Larry Yarcheck - 2

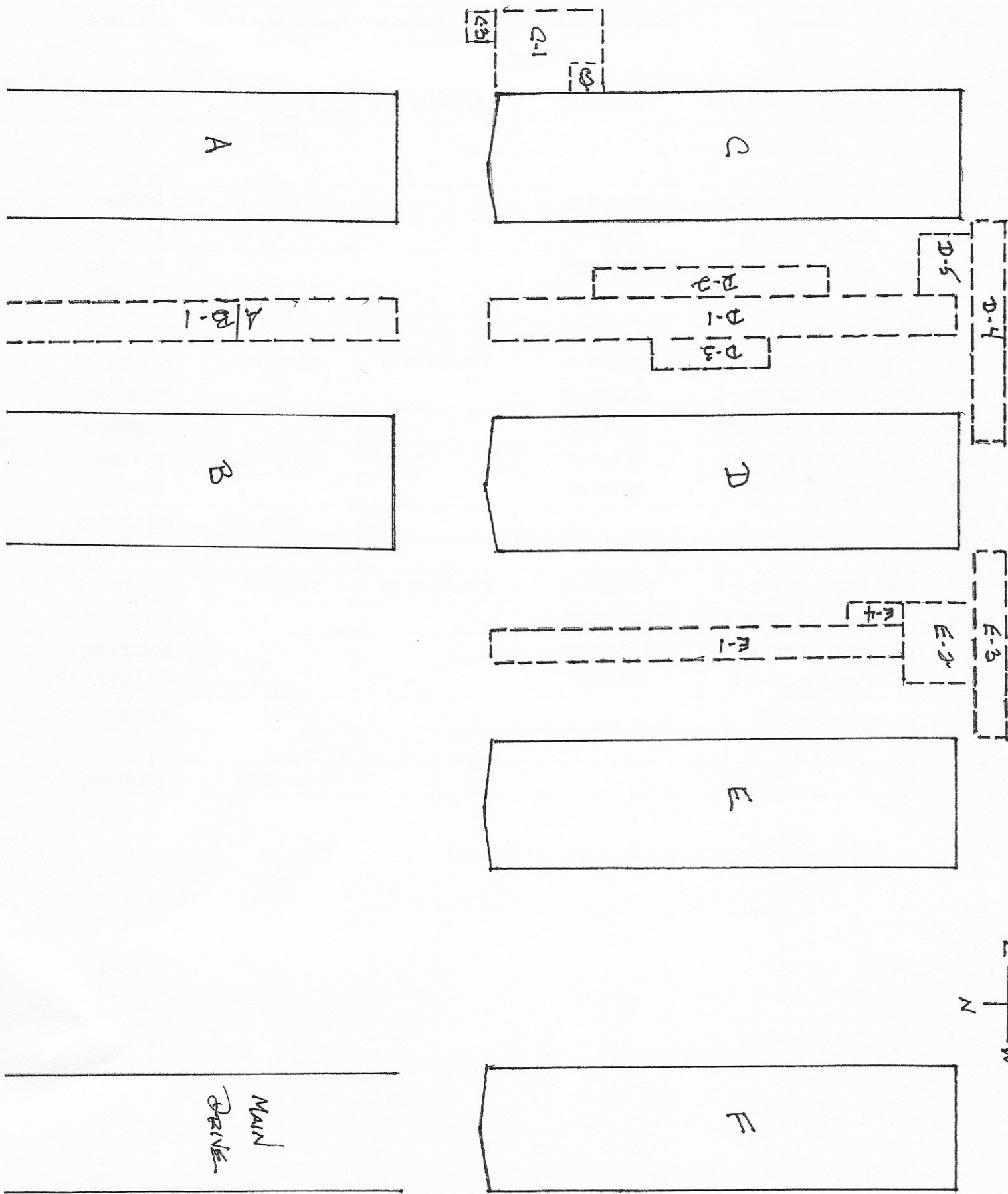
Bill Schoenstein - 9

The current Board was elected and a motion was made to adjourn. The motion carried and the meeting was adjourned at 9:15PM

Table 1

9/1/2019 SWCA Parking Lots					
Section	Dimensions	Concrete At \$8.25/sq ft	Catch Basins at \$3,450 each	Drain Pipe at \$7.38 per foot	Total Estimate
A/B-1	19' x 430" = 8,170 sq ft	\$67,402.00	\$6,900.00 (2)	\$3,173.00	\$77,475.00
				Total	\$77,475.00
C-1	25' x 46' = 1,150 sq ft	\$9,488.00			\$9,488.00
C-2	13' x 13' = 169 sq ft	\$1,394.00			\$1,394.00
C-3	13 x 11 = 143 sq ft	\$1,180.00			\$1,180.00
				Total	\$12,062.00
D-1	13' x 534' = 6,942 sq ft	\$57,272.00	\$10,350.00 (3)	\$3,914.00	\$71,536.00
D-2	13 x 229' = 2,977 sq ft	\$24,560.00			\$24,560.00
D-3	24' x 100' = 2400 sq ft	\$19,800.00			\$19,800.00
D-4	21' x 37' = 777 sq ft	\$6,410.00			\$6,410.00
D-5	24' x 25' = 600 sq ft	\$4,950.00			\$4,950.00
				Total	\$127,256.00
E-1	26' x 491 = 12,766 sq ft	\$105,320.00	\$10,350.00 (3)	\$4,051.00	\$119,721.00
E-2	43' x 60' = 2,580 sq ft	\$21,285.00			\$21,285.00
E-3	21 x 71' = 1,491 sq ft	\$12,301.00			\$12,301.00
E-4	13' x 14' = 182 sq ft	\$1,502.00			\$1,502.00
				Total	\$154,809.00
				Grand Total	\$371,602.00

East Property Line



Storage World Condominium Assoc.

06/21/19

Profit & Loss

Cash Basis

January through December 2018

	Jan - Dec 18
Ordinary Income/Expense	
Income	
Assessment Fee Income	150,675.00
Collection Fees	1,341.32
Late Fee Income	183.44
Maintenance Fee Income	126,341.64
Other Income	2,200.00
Sign Rental	5,500.00
Total Income	286,241.40
Gross Profit	286,241.40
Expense	
Bank Charges	49.04
Bookkeeping & Tax Prep	5,525.00
Building Maintenance	32,784.26
Ground Maintenance	9,187.24
Insurance Expense	31,082.00
Legal Fees	1,437.50
Office Supplies	240.98
Postage and Delivery	552.10
Property Management Fees	6,000.00
Secretarial Services	585.00
Snow Removal	24,739.32
Utilities	28,441.12
Total Expense	140,623.56
Net Ordinary Income	145,617.84
Other Income/Expense	
Other Income	
Interest Income	107.97
Total Other Income	107.97
Net Other Income	107.97
Net Income	145,725.81

Storage World Condominium Association

Cash Receipts & Disbursements
For January 1- August 31, 2019

Checking Account Balance-1/1/2019	\$91,379.04
Savings Account Balance- 1/1/2019	\$76,696.48

Cash Receipts

Maintenance Fees	\$162,484.00
Assessment Fees	166,835.00
Late Fees & Legal Fees	1,328.34
Utility Reimbursement	3,980.00
Damage Reimbursement	627.00
Snow Removal Rental Reimbursement	1,000.94
Billboard Rental	5,500.00
Interest Income	344.75

Total Cash Receipts	342,100.03

Cash Disbursements

Building Repair & Maintenance	2,849.97
Driveway/Concrete Maintenance	342,251.39
Security	90.00
Legal Fees- Happ	2,712.00
Legal Fees- Collections	1,606.00
Accounting & Bookkeeping	5,185.00
Property Management Fees	3,500.00
Insurance-Property	21,362.25
Insurance-Directors/Officers	0.00
Snow Removal	9,862.69
Lawn Maintenance	7,081.19
Utilities	18,642.18
Postage	717.43
Office Supplies & Misc.	637.10
Secretarial Services	535.00
Website	242.32

Total Cash Disbursements	417,274.52

Checking Account Balance-8/31/2019	\$6,859.80
Savings Account Balance- 8/31/2019	\$62,391.23
Reserve Account Balance- 8/31/2019	\$23,650.00
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Table 1

9/24/2019 2020 SWCA Projected Budget		
Cash Receipts		
Maintenance Fees	\$163,200.00	340 units x \$480.00/year
Utility Reimbursement	\$4,000.00	Extra Charges For Electric
Billboard Rental	\$5,500.00	Per Contract
Interest Income	\$100.00	
Late and Legal Fees	\$1,200.00	Credit and Collections Activity
Total Cash Receipts	\$174,000.00	
Cash Disbursements		
Building & Grounds Maint/Repair	\$20,000.00	
Legal Fees	\$2,000.00	
Accounting Services	\$7,000.00	
Property Management Fees	\$6,000.00	
Property Insurance	\$30,000.00	
D & O Insurance	\$2,000.00	
Snow Removal	\$24,000.00	All Depends On How Much Snowfall
Lawn Maintenance	\$11,000.00	Mowing, Trimming, Mulch, Trees, Repairs
Security System	\$500.00	Periodic Maintenance
Electric and Utilities	\$31,000.00	Estimated Based On History
Postage	\$750.00	
Office Supplies & Misc	\$750.00	
Website	\$1,200.00	
Total Expenses	\$136,200.00	
Positive Cash Flow	\$37,800.00	
Available For Reserve	\$37,800.00	