

HILLMAN HOUSING CORPORATION



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HILLMAN BOARD MEETING RECAP

Board Meeting, August 14, 2019

AGENDA AND KEY DECISIONS

1. Sales and Subleases

One second-time sale and three sublease renewals under consideration were approved.

2. Manager's Report

- F building F-line gas outage update; next inspection scheduled for early September
- H building D-line gas outage update:
 - The Board voted to authorize \$75K to repair the gas line
 - Management was instructed to communicate bi-weekly with affected shareholders
- E/F laundry rooms update; there was no update, pending assessment by the engineers
- Elevator update; A/F/J complete, C/D/G 50% done, B/E/H not started
- Deaerator replacement update; bid for unit is complete, installation and setup plan in development
- Bed bug update; one active case has completed treatments and will be re-inspected
- New Board members data request status; 9/15 of items received
- Garage concrete spalling work completed and inspected by engineering firm

3. Board Committees Reports

Garage: The Board discussed the garage matter which continues to be evaluated.

Finance: The Board discussed ways to improve our finances in 2019 and in advance of the 2020 budgeting process. The Board aligned on a number of measures: a) We recommend increasing sublet fees to levels charged by other neighborhood coops (100% the first two yrs, 112.5% the next two yrs and 125% after that, est. benefit ~\$100K/yr); b) Cost for on-floor storage will be increased from \$80/m to \$90/m (est. benefit ~\$12K/yr); c) Management will begin grounds water conservation. Additionally, Management was asked to review specific budget lines for potential cuts based on recommendations developed with the House Committee. Lastly, the committee resolved to collaborate with Management and ERHC to determine where it's possible to move from allocated to direct billing for certain expense categories.

Buildings and Grounds: The Board is studying security costs and is presently evaluating and testing various options.

Communications: The Board voted to release the current newsletter to shareholders.

4. Other Topics Discussed

- The Board discussed legal matters that continue to be evaluated.
- The Board will share strategic planning output with the House Committee to understand what they would like to work with the Board on this coming year. The output will then be released to shareholders.
- Management was asked to expand the portfolio of qualified vendors to enable efficient comparison and choice of vendors when the need arises.
- The Board re-confirmed the need for confidentiality for Board matters and confirmed its standard conflict of interest protocols.

5. Shareholder Letters: The Board discussed new triage process for how to respond to shareholder letters.