

## COMMITTEE MEETING REPORT 25 JANUARY 2013

**The Annual General Meeting will be on FRIDAY 15 MARCH 1.00pm.** If you can not be there, give a proxy vote to a friend. One person can hold a maximum of 3 proxies. It is important everyone votes. We welcome the new manager, Khun Sai. Many owners have reported she is helpful and professional.

### REPAIR AND PAINT THE BUILDING

A civil engineer will do a full structural survey of the building and report what materials and techniques to use to repair the cracks. We have estimates of about 3 million from different companies.

It is critical that we repair the whole building this year before the damage gets worse. Below is a picture of a big crack between 3 and 4 floors. Before, the cracks were mainly on the top floors. Now there are cracks everywhere.

There is not enough money in the sinking fund. We propose to use 1 million spare money in the utility account. (This account holds between 1.5m and 2.0m over the year). The remaining 2 million would be paid by a one-time repair fee in 2014 only. This will add about 5 baht to the common fee for 2014 only.



If owners vote to repaint, white is the simplest choice but companies have sent options on colour and design for owners to look at. We propose to offer choices for owners to vote on as we did for the flooring.



### WATER PUMPS

Water pumps should not be installed in the water shafts. The photo above shows the problems with some pumps. The door cannot close, a leak will fall 15 floors and also damage the corridor floor. We have electricians in the shaft which should not be there and it causes problems for maintenance. Cheap pumps are a fire hazard and noisy.

Owners who have installed pumps which are good quality and not noisy do not have to move them. But they are 100% responsible for any damage to owners' apartments or the common areas.

The manager will have rules for requests for new pumps. The technicians will check and clean the valves and filters and replace the water inlet pipe if necessary.

If a pump is still needed, it should go inside the apartment unless it would be very difficult or very expensive to do. Do not install a water pump in the water shaft common area without permission from the manager.

### IMPROVEMENTS PROGRAM LAST YEAR

The cost of renovating the pool, re-flooring on 4 floors, and new granite on 6 floors was about 1.5 million baht. The cost of a management company over the last 3 years would also be about 1.5 million baht. The committee and manager have done the job of the management company. This has meant a lot of work for the committee fixing all the problems in an old building since 2011 plus a major improvements program.

It is fair to say that owners got the 2013 improvements for free. The committee had to give up a lot of their time to save 1.5 million to pay for it.

## PARKING

To solve the parking problem, there is no alternative but to have an electronic barrier to create an area only permit holders can use. We propose to put a temporary barrier to see where is the best place to put the electronic barrier so there is space for residents and visitors.

## FIRE SYSTEMS

There was a fire on floor 2 on 7 January. It was caused by the resident who put a candle on top of the fridge and left the room, resulting in an electrical fire. The manager did a survey of all the fire equipment and found some problems which will be fixed.

The fire doors are the most important part of the fire system and allow people to escape.

**SOME RESIDENTS ARE LEAVING FIRE DOORS OPEN AND HAVE DISABLED THE AUTOMATIC DOOR CLOSERS. THIS IS EXTREMELY DANGEROUS.** The fire doors are there to prevent the fire and smoke spreading. In the fire in Royal Pattaya condominium in Jomtien in 1997, fire doors were left open and the 95 dead were mostly killed by smoke because they could not see or breathe.

We propose to alarm the fire doors but put a delay timer so that people can use the staircase but if the doors are open for more than 10 seconds, an alarm will sound.

We will ask the condominium lawyer whether legal action can be taken against anyone tampering with the fire equipment.



## FINANCES

The budget was balanced. We had 4.8m in the all accounts end 2012 and the same figure end 2013. Owners need to understand some important points before the AGM.

- 1 The staff and security salaries are 3.2m baht. The 10 baht common fee is about 3.5m baht. The only money we have to run and repair the condo comes from the special assessment
2. **Owners have paid an average of 15 baht in the last 3 years.** (year 1/ 2/ 3 the total fee was 10/ 17.5/ 17.5 baht). **This is a ridiculously small budget for an old condo with major repair and improvements programs.** Most condos are 25 to 40 baht. The unusually low fee in Center Condo has only been possible because >>>
- 3 Owners have had 3 million baht of "free" money. 1.5m was collected from arrears and another 1.5m was saved not using a management company. But most long-term arrears have been collected and next year there will be a new committee who may use a management company.
- 4 In the last 3 years, the income from the parking contract and the money saved because the pool operator pays the water, electricity and chemicals was also about 1.5 million

## BUDGET

We propose a special assessment of 8 baht for 2014. We will ask owners to vote to pay by December 2014, not April 2015 because it is very difficult to do budgets and accounts if the special assessment accounting period runs 3 months late into the 2015 accounting year. See bold text below

### SPECIAL ASSESSMENT BUDGET 2014

	2013 BUDGET	2013 ACTUAL SPENDING	2014 BUDGET
SINKING FUND	640,000	640,000	640,000

UNEXPECTED EXPENSES / ARREARS	600,000	600,000 ? In January 2014, we are still owed 770,000 for the special assessment due by April 2014.	700,000
INFLATION	373,000	373,000	407,360
POOL, 16TH 15TH	200,000	Used for other building repairs. Pool was paid from extra money in the sinking fund (see below)	0
FIRE EQUIPMENT	100,000	142,367	150,000
MAIN BREAKER	100,000	100,000 (EST. not yet finished)	100,000
LIFT COSTS	200,000	166,223	200,000
INTERIOR FUND	150,000	150,000 (used towards total cost of 1,066,860	200,000
EXTERIOR REPAIR	300,000	178,537 (used for emergency plumbing repairs)	
TV UPGRADE	200,000	100,000 (EST. not yet finished)	0
AGM EXPENSES		131,482	100,000
BUILDING MAINTEN		329,761	530,000
<b>TOTAL</b>	<b>2,863,000</b>	<b>2,911,370</b>	<b>3,027,360</b>

SINKING FUND. 640,000 is repaid every year until 2017

UNEXPECTED EXPENSES / ARREARS - Same as 2013 budget

INFLATION - about same as 2013

FIRE EQUIPMENT - repairs, broken fire glass, install alarms on doors, upgrade door closers, Training

MAIN BREAKER REPAIR - electrical system repairs - same as 2013

LIFT COSTS - same budget as 2013

INTERIOR FUND - 200,000 to continue the internal improvements

AGM EXPENSES - we expect a lower cost this year

BUILDING MAINTENANCE - similar to 2013 plus 200,000 for emergency work

**THE TOTAL NEEDED IS 3,027,360 IS**

**PLUS THE COMMON FEE OF**

**TOTAL**

**ADD 5.5 BAHT BUILDING REPAIR**

**TOTAL FOR 2014**

**8 BAHT per meter squared**

**+ 10 BAHT**

**= 18 BAHT**

**+ 5.5 BAHT (only for 1 year)**

**23.5 BAHT**

**The extra cost this year to repair and repaint the building is about 8 baht a day per room. A bottle of water a day.**

#### NOTES ON THE SINKING FUND AND POOL REPAIR

The total cost was 625,000. Owners voted at the 2013 AGM to transfer 600,000 from the current a/c to the sinking fund. The Juristic Manager used 600,000 from the sinking fund for the emergency repair of the pool. The balance of 25,000 came from the current account so no actual bank transfer was made.

#### NOTES ON SPECIAL ASSESSMENT

*\*\*\*The Special Assessment runs from April to April. This makes accounting difficult. The first payment did not arrive until May 2012, already a third of the way into that year. In January 2014, we were still owed 770,000 (of which 640,000 is to repay the sinking fund in 2013). Some owners will pay before the payment deadline in April but we cannot predict how much we will actually receive and how much will be arrears\*\*\**

#### INFORMAL OWNERS MEETING

The next meeting will be announced. Owners can use the opportunity to suggest items to vote at the AGM. One suggestion has been new steps for the pool designed for elderly residents.

#### 15th FLOOR

The residents on the 15th have 3 problems. Leaks into their rooms, noisy water pumps and the noise of people using the roof.

We propose to post roof regulations (no running, eating drinking, danger of falling objects etc)

The roof is thin and even the sound of people walking transmits into the rooms below. We ask everyone's cooperation in not running and to make the roof a quiet zone and ask residents not to use the roof between 9pm and 9am.

#### CLEANING

Mrs Kanong and her team are doing a deep clean of the building when they have spare time. All the marks on the walls are being removed and the floors specially cleaned.

## BUILDING MAINTENANCE

Chief Technician Boompeng and his team had a very busy year. The main project was replacing the rusted steel pipes with PVC pipes. Some owners ask why other things can't be fixed such as tidying up electrical wiring. The photo shows how badly corroded the steel pipes are. The 3 inch pipe is flowing about 1 inch of water and the pumps will be damaged. There are hundreds of pipes to replace. The infrastructure has priority over non-urgent items.



## AIR CIRCUIT BREAKER - 11 FLOOR

The repair is complicated - we have to source the parts ourselves

## LIFTS

The juristic manager is re-negotiating the contract with OTIS. The 4 broken lift button panels will be ordered.

## IMPROVEMENTS PROGRAM 2013

### POOL

The pool constructor was very good. The renovation went well and the price was not expensive.

### TV

The outsource technician replaced a lot of wiring and splitters and most people said there was a big improvement in TV reception. The work is ongoing.

### RE-FLOORING AND GRANITE

The new flooring is a big improvement and the granite instead of the old broken tiles around the lift looks good. We will try to re-floor another 1 or 2 floors.



Floor 13



Floor 14

Some owners have asked why we spent money on flooring in 2013 instead of repairing the building. Because owners had already voted a budget for flooring at the 2013 AGM. The 3 million to repair the building needs a separate vote and separate budget at the 2014 AGM.

Other owners say the fee is too low and they want to pay more to get the building repaired and improved faster.

## PROGRAM 2014

The priority for 2014 is to repair and repaint the outside of the building and maintain the infrastructure especially the water pipes.

The technicians and City Hall are currently unblocking and repairing the main waste water system. This has not been done for at least 10 years. The smell on the ground floor is partly because of this.