**SUMMIT YACHT CLUB CONDOMINIUMS**

**BOARD OF DIRECTORS MEETING**

**September 9th, 2024, 4:00 PM**

**I. Call to Order**

* **Time:** 4:03 PM
* **Chairperson:** Dylan Nicoletti officially called the meeting to order.

**II. Attendees**

**Board Members Present:**

* Dylan Nicoletti (Chairperson)
* Deb Kirk
* Kate Westhuis (via iPhone)
* Alaina Barros

**Management Representatives:**

* Josh Shramo

**III. Approval of Minutes**

* **Reviewed Minutes:** July 29, 2024.
* **Corrections Identified:**
	+ Corrected spelling for "Millie" to "MILI."
	+ Corrected spelling for "Dotty" to "DOTTIE."
* **Motion to Approve:** Deb moved to approve the minutes with corrections.
* **Seconded by:** Kate Westhuis
* **Discussion:** No additional comments or objections.
* **Vote:** Unanimous approval by all board members.

**IV. Financial Update**

**Presented by:** Alaina

**1. Current Reserve Status:**

* **Total Reserves:** $276,000 as of the most recent financial statement.
* **Reserve Funding Level:** 88% funded per reserve study.
* Compared to the reserve study’s fully funded amount of $371,000, progress has been strong.

**2. Past Budget (2023-2024) Performance:**

* **Snow Removal & Plowing:** Exceeded budgeted amounts due to heavier-than-expected snowfall.
	+ Action: Adjusted for higher snowfall trends moving forward.
* **General Budget Adherence:** Other categories (e.g., insurance, utilities, maintenance) performed within acceptable ranges.
* **Reserve Contributions:** Maintained target levels despite additional expenditures.

**3. Proposed 2025 Budget Highlights:**

* **Accounting Fees:** Reduced from $1,000 to $750 to better match actual expenditures.
* **Management Fees:** Adjusted for a 5% inflationary increase, aligning with the 2024 contract.
	+ Budget Allocation: $48,000 (up from $45,500 in 2024).
	+ Actual 2024 Spending: $42,000, leaving a $3,000 surplus.
* **Insurance:** A 10% increase was forecasted, reflecting rising costs in Summit County.
	+ 2024 Actual: $14,500; 2025 Budget: $16,000.
* **Trash Services:** Reduced to reflect offsets from Lakeview HOA contributions.
	+ Budget Allocation: $7,000 (down from $8,500 in 2024).
* **Snow Removal & Plowing:** Increased based on 2023-2024 historical averages.
	+ 2025 Budget: $35,000 (up from $30,000 in 2024).
	+ Adjustments: Allows flexibility for variable snow years and potential rate increases.
* **Miscellaneous Expenses:** Reduced as major non-recurring items, such as reserve study updates, will not carry forward into 2025.

**4. Reserve Contributions:**

* No dues increase planned for 2025. Contributions remain flat at $50,000 annually.
* Discussion: The board will reassess the need for increased contributions in 2025, factoring in updated reserve study requirements.

**Board Consensus:**

* The 2025 budget effectively balances operational costs with reserve funding needs.
* **Preliminary Approval:** Granted to present the budget at the annual meeting for homeowner review and discussion.

**V. Reserve Study Overview**

**Discussion Highlights:**

* Current reserves are at 88% of the recommended level, indicating strong financial health.
* Study suggests substantial funding increases over the next decade to address anticipated major repairs and replacements.
* **Concerns:**
	+ Large expenses forecasted in 2030 ($200,000) and 2040 ($300,000) for roof membranes and other infrastructure.
	+ Reserve study’s projected annual increases (e.g., $2,000–$3,000 per year) may exceed HOA member tolerance.

**VI. Old Business**

**1. Dumpster Enclosure:**

* **Status Update:**
	+ Two bids received: $120,000 and $130,000, representing a fully equipped design.
	+ Exploring lower-cost alternatives, such as omitting electrical components and simplifying structure.
* **Next Steps:**
	+ Kate will engage additional contractors to secure more competitive bids.
	+ Compliance with new town regulations remains a priority.

**2. Parking Signage:**

* **Update:** Event-specific parking signs delivered, but installation delayed due to missing stands.
* **Farmers Market Impact:** Parking issues minimal; monitoring to continue during concert events.

**3. Ownership Cap Amendment:**

* Estimated legal costs: $4,000–$6,000 to draft and process the amendment.
* Decision tabled to the annual meeting, where homeowner consensus will guide further action.

**4. Unit Water Shutoffs:**

* Responses received from 38 out of 51 units.
* Action Plan:
	+ Follow up with non-responsive owners until September 30.
	+ Legal review required to mandate and bill owners for installations if necessary.

**VII. Management Report**

**Presented by:** Josh Shramo

* **Trash Management:** Significant reduction in accumulation due to outsourcing large item removals.
* **Property Condition:** Improvements noted, including completion of valve cap replacements.
* **Sprinkler System:** No winterization required as the system was not operational this year.

**VIII. New Business**

**1. Proposed 2025 Budget Approval**

* **Discussion Highlights:**
	+ The board reviewed the finalized draft budget for 2025, which incorporates adjustments based on historical expenditures and anticipated increases.
	+ Members agreed that the budget reflects careful planning and avoids a dues increase for 2025 while maintaining adequate reserve funding.
	+ Dylan emphasized the importance of transparency when presenting the budget to homeowners at the annual meeting.
* **Key Considerations Discussed:**
	+ Maintaining flexibility within the budget to address unexpected costs (e.g., legal fees, compliance costs, or unforeseen repairs).
	+ The importance of monitoring snow removal and plowing expenses, given fluctuating winters in recent years.
	+ Ensuring sufficient reserve contributions to meet long-term needs without unduly burdening homeowners.
* **Vote:**
	+ **Motion to Approve:** Dylan Nicoletti.
	+ **Seconded by:** Deb Krik
	+ **Board Vote:** Unanimous approval to present the proposed 2025 budget at the annual meeting.

**2. Planning for the Annual Meeting**

* **Agenda Items Identified for Presentation:**
	+ Approval of the 2025 budget.
	+ Review of reserve study findings and adjustments made to funding strategies.
	+ Update on progress toward the dumpster enclosure project.
	+ Discussion on next steps for the ownership cap amendment, pending homeowner input.
	+ Overview of significant projects completed in 2024 and plans for 2025.

**3. Strategic Planning for Major Expenditures**

* **Discussion:**
	+ The board reviewed future high-cost projects identified in the reserve study, including roofing membranes and large-scale landscaping improvements.
	+ Members agreed to begin preliminary research into funding mechanisms, such as loans or phased contributions, to manage future expenses without imposing significant special assessments.
	+ Kate suggested creating a timeline for addressing key reserve study recommendations and presenting this at the annual meeting to show proactive planning.

**4. Compliance with Town Regulations**

* **Dumpster Enclosure:**
	+ Alaina reiterated the importance of ensuring the enclosure meets the town's evolving standards for “unsightly structures.”
	+ Kate suggested compiling a summary of town requirements to include in the homeowner packet to increase awareness of why these projects are necessary.

**5. Parking Management During Events**

* **Plan for Winter:**
	+ Board discussed strategies to prevent unauthorized parking during winter events, particularly concerts.
	+ Josh will work with parking enforcement services to ensure the HOA's parking rules are respected.
	+ The board agreed to monitor the situation and reassess at the spring meeting.

**IX. Owner Forum**

**Moderated by:** Dylan Nicoletti

**1. General Concerns Raised by Owners:**

* **Parking During Events:**
	+ Owners expressed frustration with unauthorized vehicles using the HOA lot during concerts and events.
	+ Suggested Actions:
		- Increase signage visibility and include clear warnings of towing enforcement.
		- Hire parking enforcement to monitor the lot during peak event times, particularly Friday and Saturday nights.
* **Snow Removal Issues:**
	+ Concerns were raised about the adequacy and timeliness of snow removal during heavy storms.
	+ Specific complaints included:
		- Icy conditions in walkways not cleared promptly.
		- Delayed plowing of parking lots.
	+ **Board Response:**
		- Alaina highlighted the budget increase for snow removal in 2025 to better match historical averages and adjust contractor performance expectations.
		- Josh noted that he will communicate with the contractor about improving service response times.

**2. Feedback on HOA Projects:**

* **Dumpster Enclosure Project:**
	+ Owners inquired about the timeline for completion and expressed concern over high bid amounts.
	+ Suggestions included seeking community involvement to offset costs (e.g., organizing volunteers for prep work).
	+ **Board Response:**
		- Kate explained the bidding process and reiterated the need to comply with town regulations.
		- The board emphasized that all bids are being reviewed to ensure financial responsibility and practicality.
* **Roof Maintenance:**
	+ An owner asked about the frequency of roof inspections and if there are preventative measures in place to reduce long-term costs.
	+ **Board Response:**
		- Alaina confirmed that roof inspections are performed annually and repairs are scheduled as needed. Preventative maintenance costs are included in the reserve budget.

**3. Financial Concerns:**

* **Dues Increases:**
	+ A few owners raised concerns about potential future dues increases, particularly in light of rising insurance and maintenance costs.
	+ **Board Response:**
		- The board assured owners that no dues increase is planned for 2025. However, funding requirements for long-term reserves will be reassessed in 2026.
		- Dylan emphasized the board’s commitment to minimizing financial impacts while maintaining property standards.
* **Audit Request:**
	+ One owner suggested conducting a financial audit to ensure HOA funds are managed responsibly.
	+ **Board Response:**
		- Alaina noted that audits are not required by the governing documents. However, the BOD and management company did contact more than 6 CPAs, all of whom stated that they wouldn’t do HOA audits.

**X. Adjournment**

* **Next Meeting:** Annual HOA Meeting (date pending confirmation).
* **The meeting was adjourned into executive session at 1723 to discuss legal matters.**