

THE SUMMIT

PROPERTY OWNERS ASSOCIATION

2014 Annual Meeting
Duncan Creek Presbyterian Church
12:00 Noon
September 20, 2014

Board Members:

Michael Swaluk – President
Dale Janik – Vice President
Bob Cymbalski – Treasurer
Steve Peng – Secretary (absent)
Michael J. Smith – Director

Agenda

- I. Light lunch -- 12:00 noon
- II. Call to order – 12:30, Welcome & Acknowledgements: Mike Swaluk
- III. Reading of minutes – Dale Janik
 - a. Head count - 22 (10 families)
 - b. Proxy count - 32
 - c. Establish a quorum - yes
- IV. Financial report – Bob Cymbalski
 - a. Dues & delinquent owners; liens, foreclosures
 - All properties except for one (1) are fully current on their dues. The one property is under bankruptcy and we're working with the trustee to collect the past dues.
 - We started foreclosure on Balken and Shaw but they paid before it moved to the “filed lien” stage.
 - Gate costs were more than we had anticipated.
 - Gate repairs: \$700 in damages that is currently being collected.

- We're budgeting for two properties to not pay their dues next year; however, with the new process we have in place we're hoping that everyone will pay.

b. 2013/2014 Spending vs. Budget

- Liens and foreclosures: we will continue to actively accelerate foreclosure proceedings in a timely manner.
- Monies were moved to a money market account and the Vanguard Total Stock Market Index fund. We would like to move more money into the long term reserve accounts to help cover future expenses. We're on track for the current year; we will need approval from the Board to move more money.
- The anticipated loss this year was less than we had projected. Total loss is now expected to be \$4600 as opposed to the originally anticipated \$8100 loss.

c. 2015 Proposed Budget & Vote

- 95 owners are paying dues on 103 properties; lots that 'join' each other only collect as one individual property. Therefore we have less income than the previous year. A dues increase is needed to cover the shortfall, in addition to supplementing the reserve account for the anticipated road repairs.
- The Board proposed that the dues be raised from \$400 to \$475, with the discount changed from \$100 to \$125 (giving a net change from \$300 to \$400 for full/on time payment).
- Several attendees believe this increase failed to adequately address long term reserve requirements. After discussion, a combined proposal for the following was put on the table (the thought was that any adjustment to the annual dues without a more comprehensive long term plan could result in these surprises year after year):
 - Form a small group to study the road conditions and map out the near and long term spending required to maintain the roads. This group would implement the immediate maintenance and repairs now, and present a final report to the board by August 1, 2015 that can be merged into the 2016 and future budget(s).
 - Form a small group to perform a Reserve Study (along the lines of the article sent out to the Summit Casual list earlier this year), in order to present a final report to the board by August 1, 2015 that can be merged into the 2016 and future budget(s).
 - Adjust the dues to create a balanced budget for next year.

- Better allocate the POA's savings at Vanguard to have the long term reserves in mutual funds that better keep up with inflation.
- It was recommended/approved by the attendees that the 2015 dues be raised to \$550 with a discount \$150 for early/full payment so that we can come up with a balanced budget.

d. Road Repairs

- Road reserves need to grow. The roads are becoming increasingly worse; cracks and grass are worse. Some cracks were cleaned and filled last year; but they are not holding well.
- We need a professional to come in and look to see what we can do: Tri-City, Horton, and Rodney McCurry have been contacted for provide quotes for the work. We are waiting to hear back from everyone.

e. Full Disclosure/Reserve Study

- It is extremely important that a full disclosure practice be put into place for the Property Owners Association. This disclosure applies to accounting, property disclosures, documents, etc. Some owners are provided with documents by their realtors, others are not. We are going to put practices into place so that any property owner or potential buyer has access to documents such as delinquent debts, foreclosed properties, deed restrictions, architectural review process as well as others. Steve Brooks volunteered to work on this and he will begin to get this organized so that these documents are available on our website.

f. Votes:

- Voted to increase dues: Yes (2 opposed)
- Voted to move more money into reserve account Yes (4 opposed)
- Voted to have full analysis disclosure: Voted Yes (4 opposed)
- Voted to move 100% of long term reserves to Vanguard longer term stock fund: Yes (3 opposed)

g. Extraordinary Financials last year

V. President's Report – Mike Swaluk

a. Old Business

i. Security Gate – Dale Janik

- Codes have been changed; vendors' codes will now be given out to each individual vendor.

- Advanced Entry Systems; \$600 per year maintenance contract. Electromagnets have been installed to make the gate stronger, 1200 lbs of force.
- We now have a new HD security camera; better resolution and easier to off-load.

ii. Road review and repair – Charles Baldwin will supervise this project. By the end of 2015 ALL roads should be repaired.

Phase 1- Adirondack

Phase 2 - Summit

These are our current choices for short-term repair:

1. 5-8 years maintenance; take out all grass with a hot air system, apply a hot material to seal the crack. Or cut out patches of asphalt and install new asphalt; this is also a 5-8 year "fix".
2. Resurfacing entire road: take portions that are the worst, cut them out and install new asphalt. This would be done in phases, not the entire roadway.

Also, we need to be taking before and after photos when having construction done on properties; and make it the contractor's responsibility for repairs.

b. New Business

Volunteers are always needed to serve on subcommittees:

- i. Beautification -- Currently Lynn Swaluk. The Summit front sign is being repainted back and front. Quotes are being sought to re-finish.
- ii. Security. We need security lights at our front entry: this is being researched
- iii. Road Maintenance
- iv. Architectural Review committee: needs to be put into documents that everyone can have guidelines; what are the standards? Where is the document? Who is the ARC? Currently Mike and Dale

c. Vote on the Board of Directors slate for 2015. Proposed Board:

Cymbalski, Bob

Janik, Dale

Peng, Steve

Smith, Michael J.

Swaluk, Michael

VOTE: Yes (3 opposed)

General discussion

- i. Speed limit on the mountain. We need to get drivers to slow down driving up and down the roads.
- ii. One homeowner had a broken window when he came into town. It was shot out with a pellet gun. A police report is being submitted.
- iii. It was mentioned that the gate does not operate smoothly when it opens/closes -- Dale Janik will notify the gate vendor to get this addressed.

VI. Adjournment: 2:30

VII. Other Items

- a. We collected money for selling remote controls for the gate. There are still a limited number of remote controls remaining, available for \$20 each. (post meeting update – all have been sold; however, if anyone is interested in obtaining one, please contact Mike Swaluk, and if there is enough interest we may make a bulk purchase).