

THE SUMMIT PROPERTY OWNERS ASSOCIATION

**2015 Annual Meeting
Duncan Creek Presbyterian Church
12:00 Noon
September 12, 2015**

Board Members: Michael Swaluk– President
Bob Cymbalski – Treasurer
Steve Peng – Secretary (absent)
Michael J. Smith – Director

Agenda

- I. Light lunch -- 12:00 noon
- II. Call to order – 12:20, Welcome & Acknowledgements: Mike Swaluk
- III. Reading of minutes – Motion made to approve minutes without reading (they are on website).
Motion made and approved.
 - a. Head count -23 (14 families) 22 votes
 - b. Proxy count - 48
 - C. Establish a quorum - yes
- IV. Financial report – Bob Cymbalski
 - a. Dues & delinquent owners; liens, foreclosures
 - All properties are fully current on their dues. No foreclosures at this time. The discount for paying early is working very well. People are paying early, 36% paid in December last year.
 - A great effort has been put into filing liens on time when dues are not paid so that when a foreclosure happens our dues will be paid.

b. Federal taxes were paid this year in the amount of \$155.00. This was on income and capital gains.

C. 2014/2015 Spending vs. Budget

- We have had a successful year and our spending so far has been less than what was budgeted for in 2015.
- Monies are held in a Vanguard money market account, The Vanguard Total Stock Market Index fund and a checking account at BBT. The total of those accounts on August 15th was \$104,344.59.

d. 2016 Proposed Budget & Vote

- 94 owners are paying dues on 122 properties. For a total income of \$41,600.00 in 2016. Please see the Proposed 2016 Budget on the website and it was included in the mailing that was sent in August. See below for vote on 2016 budget.

The dues this year will remain at \$550.00 with a discount \$150.00 for early/full payment received by the end of January 2016.

V. President's Report – Mike Swaluk

Old Business-

Website- Steve Peng-Responsible for our website. Steve is doing a great job of keeping us updated on what is going on at The Summit. Please see the website for all important information. All financials, minutes, declarations are found on the website.

Security Gate – Mike Swaluk

- Advanced Entry Systems-The company no longer has a yearly maintenance contract available. Repairs and maintenance will be on an as needed basis.
- Codes will be changed October 1, 2015. New numbers are on the website. The Board will contacts the Vendors with their special codes.
- We have had issues with one of the HD security cameras; this work is in progress.

Last year a 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 surprise increases. The original assumption of resurfacing the road in 15 years did not reflect what was needed for the Rutherford area. This was confirmed by discussions with asphalt manufacturers, paving companies and representatives of the local POA's.

- A small group to study the road conditions and map out the near and long term spending required to maintain the roads was formed. This group was given the task to implement the immediate maintenance and repairs now, and present a final report to the board by August 1, 2015 that could

be merged into the 2016 and future budget(s). A study was done and was accepted by the board but then the results of the study were voted down by three Board members at the June 18, 2015 Board Meeting (see website for minutes). The three members of the board that voted against this study felt that the original near term assumption of resurfacing the road in 15 years did not reflect what was needed for the Rutherford area. This was confirmed by discussions with asphalt manufacturers, paving companies and the other local POA's.

- Last year a small group was also formed to perform a Reserve Study (along the lines of the article sent out to the Summit Casual list earlier this year), in order to have a final report to the board by August 1, 2015 so that it could be merged into the 2016 and future budget(s). The Reserve Study was not a standalone document as it was included in the road study so it was also voted down. It was a very comprehensive study and very well done and will be looked at closely by the 2016 new board. This document is on the website.
- Road review and repair –We are now taking before and after photos. Annually, we will be keeping a log of all work done, especially when having any construction done on properties; and will make it the contractor's responsibility for repairs. Please put this in your contracts when building or having work done on your property. Charles Baldwin will be the Chairman of the Road Committee for 2016 with the help of Ray Anderson and Mike Swaluk. The plan is to hot fill and patch what is required and review on an annual basis.

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New Business

Volunteers are always needed to serve on subcommittees:

- Beautification -- The Summit front sign was repainted and repaired back and front.
- Security- We added a solar security light at our front entry sign: After about three weeks this was stolen. A new one will be added but we are researching the best way to construct this so that it will not be stolen again. One of our residents had some tools stolen over the Labor Day weekend. A police report was filed.
- Property Management—Michael Smith discussed the idea that as the association progresses we may need a property management group to handle our POA if we cannot get enough volunteers to make our association work. Three of the five mountain communities in our area use some type of Property Management Groups. Of course there is a cost that goes along with this which would mean a raise in the dues. Handouts were given from a Property Management Group.
- Marketing of the Summit- Todd Black a new board member mentioned that he will soon be marketing the Summit and the surrounding developments where he still has some properties. This should benefit the POA.

- Vote on the Board of Directors slate for 2016:
- 66 Yes Votes and 3 abstaining votes and one No Vote
 - Mike Swaluk
 - Mike Smith
 - Toni Clements
 - Todd Black
 - Sherron Timmers
- There is a different make-up to The Summit POA board this year. Our Association at this moment is made up of 5 percent permanent residents, 19 percent part time residents, and 76 percent property owners.
- This year the Board will be made up of 1 full time resident, 3 part time residents and 1 property owner. In the coming years we will attempt to get one more property owner involved.
- Votes to increase dues: No 32 Yes 4 by Proxy (Not voted on at meeting)
- Voted on how would you like the Associations Reserve Fund monies invested: Same
- Vanguard Fund- 58 votes for same, 10 votes for more Aggressive, 1 vote for cd/bond fund (stock fund inappropriate) 1 vote suggested Vanguard Health Fund.
- Voted to have budget for 2016 approved: Voted- Yes 70

General discussion

- Mike Swaluk thanked Bob Cymbalski for all of his hard work in handling the financials, getting 100 percent dues paid, and for all of his contributions to the betterment of the community.
- Mike Swaluk announced that he will be stepping down as President of the POA for the year 2016. He will remain on the Board of Directors so that this will be a smooth transition.

VI. Adjournment: 2:25

VII. None