

Holiday Beech Villas Annual Meeting July 18, 2020

The annual meeting of the Board of Directors and owners of Holiday Beech Villas was held on July 18, 2020. The meeting was held online via ZOOM due to social distancing recommendations associated with COVID-19. The meeting was scheduled to begin at 10:00 a.m., but was delayed slightly due to technical issues with the online meeting platform.

Board Members Present: Marlene Rockwell, MK Brennan, Briggs Allen, Rusty Mellette, Bryan Martin, David Bender, and William Peterson

Property Manager: Carl Marquardt was present

President's Comments

The meeting was called to order by President Marlene Rockwell at 10:10 a.m. Ms. Rockwell welcomed attendees and reiterated that the Board is committed to serving HBV and making it the best it can be.

Approval of Minutes

Ms. Rockwell asked for a motion regarding the minutes of the January 18, 2020, meeting. Mr. Peterson moved and Mr. Mellette seconded approval of the minutes. The Board voted to approve the minutes. Ms. Brennan abstained, as she was not at the meeting. The remaining members voted in favor of approval.

General Information

Ms. Rockwell noted that HBV buildings are showing their age, and that for a number of years in the past, appropriate maintenance and upkeep were neglected. As a result, there are clear concerns and ongoing maintenance issues. The Board is continuing to work on them as money is available through owner fees and special assessments. Ongoing renovations will continue as rapidly as possible.

Financial Report

Mr. Marquardt presented the attached financial report.

Budget Proposal

A proposed budget for 2020-21 was presented. The overall amount of the budget was unchanged, however some line items had been adjusted based on changing expenses. The overall budget is \$274,585 with a projected 100% collection of owner fees of \$274,620. A copy of the budget is attached.

General Maintenance Report

Mr. Marquardt stated that HBV is presently facing a very challenging situation. He complimented his predecessor, indicating she had established wonderful relationship with owners. He is still building those relationships and learning about the condition of buildings.

There is presently work on water lines to the K building, the landing and entry to the C building, and an electrical issue in the C building. We are working to set up separate cutoffs to the A, B, and C buildings. Beautification is in process. Four truckloads of debris have been hauled away, and that process is ongoing. Our maintenance person is starting to paint landings/decks to help with aesthetics, and a tree services will be trimming trees on July 27. Some project schedules have been altered due to COVID. The capital project on the G building has been slow, but the contractor is in compliance with the contracted timeline. We have also dealt with a wildlife issue, as four raccoons have been removed.

An owner raised a question about the budget and concern regarding ongoing renovations. Mr. Marquardt clarified information on available funds and how they are being used. He noted that the funds shown in the annual budget do not cover capital improvements. G is currently under renovation with \$214,000 from a loan being held to satisfy that contract. Special assessment collections are used to repay that loan. The Board voted in March to extend the special assessment in order to maintain the ongoing renovations. There will need to be future decisions regarding repair of decks on further renovation projects. Owner Anna Davidson noted her concern that the present assessment will not be enough to avoid condemnation of buildings and a need to rank the criticality of building issues. Mr. Marquardt responded that he is presently working to get a report from a structural engineer, and that this information will be used in making future decisions.

Another member raised a question regarding distribution of the budget document prior to the meeting, indicating he did not receive a copy. Upon checking, Mr. Marquardt realized that while he intended to email the document to the Board and owners, it only went to the Board. He emailed the document to owners at that time, apologizing for the mistake.

Mr. Marquardt reported that recently, a deck support issue was noted during clean-up. Board members met by phone and informed the town of the issue. A town inspector determined the rear deck to be structurally deficient and ordered that HBV restrict short-term rentals until the situation could be examined by a structural engineer. Access to the back deck was prohibited until further notice. All F building owners were informed. An inspection is scheduled for July 22. While the F building was next on the list for renovations, this latest issue has significantly raised the need for immediate response. When two F building owners raised concern regarding slipping hazards, losing money on rentals, and obvious issues with decks, Mr. Marquardt responded that front decks are pressure-washed by the association, and additional signage can be added. Further, the report by the structural engineer will give guidance regarding how the deck situation should be handled. The Board is committed to handling the situation as quickly as possible. He went on to say that the town has been satisfied that HBV is responding appropriately, and as long as that continues, things should be fine. However, the town is clearly watching to see that these issues are handled. Dr. Allen added that the Board is trying to be diligent in addressing issues that built up over a long period, and that Mr. Marquardt is doing a good job of working with the town.

Public Comments

An owner asked if the Board had considered a monthly update via Zoom, as it appeared owners wish to participate. Ms. Rockwell responded that the Board is working on establishing a monthly newsletter for owners.

An owner commented that while she appreciates the affordable assessment, HBV must look at the reality of its financial situation, and may need to be increased. Dr. Martin acknowledged this to be true, and stated the Board is considering that situation, with an eye on what happens with the present situation regarding the F building.

An owner asked if the association has a reserve, and treasurer Brennan affirmed that it does, and that the information can be found in the budget document. The owner asked if any of the reserve had been used, and Ms. Brennan stated it had not.

Board Election

At this point, the meeting was paused as Mr. Marquardt counted ballots for the Board election. He confirmed that the ownership percentage was appropriate, and that Carol Robinson, Bryan Martin, and Marlene Rockwell were the leading vote-getters and were elected to the Board.

Additional Public Comment

An owner asked about the number of ballots and proxies, and Mr. Marquardt responded that there were 29 ballots and 14 proxies, representing 48% of owners. The owner indicated that he did not support the proxy system or the fact that the Board is allowed to appoint members for unexpired terms. As this is in the bylaws, he requested that the bylaws be changed. Dr. Allen responded that a committee of the Board will be reviewing bylaws. Mr. Marquardt also shared that HBV is looking at parking, electronic payments, and air conditioning.

Ms. Brennan moved to close the meeting. Mr. Bender seconded, and the motion passed.

Board Meeting Following the Annual Meeting—July 18, 2020

Following the Annual Meeting, the Board met to move forward with business. Ms. Rockwell called the meeting to order.

Mr. Marquardt expressed that some of the criticism from owners toward the Board regarding maintenance of facilities was unfounded, as the present Board was trying to make up for many years of neglect. He noted that when the units were built, monthly association fees stayed at \$50 for a long time.

The Board elected officers for 2020-21, as follows:

Marlene Rockwell—President

Bryan Martin—Vice President

Carol Robinson—Secretary

MK Brennan—Treasurer

The Board decided that if the town is going to enforce the garbage tag requirement, owners would be required to pay for them through the association. Mr. Marquardt agreed to draft a letter to owners.

There was a discussion of providing the tags given to the association to owners who pre-pay their annual assessment. However, after discussion, this idea was not pursued.

Mr. Bender asked that the Board consider a committee to discuss building issues and electronic payments.

The meeting was adjourned without further action.

Respectfully Submitted—Bryan Martin: Acting Secretary