

## Minutes of the Board of Trustees Meeting

October 24, 2019

Present: Board of Trustees: Jeff Garber, Marie Janiak, Alan Maravelias, Steve Delaney, Kevin Kiley. Barkan Management: Jay Miller, James Donnelly, Sarah Luscomb

### 1) Call to Order

Jeff called the meeting to order at 6:00 p.m.

### 2) Approval of Minutes

The board approved the minutes for the September Board of Trustees meeting.

### 3) Homeowner Comments /Requests

a) A Fuller Pond unit owner requested to replace their deck with composite decking, expanding it to over the bulkhead and to remove the stairs. The board approved the modification with the stipulation that the Town Building Department issue a building permit which allows for everything in the scope of work. The board also stipulated that the deck and railings must be the same color and style as the current ones.

b) A Mills Point unit owner requested to raise his heat vent in the front of his unit from an elevation of 10" to 30". The board approved. The resident must install a cover over the original vent hole.

b) A Fuller Pond Road resident requested to raise the heat vent in the rear of their unit from 22" to a higher location along the deck railing post. The board tabled this until they receive further information.

### 4) Financial Report

a) The board reviewed the September financials, including the September profit and loss statement and balance sheet, with Barkan portfolio manager, Jay Miller. Jay reported that all monthly reserve contributions YTD have been made. Jay stated that, as had been mentioned at prior board meetings during the year, the association is running at a deficit which is causing the operating account bank balance to be less than accounts payable and accrued expenses. The deficit is now approximately \$24,000. This is partially caused by several expense accounts being over budget such as snow removal and also due to certain unexpected expenses over the course of the year and/or a timing issue with when the expense actually happened verses when the expenses were budgeted and or happen.

b) The board and Jay discussed a draft 2020 budget that Jay had prepared. Jay mentioned that some of the property's vendors were increasing their rates per the signed contracts in 2020. There was discussion of the fact that although we just ended a three-year locked in price contract with our snow removal company, the recently signed renewal contract has a onetime 10% price increase for 2020 with the new price locked in for three years. It was also noted that since we previously locked in a multi-year insurance contract there will be

no increase in that line item this year. It was also noted that the town of Danvers, from which we get our water, has recently raised rates 12%. Jay stated that based on how FPV was performing in 2019 and in an effort to reduce those same financial shortfalls in 2020 he decided to review the operating statements for several prior years. He stated that what he found was that the expenses have outpaced the revenues that the property was bringing in for quite a few years. Jay stated that based on his findings he has prepared a budget which he recommends the board approve with a 6% increase in condo fees as well as a few different budget category reallocations (revenue and expense) that are geared toward relieving some of the financial pressure off the association.

There was lengthily discussion among the board concerning Jay's findings and the budget as a whole. The board decided as a cost savings to forgo lifeguards next summer which due to a recent town bylaw change is now allowed. This will result in an \$18,000.00 savings. Jeff commented that 6 % was quite a big increase in one year and he for one would not support a 6% fee increase.

A vote was taken on the proposed budget which passed 3 to 2 with Jeff Garber and Kevin Kiley voting no.

#### 5) Unfinished Business

The board discussed the fall gutter cleaning. Jim suggested starting before the freezing temperatures came. The board agreed to start on November 15<sup>th</sup>.

#### 5) Masonry

The board approved to have a stone wall repaired at the outside pool area for a cost of \$1,250.00.

#### 6) Landscape Update

a) Marie gave an update of this month's landscape schedule. She explained the fall cleanup has started which will take 3 weeks. Pruning will be done on Monday October 28<sup>th</sup> and Tuesday October 29<sup>th</sup>.

#### 7) New Business

a) The board reviewed two quotes for the replacement of the fence around the garden. A quote from JC Fence for \$6,736.00 was approved.

b) The board voted to put the winter parking ban in effect from December 1<sup>st</sup> to April 1<sup>st</sup>.

c) The board discussed which areas of exterminating and pest control are the responsibility of the Association. The board decided the policy will be for the association to be responsible for the exterminating of squirrels and mice. Jim will review all ant exterminating requests and evaluate them before the exterminator is called. The policy was reiterated that all exterminating requests must be requested to Sarah with all communication to the exterminator from the office and there will be no reimbursements or payments for any exterminating resulting from this policy not being followed by homeowners.

d) The board reviewed Keane and Company's proposal for the annual financial review, and voted to engage Keane and Company for this year's review. Steve suggested that, given the number of years that Keane and Company have performed the review, that it may be prudent to consider proposals from other firms in the future, which is common practice, and does not suggest any negative implications about Keane and Company.

#### 8) Executive Session

#### 9) Adjournment

The meeting was adjourned at 8:30 p.m.