

SNHA Annual Meeting

Following is a review of the 2014 Annual Meeting
Reports and business



Agenda for SNHA, Inc. Annual Meeting

There being a quorum of homeowners present the meeting was called to order by Bob Oehrlein, Secretary at 9:30 am

Introductions

- New homeowners since last meeting

- Board members

- Count of homeowners present by 5 year blocks

Review Schedule

Reports

2013 SNHA Annual Meeting Minutes – a motion was made, seconded and approved to accept the minutes as presented – Bob Oehrlein, Secretary

Financial Reports– Joe Ingram reported that Treasurer Herb Lewis was absent due to the birth of a grandchild in his family. In his absence, Joe presented a brief overview of the financial year to date position of the accounts for 2014. Fees as charged according to the operational structure begun in 2012 are coming close in covering the basic services being provided to all member homeowners and Regimes who have appointed SNHA as agent for their respective operations. The board will be reviewing the fee structure in the fall to determine if some adjustments are required going into 2015. This manner of funding SNHA operations was new to SNHA in 2012 and basic fees were set at that time according to the best estimates at the time from general financial operations records. In 2012 the Basic fee (formerly dues) was dramatically lowered from previous years.

For homeowners and Regimes that utilize SNHA for additional services beyond the basics, additional fees are charged. This aspect of the new structure is growing and working well to cover the cost of the additional load on the SNHA Office and staff in providing these additional services.

Committee Reports

- SNHA fee structure review and projections for 2014-15
- Smugglers' Village Fees – Status of review with Smugglers'
- Real Estate Update – Barbara McGee
- Rental Balancing – Lucia Homick
- Quality Home Program & Housekeeping – Florrie Paige
- Insurance Update – Joe Ingram and Mike Conte
- Maintenance Update – Bob Oehrlein and Tracy Whitney
- Damage Fund – Jay Kahn

SNHA Structure – Reorganization of SNHA Fees and Service Delivery in 2012 – see below link for details

See link below for details of fee structure

http://www.snha.net/images/docs/Regimes/2012snha_structure_and_fees01252012.pdf

In summary Core Services are provided by funding from the Basic Fee charged to all members (\$370 in 2014) This fee covers

- SNHA – Office for Communications and records of activity
- Referral of Homeowners to Resources
- Support to the Board and their Committee Activity and Annual Meetings and Agendas
- Maintain Documents and Information regarding Homeownership Interests and Concerns
- Support and Maintain SNHA web site

Additional Services to Regimes and Homes

Are funded by additional fees charged to the Regimes and Homes that request and use the additional services. These include:

- Master Policy Insurance Program
- LP Gas Buying group
- Regime Accounting, Planning, Budgets
- Regime Association Meetings and support to Regime Directors
- Project Management for Regime Projects
- Project Management and direct services to individual Homeowners as requested.

Smugglers' Village Fees

No further activity has occurred between the SNHA Committee and Smugglers' since summer of 2013

SNHA Committee has agreed to disagree on the basic issues of what is included in the fee by Smugglers'.

An Invitation was given for any Interested Homeowners to join the Board as Associate Directors if They are Interested in pursuing these issues relative to the Village Fees charged by Smugglers for the delivery of services to the common roads, services, and property of the resort.

Real Estate Committee – Barbara McGee C 28

2011 – 8 Sales

2012 – 9 Sales

2013 – 7 Sales

2014 – 10 Sales

Most Sale prices have been trending down closer to
the Cambridge listed Tax values

What is the Value of Homeownership at Smugglers?

Rental Balancing Committee
Lucia Homick and Kevin Rohrbacher

Management uses its best efforts to see that revenues are spread evenly among the renting homes

- of like unit size
- within each regime
- within a range of + or – 10%

Review of Rental rates coming up per Rental Agreement

Housekeeping updates

Florrie Paige

- Staffing – A full time recruiter devoted to the Housekeeping Department has been hired.
- Ten seasonal employees have been hired to prep homes for house keepers.
- A full time permanent trainer has been hired. All areas, support crew, common area and cleaners have higher staffing levels than in previous years.
- Three new vehicles have been added to the Housekeeping fleet.
- HDYLU scores were strong for the winter.
- Housekeeping passed Wyndham's QA inspection.
- Smugglers is expected to receive RCI's Gold Crown rating for service excellence, RCI highest designation.

Technology Improvements

Two new software packages have been purchased.

- The first has been implemented and is an inventory control system using bar codes.
- The second application, referred to as “HotSOS” is a proactive performance management tool.
 - All support crew will be connected to the system.

QHP Updates

- Owners have completed a huge amount of work in the last twelve months.
- Social media reviews are reflecting the efforts.
- QHP focusing on eliminating the word “dated”.
- Have a plan for your unit.
- RCI guests are now staying in the unit that was actually exchanged.
- If you have questions on your Action List, contact Lauren McKenzie- x8587 or lmckenzie@smuggs.com

SNHA Insurance Overview

2014-15

Master Policy – covers 100% replacement cost for the building properties and structures and some built in furnishings and General liability of the group at \$1,000,000

- Property Loss based on agreed upon values
- Terrorism
- Surface water damage – policy cap of \$10,000 for loss during a year.
- Directors and Officers – for Board, Regime Directors and volunteer leaders
- Umbrella extending liability to \$50,000,000
- Fidelity bond on staff handling funds
- Records – loss and recovery for SNHA and Regimes

Home contents, renter's liability, and loss of use and/or rental income

- Separate policy from the master policy, and is the responsibility of the homeowner to obtain and pay for separately.
- May Use Associates of Glens Falls
- Shop and select an agent of your choice. Be sure to understand the limits of the master policy so you can be sure your unit owner policy limits your exposure to loss without duplicating or carrying excessive coverage.

Homeowner Unit - Coverage to obtain:

- “Renter’s liability”
- “Loss of rental income or use of your home”
- Betterments and improvements
- Be sure that your agent is familiar with how your Smugglers’ home is used in order to include all the necessary components for your situation.

Insurance Reserve

Fund maintained by SNHA to cover out of pocket deductible

- Deductible is currently at \$5,000.
- Annual Cost to Homeowners is \$35 – 125
- Covers losses between the first \$1,000 and \$5,000.
- Insurance kicks in at \$5,000
- Sometimes Home Unit policy will cover a portion of the deductible

Maintenance Update

Bob Oehrlein and Tracy Whitney

- Asbestos testing – some materials have been tested building wide with results available. Other materials like tile and flooring that are specific to a home have not been tested.
 - Disturbance of Asbestos is manageable
- Plan ahead and provide additional time for project
 - SNHA is available to assist with Home Projects

Damage Fund

Jay Kahn

Report on 2012 data

What is the Damage Fund

- Full owners renting through SNMCo
- Fund is to socialize small expense associated with rentals
- Contributions are 5% of gross HO rental
 - 2.5% SNMCo
 - 2.5% HO

Fund Amounts

- Reviewed 2012 Data, current data not yet provided

	2012	2011	2010	2009
Projected	\$234,674	\$260,802	\$244,720	\$257,946
Actual	\$337,917	\$291,279	\$287,541	\$326,517
Difference	-\$103,242	-\$30,477	-\$42,821	-\$68,571
Gross HO Rental	\$4,693,680	\$5,216,040	\$4,894,400	\$5,158,920

Use of Funds

	Total	Per Home	% of Fund
KITCHEN ITEMS	\$87,391.13	\$371.88	25.62%
LINENS	\$31,981.48	\$136.09	9.38%
S/M PUNCH LIST- Damage	\$27,518.30	\$117.10	8.07%
MISCELLANEOUS ITEMS	\$22,152.18	\$94.26	6.49%
Drape/Blind - Repair	\$9,102.65	\$38.73	2.67%
Door - Replacement	\$8,826.27	\$37.56	2.59%
Sub Total	\$186,972.01	\$795.63	54.82%
All Other	\$154,116.99	\$655.82	45.18%
Total	\$341,089.00	\$1,451.44	100.00%

Observations

- Actual significantly exceeds plan each year, 7.2% in 2012 vs 5%
- Kitchen items and linens seem excessively high (1/3 of the expense with \$90m in kitchens)
- Commons, Liftside and Trailside are the most problematic with Trailside 20 the high mark at \$4240 with TR3 close at \$4215, why do these areas seem to have more outliers?
- The miscellaneous bucket seems too easy to use and should be reviewed for better detail
- Do not understand installation of furniture and appliances in the damage fund

Nominating Committee Report – Bob Oehrlein.

The nominating committee recommended to the Homeowners the following slate for Directors to be elected.

A motion was made to elect the slate as presented, seconded and approved by the homeowners present at the meeting

- Florrie Paige, H 13 term to end 2017
- Herb Lewis, RS 48 term to end 2017
- Lucia Homick. LS 19&20 for a term to end 2017 (this position was vacated by Gerry Sunderland RS 58 who sold his home last winter.
- Michele Cloke, LS 12 term to end 2016 (this position was vacated by Tom Gangi SS 33 who sold his home this spring)
- Kevin Rohrbacher term to end 2016 (position vacated by Craig Greene's (SS 38) resignation.

There being no new Business
A motion was made and approved to adjourn the
meeting.

A Social Gathering and Picnic

For All Full Homeowners
Was held on Saturday July 5, 2014
at the tent at the base of Morse Mt
on the common ground at Smugglers' Resort
beginning at 5:00 PM
A good time was had by all !