

Nordland Homeowner Meeting
By teleconference
September 5th, 2018
7:30 PM

Director Ron Graham called the meeting to order at about 7:40 pm after waiting for additional members to call in.

Present on the call were:

Ron Graham, Director and N 21

Ruth Mayville, Director and representing for Smugglers' Club Homes N 2, 4, 16, 23, 26 & 31

Lori Lass N 01

Martin Green N-14

Clyde & Carol Furuta N-20

Tom Plog N 27

Nordland By-Laws **Section 2.08 Quorum** provides that *20% or more of all members entitled to vote who are represented in person or proxy shall constitute a quorum for the transaction of such business as is set forth in the notice of the meeting, and 25% is required for the transaction of business not set forth in the notice of the meeting.*

Being 37.093% representation there was a quorum. **Section 2.07 Voting** provides *that Unit owners with more than 50% of the votes of each class of members voting in person or proxy at a duly convened meeting at which a quorum is present is required to adopt decisions at any meeting.*

In Answer to a HO question about whether any decisions were being made on the financial matters, including Budget, Joe stated that the meeting was *informational only* and that the Nordland Directors have the responsibility to adopt a budget for 2019. The purpose of tonight's meeting is to hear Homeowners' (Hos) input before adopting a Budget. Once adopted by the Directors, the budget will be put up for vote by the membership. Joe also stated that per Vermont Condo law, the onus would be on HO's who disagree with a Budget proposal to garner a majority of votes to reject a budget proposal at a duly warned meeting. In the case of a rejected Budget, the existing budget will remain in place until a new one is adopted. Joe also noted that the present Board has been sensitive to reaching out to HO's to gather input and that the financials presented, including a proposal for a 5% budget increase is a preliminary proposal. The 5% increase proposed over the next few years is intended to put the Reserve back into a strong position after **the extensive renovation project undertaken and additional work subsequently identified since the renovation Project was scoped out in 2106.**

After a summary review by Joe of the financial reports, including potential Budget and reserve numbers submitted by Smugglers' Notch Homeowners' Association, Inc. (SNHA) agent for Nordland, Joe invited HO input. He noted that the Budget proposal now goes out to a longer time line through 2039 to show for maintenance of the recent renovation project items. HO's N-1 and N-27 both voiced a strong concern about increasing the budget by 5% as opposed to staying with the traditional inflation rate approach (stating they preferred staying with @2% increase), noting that they had serious reservations that there would indeed be a return to an inflation rate approach after the 5% rate increases in 2019-2022. They also questioned whether Smugglers' Notch Management Company, Ltd. (SNMCo) would be able to manage HO rental increases over such period to make up for HO increased dues. New HO's N-1 & N-27 observed their understanding that the SNMCo rental contract was up at year end 2018. Joe said there had been some Addendums to the contract and that either side could elect to cancel with sufficient notice.

R. Graham noted that the Board will need to consider the Budget concerns expressed by the HO's. Ruth requested that Joe obtain information from other Regimes concerning their budgeting of any increases to cover reserves and ongoing operating Regime expenses.

Joe provided a brief review of accounts receivable involving 2 HO units making up the largest portion of AR's. He noted that the two accounts were presently in the hands of a local Vermont collection attorney in accordance with Board policy which provides for such action after a delinquent account is 90+ in arrears.

In answer to a question about SNMCo plans for making improvements in the commercial/lower level space (including bathrooms) of Nordland consistent with the scope of the 2016 + Nordland Renovation project, Ruth stated that she would take up the matter with SNMCo management and report back.

New HO (N-14 or N-27) expressed concerns about the lack of an effective WI-FI system that is being offered HO's & renters. He was unable to attend the July, 2018 Annual SNHA meeting and did not hear the technology report, including the installation of fiber optics in Nordland. He stated that renters wanting to use Roku and other products are dissatisfied with the system and that fiber optics alone doesn't provide an answer. He has unsuccessfully tried to reach and speak with SNMCo staff about the router/other system components. Ruth was not sure who would be the best resource in SNMCo for the HO to follow up. Joe noted that a SNHA committee was looking into technology issues. The HO will submit an email to J. Ingram confirming his interest in following up on the technology issues, including exploring whether Nordland Villas might have its own router/server technology.

R. Graham suggested that HO's interested in becoming more involved in Nordland business matters at a volunteer committee or Board level should provide J. Ingram with an email expressing such interest. One or more of the HO's in attendance stated they would do so.

The Meeting was adjourned upon Motion, seconded at 8:45 PM.

Respectfully submitted,

Ron Graham, Director for Nordland

Joe Hester Ingram, Executive Director – Smugglers' Notch Homeowners' Association, Inc.