ATHERTON COMMON UNIT OWNERS ASSOICATION

BOARD MEETING MINUTES

NOVEMBER 14, 2024

The meeting was called to order by Treasurer Howell Mitchell at 2 pm, awaiting the arrival of the president. Also in attendance was Director Pete Eiche, Director Art Brault, Secretary Joan Ferguson, Capital Reserve Chairman Kevin Eagan, and Association Manager Norman Desrochers. Unit Owners Bruce Kinney, Tracey Tocher and Linda Madden also attended.

Financials. In Operations, both cash and current liabilities are running less than allotted budget year-to-date, even with the landscaping improvement overrun from budgeted $2K to $8.9K. The latter includes the unanticipated removal of downed trees during the winter and summer. Desrochers said half of the anticipated painting invoice as been paid ($16.5K) and the remainder ($16.5K) will be paid before year-end. Mitchell commented the painting invoices went over the original quote and Desrochers said there was more rot repair than anticipated. He added that actual rot tends to be more apparent as the painting preparation/scraping is conducted versus during the walk around bidding process. Units 28 and 29 were particularly affected.

For Capital Reserve, Stout asked the Certificate of Deposits interest amounts be reported at the annual meeting.

September Board Meeting Minutes were formally approved.

Grounds. Eiche advised several trees have been identified to either be removed or trimmed. That list will be discussed with an arborist and, following that discussion, he'll work with Desrochers to get three bids. He believes the work can be done during the winter as all but one are easily accessible (with the one perhaps needing a crane to remove). He estimates the costs between $3K-4K and timing will be based on how soon the bids are received, when the contractor can do the work and the weather.

Tocher asked if the affected trees will be replaced. Eiche said they will not be replaced as the trees (to be removed) are hazards to the buildings.

He added that Unit Owners concerned about any trees should submit a work order.

Painting. Desrochers reported the painting is completed except for Units 20 and 29 porches and a final walk around. Units 1-3 and 7-9 are scheduled to be painted in 2025. Madden asked if she could be notified of the initial walk around so she could both see anticipated rot repair and comment on any maintenance issues she sees needed for her unit.

The Board asked Desrochers to meet with this year's painter – as he has been exceptionally thorough in rot repair and painting as well as communicating with the Board – if he would be willing to also do next year's job. The Board also unanimously approved Brault's motion to give him $1K over the bid amount to help with the cost overrun of this year's rot repair. It was noted the scope of preparation and the needed time it took to hire a third painter extended the time it took to complete the work – especially due to the need to essentially scrape the entire building of Units 28-30.

The Board recommended Unit 20's deck be refinished and painted next year with the work accomplished before the scheduled Buildings' painting are started.

Repairs. The Board will discuss payment of Unit 29's back stairs repair with the Unit Owner.
Units 35 and 44's garage doors, damaged last winter, have been replaced and painted. The Association will pay for the work as it couldn't be determined if the damage was by the Unit Owner or

the snowplow.

The gutters will be cleaned out Nov 23-24, weather permitting. (Note: work was accomplished on Nov 23 and Unit Owners were notified via email prior.)

Corporate Transparency Act. Board members were reminded to email a pdf or photocopy of their driver's license to Desrochers so the office can prepare the compliance paperwork due by January 1, 2025.

2025 Budget discussion.

- ✓ It was decided to delay rolling over any 2024 Operations leftover funds into Capital Reserve until the 2024 invoices are paid.
- ✓ There was much discussion on how the Association continues the discipline to grow the capital reserve while making strategic improvements for the Association's grounds, buildings and infrastructure.
    - It was agreed that at least once a year, each Board should review how to continue to build the capital reserve. Options include cutting operations funds or increasing the monthly HOA fee. In those discussions, ensuring sufficient funds need to remain for both planning and unexpected costs due to the aging infrastructure and natural events combined with rising inflation prices of services, labor and materials.
    - Tocher asked what the "rule of thumb" for a healthy capital reserve is. Desrochers said it is at least two or three times the current amount in the account. I.e., there should be at least $500K- $750K. He added that very few associations in reality have that amount in their capital reserve.
    - Motion was made to adjust the draft 2025 budget so that the monthly capital reserve contribution from the HOA fee be increased by $10 and the operations contribution be decreased by $10. The motion passed, 4-1.
    - The 2025 budget proposal presented to the Unit Owners at the annual meeting will reflect this change.

The annual meeting is set for Sunday, Dec 8, 1:30-3:30 pm, at the Amherst Library.

Meeting was adjourned at 3:26 pm.

Respectfully submitted,
Joan Ferguson
Volunteer Secretary