

IOWVA 2018 Annual Meeting Minutes

10 am Holiday Inn

265 Lakeside Ave, Marlboro, MA

Present: Glenn Dusablon (President), Linda Sousa (Treasurer), Joanne Farnham (Secretary), Carol Dusablon (Member) and Associate members Russ Duade and George MacKay

Absent: Dick LaBonte

The meeting was called to order @10:08 am and roll call of officers was done.

Certificate of quorum was done by Dennis Sackal. We had a quorum of 249 proxies and a total of 33% response.

Secretary's minutes for the 2017 Annual Meeting Minutes to be approved: **A motion to accept the 2017 annual meeting was made by Jim Hoyt and the motion was seconded by Linda Sousa.** All were in favor and none opposed.

Treasurer's Report and 2019 Budget Discussion: Linda explained that with our collections agency (Source Receivables Management), we have collected over 4K and the company adds 40% to what the owners owe us so we get what is due us and they still make money instead us having to pay money to chase them.

With our new software, hopefully by April of 2019, owners should be able to pay their fees online. We have a decrease in bookkeeper fees as the GL (general ledger) is in our new system. We notice an increase in landscaping and grounds but this is the first time in years that we have seen such an increase. Cable and Utilities actual in 2018 was \$74,008 and for 2019 we budgeted \$78,400. We outsourced cleaning.

Jan Kasper stated we might help to increase our sales and rental revenues by using Groupon. Jan said they stayed in a timeshare in Newport which stated Groupon saved them. Gail has been running an ad in the ski magazine.

The maintenance fees do not reflect an increase as it is the same for 2018. The priority 2018 has been to position the Inns to actively and aggressively market and sell the units to restore full ownership of all 950 weeks **Out of the 950 weeks (19 units x 50 as we have shut down in April for annual maintenance)** and that remains the goal for **2019. (\$375,994).**

Look at it this way, if we were fully owned fees would total \$651,951. As we stand 177 units are owned by the Inns, **27 units** are leased because they are without clear titles and **39 current owners** are not meeting their financial responsibility as owners. That means that we are losing **\$275,957** in annual revenues each year. The sale of units is key to increasing revenue and keeping maintenance costs low in the future.

Joanne Farnham made a motion to accept the Treasurer's Report. The motion was seconded by Jim Hoyt. All were in favor and none opposed.

President's Report: Glenn explained we now have (2) 40 hour full time employees one in Maintenance and one for the office and their jobs vary as needed. We no longer have part time cleaning staff which was not working well for us. We are now using a professional cleaning company that does only Friday unit cleaning. We eliminated the Tuesday linen changes saving us money on laundry runs.

The mailings out to owners were reduced to one no matter how many units you own that saved us over \$600. Just on printing and mailing costs.

Our new maintenance employee Zachary started in August. He is very qualified in many areas and a real asset to our operations. He painted all the common areas before the carpeting install which is scheduled to start soon. We are now using standard colors throughout the building to reduce cost on paint and brighten the common areas.

Our office staff Chris is very capable of working the office. We have taken back bookkeeping saving us \$12,000. Per year plus laptop expense, cell phone reimbursement, printing supplies and ink, paper etc. which is a substantial savings to the Inns.

We have new software to streamline office operations including billing renting online and selling units. We have a new webpage that is kept up to date and a new Facebook page. Gail Kent has done a great job moving us forward in this area.

We updated all the fire extinguishers to meet OSHA law and fire code and passed the investigation of the Fire Marshall's office. We had some very old fire extinguishers in the building being refilled and they were no longer safe.

We removed all the old ETS heaters throughout the building. All the old wood fireplaces have been replaced with gas inserts and the tile in front of the has been replaced before carpeting starts.

We have beautiful new signage on the property with vinyl sign supports and backing preventing further painting maintenance in the future.

The old wood shed has been converted into a storage shed with a ramp for moving material. The old shed needs to be removed as it is not safe.

We had the right egress replaced with non-painting product and redone to make it safe as it was leaning on the support posts in an unstable manner and the stairs were pitching to one side where drainage from the roof had been causing the support post to sink.

The left side egress has a leaning wall not the stairwell support but it does not affect the stairwell but it is leaning in about 3 inches and needs to be dug out and properly supported with poured concrete. The contractor for the project has been very busy in the Valley and was supposed to give us a quote. I was

up there this week and he couldn't get the digging company there to get a quote. We are trying to find another contractor.

We removed the old swing set as it was not safe and we removed several dead trees in the front and the rear of the building.

We replaced the rear decks for 101, 104, 105 and 106. The decks were rotted and leaning towards the building causing water issues and severe wood rot under unit 101. We replaced the inactive hot tub in 101 with a modern unit with no under floor controls and redid the flooring and window door edgings with non-painted material and insulated under 101. The insulation had fallen down the new hot tubs are well insulated and use much less electricity to run than our older ones.

104, 105, and 106 hot tub rooms had no roof insulation and condensation would run through the wood ceiling planks and hit the cold roof causing a dark tar liquid to run down the walls. We have installed layers of insulation and a vapor barrier with new white non-painting ceiling material. New exhaust fans were installed as the old ones were not installed the correct way and drew air in and not blowing condensation out.

Under unit 101 the insulation had fallen down. We found rodents under there. We have hired a new pest control company as the last one was not doing their job. They did not have enough catch boxes or product to limit rodents. The new company will also protect our building from termites, ants, etc.

We are changing the TV system controls as we had problems with operating them, finding the right format and it is time to make them simpler for operation. We will still have HBO.

The one big issue is snow removal this year. The company we had last year charged us for the year. He lost too much money with all the storms and will not come back to Waterville Valley. Gail shopped around and found a new company and the rates are higher and have increased in the area for plowing.

The next issue is the paved parking area the company that was hired used repurposing tar and put it back over the dirt. We have ruts and cracks in the upper and lower parking areas. We will be using crack sealing and seal coating in the spring but this will only be a Band-Aid to the future repaving of the entire lot. The proper way is to lie down and pack crushed $\frac{3}{4}$ inch stone for draining and a good support system. The tar repurposing and putting it back down may work for a residential home but not a commercial lot like ours. The crushed stone went in front of the dumpsters so there is no problem there.

We sold 17 units since we started the half-price sale to owners and family. We now have free golf for owners and family and have getting great reviews on this.

Last of all I would really like to thank Gail Kent for her dedication to the Inns. Her 5 years of faithful service and the great job she has done with hiring our new staff workers and training them. She got the in house software and most of all her desire to move us forward into the 21st Century! Thank you Gail!

Jim Hoyt made a motion to accept the President's Report. The motion was seconded by Carol Dusablon. All were in favor and none opposed.

Old business: It was discussed how certain people were getting the same flex unit weeks every year for 12 years. They were being distributed before the November drawing. Our bylaws state that in January the drawing should be done. They cannot deposit into Interval International until a week is given. All pay the same maintenance fee of \$626 whether they have week 21 or July 4th week. Three people now witness the drawing. Gail stated that we got 5 units back as they were not getting what they wanted for the past 30 years. George Clymas has owned in Waterville Valley for the past 40 yrs. He is in full support of the unsold units to be sold or rented. Jan Kasper states that there is a unit on the deed for the flex owners but you may never get it. George and Jan Kasper owned flex units in the past and traded them for many years. Approximately 4-5 owners are unhappy. There are 90 units owned by owners, 30 units are owned by the Inns and about 40% go to exchanges. Gail rented one of the townhouse units on booking.com for \$200. /night. George MacKay stated that peoples jobs needed to know when they will be on vacation and that is why they changed the date to November.

There were 2 price levels when people bought the flex units. The first was spring and fall weeks 13-17 or 18 and weeks 38-50. Weeks 1-12 are fixed weeks and 19-37. George Clymas owns a fixed week but he no longer skis. We can sell or rent it if it is association owned when an owner gives it back. George MacKay negotiated with Columbia to get the unsold back to the Inns. There are approximately 15 requests for the 4th of July week. Some only put in 1 request. Jerry Pacquette has helped us with some legal issues in the past. In our bylaws, we have much leeway. We are not making money on 38 unsold units. We are losing money so we want our organization to survive. He recommends that we go along with Glenn's recommendation. We get \$1400 for a rental or no money if it just sits there. We can rent the ones that are behind in their payments and credit them toward the arrears. To place a lien or go to foreclosure, it can cost us money. The average cost would be \$1500. We should bring these units for bid to NH attorneys to do them in bulk. We have about 12 of them. The lowest bidding attorney should be able to get the job done. We can call the NH bar association in Concord. Gallagher, Callahan and Cordell are in Concord, NH and may be able to help us.

Russ Elections:

Glenn Dusablon was elected in 2017 for a 3 year term that will be completed in 2020.

Joanne Farnham was elected in 2017 for a 2 year term that will be completed in 2019.

Carol Dusablon was elected in 2016 for a 3 year term that will be completed in 2019.

Linda Sousa was elected in 2016 for a 2 year term that is up now in 2018.

Dick LaBonte was elected in 2015 for a 3 year term that is up now in 2018.

Carol Trombley was on the agenda to perform the elections as Glenn was not certain Russ could make it.

Russ repeated the nominations 3 x to allow owners to speak up if needed.

Jan Kasper nominated Linda Sousa to the 3 year term. The motion was seconded by George Clymas. All were in favor and none opposed.

Glenn Dusablon nominated John Sousa for the 2 year term. The motion was seconded by Dennis Sackal. All were in favor and none opposed.

Glenn took a moment to ask the Veterans to stand to thank them for their service. He also thanked all the teachers in the room. Glenn also thanked Gail for all she does for the Inns.

A motion was made to adjourn the meeting by Jim Hoyt at 12:17 PM. The motion was seconded by Sal Pace. All were in favor and none opposed.