



Inns of Waterville Valley Board Meeting Minutes

August 21, 2023

Zoom 6PM

Meeting email was sent out 4 days in advance to have a budget meeting only so as to not delay budget approval for 2024. Maintenance fee billing needs to get out by August 31st, 2023, to reflect increase for 2024.

The meeting was called to order by Joanne Farnham at 6:10 PM after waiting 10 minutes to see if other board members were joining. The only agenda item is the discussion and approval of the 2024 budget.

Roll call of officers and board members: Joanne Farnham Secretary, Greg Gosselin Member, Linda Sousa Member. Glenn Dusablon and Carol Dusablon did not attend the meeting.

Linda Sousa brought up that the July financial statements YTD were the same as June of 2023 and they needed to be updated with the July 2023 information. We need to see a cumulative general ledger. We also need to know the exact salary of the new hire Jamie. We have a goal to decrease expenses for the 2024 budget. We took the treasurer's report received from Carol Dusablon and agreed with some of the 2024 budgeted expenses, but not all and after discussion the following motions were made to change the 2024 budget.

Prior to starting the meeting, we reviewed the Bylaws, Article 3, Board of Directors, section 3-400 Meetings. Pursuant to the Bylaws, section 3-400, a majority of the members of the board of directors called a Special Budget zoom meeting by sending an email on August 17, 2023, at 9:35 to all board members with the purpose of the meeting and a link to the meeting. The email was sent with a read receipt, all board members acknowledged receipt of the notice through the read receipt.

Joanne Farnham said that the purpose of this meeting is solely for the budget, we received a budget from the Treasurer, Carol Dusablon, and had numerous emails and discussions. There is not agreement on the 15% increase, we looked at many inflation rates and it doesn't fit the picture, key factors from the studies reflect inflation rate is 3-4%.

Joanne Farnham made a motion to increase the base maintenance fee 10%, to increase the hot-tub fees from \$60 to 68 dollars and to increase the winter surcharge from \$42 to 60 dollars making the total combined maintenance fee income \$424,772. The motion was seconded by Greg Gosselin. All were in favor, and none opposed.

Linda Sousa made a motion to reduce the 2024 budget line items GL # 4035 computer expense to \$8,000, GL #4040 office supplies to \$1500, GL # 4685 legal expense to \$4,000, GL# 4710 Salaries and Wages to \$98,000 and GL# 4715 Payroll expenses to \$1,800 bringing the total expenses in category of administrative expenses to a total of \$151,500 for 2024. The motion was seconded by Joanne Farnham. There was discussion about the concerns over the past several years that we are spending way too much money on cleaning, we need to look at bringing that back in house, look at the payroll, look at the cleaning and look at the linen and bringing the cleaning back in house and the linen or possibly some of the linen and also maintenance, we spend an outrageous amount on having a contractor do our general maintenance over the past 3 years that used to be done by inhouse staff. These costs have increased and have contributed to the increased costs that we have and the budget as every year these expenses go up higher. All were in favor, and none opposed.

Greg Gosselin stated that we did not receive all the information that was requested from Carol Dusablon, she did not provide it to us. And we went back and forth for us to put this budget together, so there could be some inaccuracies. And unfortunately, with Glenn and Carol deciding not to join the meeting tonight, we couldn't vet that out. Based on what he has seen, he feels that it is a good budget. We don't need a 15% increase and a 10% increase is fair. And based on the information we were given by the Treasurer, Carol that we should be in good shape assuming all things are accurate. Joanne and Linda both agreed with Greg's assessment.

Greg Gosselin made a motion to reduce the 2024 budget line-item GL# 5016 repair services to \$3,000 with a total expense of \$52,900 in Operating and Maintenance. The motion was seconded by Joanne Farnham. The reason for this large of a decrease is because we are hiring a contractor to do general maintenance items. This budget cannot afford to have a general contractor to do maintenance at the property. There was discussion regarding going back to hiring a maintenance staff person instead of having a Russ, who is a contractor from Latitude 17 Construction LLC do routine maintenance work. All were in favor, and none opposed.

Joanne Farnham made a motion to reduce 2024 budget line-item GL#6010 electricity to \$36,000 making total Utilities \$84,300. The motion was seconded by Greg Gosselin. Last year we were given a projected increase of 73% in electricity rates by the innkeeper, information she got from the utility companies. It doesn't look like that materialized looking at the electricity charges from January through June. We overbudgeted in 2023 and it's a good thing that that increase did not materialize. All were in favor, and none opposed.

Joanne Farnham made a motion to reduce 2024 budget line items GL#7005 consumables to \$1500 and GL #7006 cleaning services to \$112,000 making total Guest Services \$140,000. The motion was seconded by Greg Gosselin. All were in favor, and none opposed.

There was discussion about having a reserve study. We can consider using funds in GL#5070 for this. Check with Gail. Joanne Farnham made a motion to do a reserve study within 2024 and that three bids be received for reserve study. Greg Gosselin seconded the motion. All were in favor, and none opposed.

We reviewed and approved the 2024 budget and the maintenance fee schedule that was sent in the email to the board on August 21, 2023 at 5:21 pm.

Joanne Farnham will get the meeting minutes out and will send them to the innkeeper for posting so that the October billing can go out with the revised 2024 budget by August 31, 2023.

Having reviewed and approved the 2024 budget with these changes, Joanne Farnham made a motion to adjourn the meeting at 6:45PM. The motion was seconded by Greg Gosselin. All were in favor, and none opposed.

At 6:50 PM the meeting was reconvened to confirm that the budget changes be sent to Gail so that the October billing could be sent out on or before August 31, 2023. The motion was made by Linda Sousa to approve the 2024 budget with the changes all the previous line items done and sent by the treasurer Carol Dusablon with the changes made by the above motions. Joanne Farnham seconded the motion. All were in favor, and none opposed.

A motion was made by Joanne Farnham to adjourn the meeting at 7:03 PM. Linda Sousa seconded the motion. All were in favor, and none opposed.

Attachments: copy of the bylaws, copy of the 2024 budget format, and a copy of the maintenance fee schedule.

Respectfully submitted,

Joanne Farnham, Secretary IOWVA

Inns of Waterville Valley Association 2024 Projected Operating Budget		2020 Actual	2021 Actual	2022 Actual	2023 PROJ Budget	2023 PROJ Full Year	2024 PROJ Budget
GL #	INCOME						
3101	Maintenance Fee	403,255	410,401	409,689	390,536	410,000	424,772
3260-3230	NET Owner Rental	214	209	2,618	1,000	3,600	3,500
3275-3278	Sales Income	1,450	6,841	20,442	5,000	8,900	8,000
3262+3060	IOWVA Units Use Income (NET)	11,692	33,502	26,969	30,000	31,800	30,000
3185 + 3180							
+3190+3179+3035	Other Income (Laundry/Soda/Other/Clean	1,063					
+3115	Fee Rental Use/Small Claims)		856	821	500	300	600
3170	Interest Income	968	1,324	298	500	300	300
	Total Income	418,642	453,133	460,837	427,536	454,900	467,172
	OTHER INCOME						
3020	Late Fees - Maint Payments	4,317	3,600	3,320	1,200	3,000	3,000
50000	Cost of Good Sold	639	-	74			
	Total - Other Income	4,956	3,600	3,394	1,200	3,000	3,000
	TOTAL INCOME	423,598	456,733	464,231	428,736	457,900	470,172
	EXPENSES						
	ADMINISTRATIVE						
4005	Accounting	4,500	4,500	-	4,500	4,500	4,500
4025	Advertising	2,075	3,074	3,711	3,500	3,000	3,800
66910 / 4030	Misc Income- bank sv chg	-	-	-	-	-	-
4032	Credit Card Processing Expense	7,897	8,802	10,126	8,000	9,200	10,000
4035	Computer Expense	11,149	6,763	9,270	8,900	10,394	8,000
4040	Office Supplies	2,395	3,078	2,379	2,000	1,227	1,500
4042	OTA Commissions	474	86	-	-	-	-
4080	Bad Debts	-	1,238	-	-	-	-
4104	Annual Meeting	1,814	1,079	333	2,000	500	300
4105	BOD Meetings	1,876	2,625	1,500	2,500	-	-
4200	Property & Liability Ins	15,401	16,453	18,683	17,000	16,371	17,000
4210	WC Insurance	921	593	453	1,700	1,386	1,400
4685	Legal	8,943	17,237	11,338	6,500	4,578	4,000
4700	Travel	835	600	639	800	648	600
4710	Salaries & Wages	83,030	88,102	101,169	106,000	97,946	98,000
4715	Payroll Expenses	1,603	1,747	1,911	2,184	1,700	1,800
4720	Postage	1,202	995	666	650	434	600
	Total Administrative	144,115	156,972	162,177	166,234	151,884	151,500
	OPERATING & MAINTENANCE						
5010	Landscaping & Grounds	4,989	5,634	7,250	7,250	7,248	7,250

Inns of Waterville Valley Association		2020	2021	2022	2023 PROJ	2023 PROJ	2024 PROJ
2024 Projected Operating Budget		Actual	Actual	Actual	Budget	Full Year	Budget
5015	Repairs, Materials & Maintenance	24,963	38,142	37,352	15,000	12,644	10,000
5016	Repair Services			16,951	10,000	14,574	3,000
5020	Pest Control	6,648	6,706	7,204	7,234	7,487	7,400
5025	Plowing & Sanding	8,873	8,275	7,274	7,250	7,232	7,250
5040	Small Tools & Equipment	59	63	-	500	-	-
5045	Hot Tub Testing/Maint	3,994	4,233	4,216	5,000	3,790	4,000
5050	Fire Alarm & Safety	2,554	1,805	4,856	3,750	3,600	4,000
5070	Additional Repairs	2,850	57,570	-	10,000	44,075	10,000
	Total Oper & Maintenance	54,930	122,428	85,103	65,984	100,650	52,900
UTILITIES							
6005	Cable TV/Internet	24,090	24,216	24,205	25,000	24,186	25,000
6010	Electricity	22,568	24,285	27,074	59,253	35,260	36,000
6015	Propane	11,723	13,231	12,082	14,000	11,324	12,000
6020	Telephone	7,046	7,694	7,392	8,000	6,416	6,500
6025	Water/Sewer-Trash	3,262	4,071	4,808	6,200	5,204	4,800
6100	Business Licenses & Permits	-	-	-	-	-	-
	Total Utilities	68,689	73,497	75,561	112,453	82,390	84,300
GUEST SERVICES							
7005	Room Cleaning & Consumables	3,912	2,989	3,512	3,000	1,069	1,500
7006	Cleaning Services	59,710	77,261	91,846	84,000	112,100	112,000
7010	Room Inventory	1,555	14,247	1,980	20,000	3,373	1,000
7015	Room Decorations	6	-	-	-	-	-
7020	Carpet Cleaning	1,800	1,800	1,890	2,079	1,984	2,000
7025	Recreation Svc - Sports Ctr & Golf	23,500	23,500	23,500	23,500	23,500	23,500
7027	Hot Tub Not Usable - REFUNDS	60	240	60	500	-	-
7030	Room Damages	(1,083)	(1,054)	-	-	-	-
7035	Soda Expense	53	-	-	-	-	-
7200	Misc	-	-	-	-	-	-
	Total Guest Services	89,513	118,983	122,787	133,079	142,026	140,000
TAXES & INSURANCE							
8005	Payroll Taxes	6,544	6,994	7,805	8,301	7,850	7,800
8010	Property Taxes	21,773	23,924	16,245	24,000	16,222	20,000
8015 + 3330	Income Taxes	(197)	-	-	1,200	-	-
	Total Taxes & Insurance	28,120	30,918	24,050	33,501	24,072	27,800
	TOTAL EXPENSES	385,367	502,798	469,678	511,251	501,022	456,500
	TOTAL INCOME	423,598	456,733	464,231	428,736	457,900	470,172
	NET CASH FLOW	38,231	(46,065)	(5,447)	(82,515)	(43,122)	13,672

Estimate-Owner Billings for 2024

ASSUMES 0.10 increase over 2023 0.10

2024

October Billing - Weeks 1-12							2024				GROSS	Anticipated
Units	2023 Main	10%	2024 Main	Hot Tub	Winter	2024	Total Fee	#Units	# Units	# to	POTENTIAL	Forecasted
	Base Fee	Increase	Base Fee	Fee	Surcharge	Prop Tax	To Owner		OWNED	Pay	Income	Income
101	689	69	758	68	60	40	926	12	10	9	9,259	8,333
104,105,106	519	52	571	68	60	22	721	36	30	30	21,627	21,627
201	689	69	758		60	37	855	12	12	11	10,259	9,404
204,205,304,305	519	52	571		60	20	651	48	35	28	22,782	18,225
206	519	52	571		60	22	653	12	9	8	5,876	5,223
301	689	69	758		60	34	852	12	9	9	7,667	7,667
306,307,308,309	688	69	757		60	32	849	48	42	41	35,650	34,801
403,404,405,406	426	43	469		60	13	542	48	34	29	18,414	15,706
Totals								228	181	165	131,534	120,987

October Billing - Weeks 13,14, 17-26 (less shutdown weeks 15 & 16)							2024				Forecasted	Forecasted
Units	2023 Main	10%	2024 Main	Hot Tub	Winter	2024	Total Fee	# Units	# Units	# to	Income	Income
	Base Fee	Increase	Base Fee	Fee	Surcharge	Prop Tax	To Owner		OWNED	Pay	Income	Income
101	689	69	758	68		40	866	12	8	6	6,927	5,195
104,105,106	519	52	571	68		22	661	36	19	17	12,557	11,235
201	689	69	758			37	795	12	11	9	8,744	7,154
204,205,304,305	519	52	571			20	591	48	27	24	15,954	14,182
206	519	52	571			22	593	12	9	9	5,336	5,336
301	689	69	758			34	792	12	7	7	5,543	5,543
306,307,308,309	688	69	757			32	789	22	1	1	789	789
403,404,405,406	426	43	469			13	482	48	22	21	10,595	10,114
Totals								202	104	94	66,446	59,548

November Flex - Weeks 13,14, 17-50 (less shutdown weeks 15 & 16)							2024				Forecasted	Forecasted
Units	2023 Main	0.1	2024 Main	Hot Tub	Winter	2024	Total Fee	# Units	# Units	# to	Income	Income
	Base Fee	Increase	Base Fee	Fee	Surcharge	Prop Tax	To Owner		OWNED	Pay	Income	Income
306,307,308,309	688	69	757			32	789	82	82	74	64,682	58,371

April Billing - Weeks 27 through 45							2024		# Units	# Units OWNED	# to Pay	Forecasted Income	Forecasted Income
Units	2023 Main Base Fee	0.1 Increase	2024 Main Base Fee	Hot Tub Fee	Winter Surcharge	2024 Prop Tax	2024 Total Fee To Owner						
101	689	69	758	68		40	866	19	18	17	15,586	14,720	
104,105,106	519	52	571	68		22	661	57	46	45	30,401	29,741	
201	689	69	758			37	795	19	17	16	13,513	12,718	
204,205,304,305	519	52	571			20	591	76	56	52	33,090	30,727	
206	519	52	571			22	593	19	18	16	10,672	9,486	
301	689	69	758			34	792	19	18	16	14,254	12,670	
306,307,308,309	688	69	757			32	789	41	7	5	5,522	3,944	
403,404,405,406	426	43	469			13	482	76	55	52	26,488	25,043	
								326	235	219	149,527	139,050	

April Billing - Weeks 46 through 52							2024		# Units	#Units OWNED	# to Pay	Forecasted Income	Forecasted Income
	2023 Main Base Fee	0.1 Increase	2024 Main Base Fee	Hot Tub Fee	Winter Surcharge	2024 Prop Tax	2024 Total Fee To Owner						
101	689	69	758	68	60	40	926	7	6	6	5,555	5,555	
104,105,106	519	52	571	68	60	22	721	21	11	10	7,930	7,209	
201	689	69	758		60	37	855	7	2	2	1,710	1,710	
204,205,304,305	519	52	571		60	20	651	28	16	17	10,414	11,065	
206	519	52	571		60	22	653	7	5	5	3,265	3,265	
301	689	69	758		60	34	852	7	3	3	2,556	2,556	
306,307,308,309	688	69	757		60	32	849		0	0	0	0	
Flex Weeks 46-50	0	0	0					7	8	8	6,790	6,790	
Fixed 51-52	688	69	757		60	32	849	7	8	8	6,790	6,790	
403,404,405,406	426	43	469		60	13	542	28	17	16	9,207	8,666	
								112	68	67	47,427	46,816	

Grand Totals								950	670	619	459,616	424,772
---------------------	--	--	--	--	--	--	--	-----	-----	-----	---------	---------

10% increase in Base Maintenance Fee
 \$60 Winter Surcharge - increase from \$42 to \$60
 \$68 Hot Tub Surcharge - increase from \$60 to \$68

or by proxy. No proxy given by any owner shall be valid for a period of longer than one calendar year. Any ownership intervals owned by the Declarant shall be entitled to a vote and shall be included in the total of ownership percentages when computing the interest of all other owners for voting purposes.

ARTICLE 3, BOARD OF DIRECTORS

- 3-100. Number. The Board of Directors shall consist of not less than three (3) persons nor more than five (5), the number to serve for each ensuing year of the Association to be established at the Annual Meeting of the members by majority vote of the members entitled to vote at the meeting.
- 3-200. Vacancies. Vacancies in the Board of Directors may be filled until the date of the next Annual Meeting by the remaining Directors.
- 3-300. Terms of Offices. The Directors shall be elected for staggered terms.
- 3-400. Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors. Special meetings of the Board of Directors may be called by the President or by a majority of the members of the Board of Directors or by a majority of the members of the Board of Directors by giving three (3) days' personal notice to all of the members of the Board of the time and place of said meeting and the purpose of the meeting. Any Director may waive notice of a meeting. A quorum shall be considered to be more than one-half of the members of the Board.
- 3-500. Presiding Officer. The presiding officer of the Board of Directors' meetings shall be the President of the Association. In the absence of a presiding officer, the Directors present shall designate one of their number to preside.

1438 539

1438 540