

BAYWOOD ESTATES CONDOMINIUM ASSOCIATION
ANNUAL MEETING MINUTES
AUGUST 8, 2023
APPROVED, AUGUST 2024

The Baywood Estates Condominium Association 2023 Annual Meeting was held at the Beachwood Community Center.

Board members present: Nancy Neville, President; Phil Soroky, Vice President and temporary Treasurer; Judy Heyer and Brendolyn Brister Perry, temporary Members-at-Large. Becki Marcenelli, Sr. Property Manager, represented Western Reserve Property Management (WRPM). The necessary quorum was achieved by the attendance of owners of 21 of 23 units.

CALL TO ORDER AND REVIEW OF MINUTES

The meeting was called to order at 7:08pm. M. Gill moved to approve the minutes of the Annual Meeting that took place on August 15, 2022 and K. Mazala seconded the motion. The motion passed unanimously with no corrections.

HAIL AND FAREWELL

N. Neville welcomed new owners Terry Kaczynski (3228), and Frank and Monica Martines (3240). She thanked Warren Gill for his 15 years of service on the Board, many of which were as President, which ended with his resignation in April. Esther Schechter also resigned from her position as Treasurer and left the Board in anticipation of her decision to sell her unit. Jean Appleby left the Board after serving ably as Secretary and moving that position forward. The Board wished all well and thanked them for their efforts on behalf of the Association.

PRESIDENT'S REPORT

N. Neville gave an overview of the Association's status and challenges from August 2022 to July 2023, calling it a "tumultuous time" for residents individually and as a whole. She acknowledged that the Board had a challenging year as new issues and problems seemed to arise each month. The financial challenges were many and focused on completion of the drain project, its effect on the capital reserve fund, and the operating budget deficit at the end of 2022. There was a special meeting for all owners in October 2022 to explain our financial situation and discuss these problems as well as the 12% national rise in inflation. She acknowledged the work the Board members put into assessing the problems and taking on the responsibility to ensure the fiscal health of the community. The result of all the analysis was a less-than-desired decision to increase the monthly fee by 20% (after very inconsistent increases since 2010) that would also enable bolstering the annual capital reserve contribution from 22% to 25%.

In its review of the Association's records, the Board realized that it did not have complete files of contracts and historical information, so it spent a lot of time securing its own copies from WRPM. Phil's careful read of the trash removal contract revealed significant overcharges and Becki's diligent

work with the landscaping company resulted in better services and significant savings. New plantings are underway and will continue in a multi-year project.

Although Brendolyn and Judy were added to the Board in April pending elections during the annual meeting and did not yet have specific Board responsibilities, both identified concerns about transparency and communication. Brendolyn volunteered to start a community newsletter and her effort was acknowledged and appreciated.

Nancy concluded her remarks with appreciation for the hours and efforts the Board members have dedicated toward uncovering and addressing issues and challenges of the Association, and the patience community members have had as the Board's concerns were shared in several meetings. She anticipates that the coming year will see the fruits of those efforts and get the Association on more stable physical and financial footing.

TREASURER'S REPORT

After the resignation of Ester Schechter, Phil Soroky graciously agreed to fill the roles of Vice President and Treasurer. He reiterated the acute financial situation that the Board became aware of soon after they took office in August 2022. Before the meeting started, Phil distributed five items for reference:

- Primer on Capital Reserve Funds
- Comparison of 2023 budget to funds expended through June 2023
- 2023 Budget commitments and anticipated large draws on budget
- 2023 Budget and variance with very preliminary 2024 budget
- Effect of increases in 2023 monthly unit fees by unit

The discussion about finances was honest and sincere. Concerns about the effect of a 20% increase in fees to cover both operating and capital reserve fund needs on personal budgets were voiced. Questions about how the situation came about, any actions that were/could be taken to reduce costs, change vendors, or otherwise mitigate cost increases were raised, discussed, explained, and answered. Several suggestions to reduce costs were made by unit owners. A group of owners decided to meet on their own to discuss and come up with budgeting alternatives to bring to the Board. This group decided to meet at another date to organize and move forward with addressing issues. The President noted that the budget planning process would be fully underway in October as the budget had to be vetted and finalized by the end of that month, so any suggestions would have to fit into the timeframe. She committed to providing whatever information the group might request.

APPOINTMENT OF INSPECTORS FOR ELECTIONS

W. Gill and M. Barron volunteered to be election inspectors and work with B. Marcenelli to manage the election process.

ELECTION OF BOARD MEMBERS

(On July 1, the Board solicited nominations for unit owners to fill the two positions that would be open at the August annual meeting. It also requested that owners consider submitting a voting proxy if they did not expect to attend the meeting. Nominees and self-nominees submitted short bios that were distributed to the owners on August 1.)

Nominees for election to the Board of Directors were:

- Harriette Belkin
- Judith Heyer
- Karen Mazala

Elected to the Board of Directors for terms ending in August, 2026 were Judith Heyer and Karen Mazala. The President thanked those who participated in the process, and both congratulated and welcomed Judy and Karen to the Board of Directors.

OLD BUSINESS

There was no old business to attend to.

NEW BUSINESS

Several owners noted concerns about traffic on Richmond Road using the road inside Baywood fencing to bypass traffic or make U-turns, as well as security on the property. Two specific suggestions were made:

- Install gates at each driveway entrance to the community to stop random drive-throughs. Discussion included likely problems with delivery persons, mail delivery, emergency vehicles, and visitors gaining access absent a person(s) monitoring the gates and mechanical malfunctions as well as concerns about costs
- Installation of security cameras around the property to deter crimes. Discussion included that unless someone monitored screens 24/7, cameras would likely only be helpful "after the fact." The limited deterrence factor as well as insurance and liability implications were also of concern.

The sense of the community was that there was not a feeling of danger or concern about crime at Baywood.

ADJOURNMENT

With no other business to come before the Association, R. Luria made a motion to adjourn the meeting, and the motion was seconded by K. Mazala followed by unanimous approval.

Respectfully submitted,

Nancy Neville
(in lieu of a Secretary)

BAYWOOD ESTATES CONDOMINIUM ASSOCIATIONt
BOARD OF DIRECTORS
MINUTES of the MEETING held on April 15, 2025
APPROVED

- I. The meeting was called to order by President Nancy Neville at 7:17pm
 In attendance were N. Neville; K. Mazala, VP; P. Soroky, Treas; F. Martines, MatL; JJ Heyer, Secty

- II. Motion to accept the minutes of the meeting held on March 18, 2025, as corrected, by Judy, seconded by Karen; unanimously accepted.

- III. Financial Report
 - List of bills to be paid was presented (Republic, CLE Water, Brush Bandits, Kaman&Cusimano LLC, Reimbursement for Microsoft & website domain services, MOK Landscaping). MOTION by Karen to approve bill payment, seconded by Frank, unanimously accepted. Details in attached table.
 - Current financial status was presented. Details in the attached table. Bottom line:

○ Edward Jones Capital Reserve:	\$213,125.80
○ Edward Jones Operating:	\$57,599.74
○ Chase Operating:	\$27,855.56
○ US Bank Operating*:	\$5,455.85

*Pending verification of amount, deposit of check will close the account
 - The bid for drain and concrete replacements (Lanes 1&3) from Cardinal has been accepted. A permit from the City of Beachwood will be required. It's hoped that the project will take place in mid-May. Residents will be notified of the need for them to temporarily park in the main lane for a few days. Details will be circulated when known.
 - Review of options to replace the mailboxes was presented. Since it looks like all the suppliers have very similar products, we will choose the lowest total price. Numbers will be put on the boxes. New mailboxes will be installed in all lanes in conjunction with the concrete project.
 - After receiving our required 2024 tax return, from KareCondo, for signature less than a week before the filing deadline, we reviewed the contents and had concerns about the calculations. We contacted and are working with the tax preparer to whom KareCondo entrusted our filing to ensure that he has all required documents so the form is filed based on complete and correct information. We have filed for an extension.
 - A discussion of the status of the April 1 monthly unit payments process indicated that for the most part, the new process worked. Phil is working with about 8 owners whose payments were not received due to their banks' actions or had other difficulties. Thank you to unit owners, Edward Jones staff for the time spent to unravel the problems.
 - Final reports were received from KareCondo in a timeframe that did not allow the Board to review the documents before the termination of our contract. After many requests in an attempt to coordinate our financial reports, Baywood told KareCondo that any discrepancies discovered that were in our favor would not result in our sending funds to settle the discrepancy. We are still reviewing the 1,000+ reports that KareCondo sent in a thumbdrive. As time goes on, we might need to contact owners to fill in some holes.

We believe that we are now in possession of all the records that went from WRPM to KareCondo, and all funds that were held in accounts in our name.

- We have some problems with our large sewers and have contracted with The Sewer Company to jet the sewers and suck out the muck that has collected over many years. Some of the collars and structures of the sewers are in very poor condition to the point of falling apart. We are consulting with other companies to get solutions and pricing.
- The Board is completing its plans to repair the face of the south wall of unit 3296 which faces Bryden Road using vinyl. We will use the “board and batten” style (vertical siding as we now have) and introduce shingles for all areas above the 8’ line (foundation to soffits) currently on our siding. This is still under study by the Board. The Board has set a goal of presenting all information about the siding project (materials, cost, timetable) to the community by the meeting scheduled for June.
- There was a discussion about the condition of the fences along Richmond Road. Surfaces are peeling, the paint is bad, and some fences are now leaning. The estimated cost of replacing the fences with vinyl to match the fencing the replaced the area along Bryden Road is about \$60,000. We need to decide if we will take those funds from the Capital Reserve now, knowing what other repairs need to made, or consider an assessment of approximately \$3,000 per unit. No decision has been made.

IV. Old Business

None

V. New Business

- Unit 3240 submitted a request to replace their front door with a double door that contains “lights” (windows), with drawings provided. The Board considered the request and approved it. An application to Beachwood Planning and Zoning must be filed by the owners.

VI. Adjournment

Karen made a motion to adjourn at 9:19. It was seconded by Judy and passed unanimously.

Next scheduled Board meeting: May 20, 2025

Attachment: Financial report

BAYWOOD ESTATES CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS
AGENDA
May 15, 2025 7:00pm
APPROVED

- I. The meeting was called to order by President Neville at 7:11pm. Also in attendance were Phil Soroky (Treasurer), Judy Heyer (Secretary), Karen Mazala (Vice President), and Frank Martines (Member-at-Large)
- II. MOTION to accept the minutes of the meeting held on April 15, 2025; made by Karen, seconded by Frank
- III. Financial report
 - a. Income and expenditures – see attached report prepared by Phil
 - b. Current balances in checking and CR accounts – see attached report prepared by Phil
 - c. Bills to be paid were presented and approved for payment. MOTION made by Frank, seconded by Judy.
 - d. Reconciliation with KareCondo:

The final report from KareCondo still does not reconcile with Phil's records. He has contacted KareCondo in an attempt to determine the source of the difference but has not received any response.

We are going with Phil's records, with notation that his balance is in our favor with no notice from KareCondo that BECA owes them any funds.
 - e. Amount of \$17,746.45 has been transferred from the Edward Jones Operating fund into the Chase checking account.
 - f. Owner monthly fee payments are moving along with some problems identifying payments. Phil has contacted those owners and expects them to be cleared up shortly. Monthly statements are emailed to each owner listing the amount due, due date, payment date, and cumulative amounts paid and balance for the year. It's labor intensive but should be easier once everyone is on board.
- IV. Old business
 - a. The sewer project (lane 4) and concrete project (lanes 1 and 3) will begin next week. Unit owners have been told what to expect and the City will loan use of some cones to block off parking areas.
 - b. Because we have been told by Certainteed that our siding choice of Pacific Blue is not available in the insulated style, we need to choose another color. Options are limited and at a later time we chose a lighter gray siding with a lighter gray shingle. We were not happy about this forced selection.

We are waiting for quotes from the supplier for the work on building 1.
 - c. The new mailboxes have been ordered and will be delivered next week. Numbers have already been engraved on each box. Phil is looking in to a wrap for each unit that would identify the lane number and note the addresses on each lane.
 - d. We are closer on the website and materials will need to be organized so the webmaster can make changes.
 - e. The owners have been notified of the upcoming meeting on finances scheduled for June 24.

- f. We are waiting for Bremec to get the sprinkler system running and install the second new controller.

VI. New business.

- a. Due to the concrete project, we will ask Republic to skip pick-up next week. The truck will not be able to make the turns and there will be too much equipment around the lanes for the truck to maneuver.
- b. We discussed the deteriorating condition of the sign at the south entrance and leaning conditions of several panels along Richmond Road and in front of some units. We need to determine what materials will be used to replace the panels, the cost, funding source, and when we can do this project. Total lineage is 779', 27 panels, cost estimated is at least \$42,000 of course depending on the materials used.
- c. Karen Marks in 3256 will file a claim with her insurer regarding the water infiltration on her south wall near her main entrance. Phil is getting an estimate on what it will take to address the problem. BECA will have to file a claim with State Farm so an appraisal of the problem can be made.
- d. Unit 3212 will be going up for sale in June.

VII. MOTION to adjourn the meeting was made at 9:15pm. Moved by Karen, seconded by Judy.

Next scheduled Board meeting: June 17, 2025