

Stone Creek Condominium Owners Association, Inc.

Annual Budget Review Meeting Minutes

Date: November 11, 2025

Time: 6:00 PM

Location: Stone Creek Clubhouse & via Zoom

1. Call to Order

The meeting was called to order at 6:02 PM.

A quorum was established with the following board members present:

- Lev Kravinsky
 - Christine Caudle
 - Jeremy Lindy
 - Stephen Furtek
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2. Approval of Previous Meeting Minutes

The minutes of the previous meeting held on **August 28, 2025**, were unanimously approved by the Board.

3. Introduction of New Board Member

Lev introduced **Stephen Furtek**, Chief Financial Officer of Lindy Communities, who is assuming the board seat previously held by Ryan Baker.

4 Capital Project Updates

a. Gable Replacement Project – Report by Jim Hellmich

- Total spent on the gable replacement project: **\$313,550**.
- Two overage items:
 - Additional permit costs; and
 - Replacement of plywood discovered during work.
- Total overages: **\$7,050**, bringing the final project total modestly above the original budget.

- Jim reported the project is complete and the gables now present a much-improved appearance.

b. Milestone (Structural) Work – Three-Story Buildings

- Amount spent to date: **\$21,440.07**.
- Work completed to date includes installation of Tyvek wrap on the three-story buildings.
- Karins Engineering is scheduled to inspect the Tyvek installation (inspection was delayed and rescheduled to Thursday). After inspection, siding will be installed and painted.
- Karins Engineering has also engaged a steel/metal specialist to evaluate all structural steel. The Association is awaiting a **line-item pricing proposal** for the necessary metal replacement and repairs.
- THS National (contractor) still hopes to complete the three-story work by the end of the year; however, Jim noted this may be optimistic because additional engineered drawings are required for certain stair and tread replacements. Timing will depend on how quickly engineered details are completed.

Jim emphasized that once the three-story buildings are completed and full pricing is known, the intent is to move on to the **two-story buildings** under the SIRS scope, subject to board direction.

5. Purpose of Meeting Presentation of the Proposed 2026 Budget

Lev Kravinsky stated that the purpose of this meeting was to **review, discuss, and approve the 2026 Operating and Reserve Budget** for Stone Creek COA.

a. Budget Overview Lev reviewed the proposed **2026 Operating Budget** and provided context:

- **Administrative Expenses:**
 - Budgeted at approximately **\$20,000**, compared to about **\$17,000–\$18,000** in the last 12 months.
 - The main change is an increase in **software costs** (RealPage/property management software and portal features).
- **Payroll:**
 - Budgeted at approximately **\$79,000** vs. about **\$75,000** over the last 12 months (roughly a 4–5% increase).
- **Repairs & Maintenance:**
 - Budgeted at approximately **\$54,000**, down from about **\$57,000** last year.
 - Prior year expenses were elevated by unexpected repairs, which are not anticipated to recur at the same level.
- **Utilities (excluding water/sewer pass-through):**
 - Lev noted a **meaningful increase** in utilities in general. Utilities are one of the primary concern areas for cost pressure.
 - The increase in utility (water/sewer) costs will be passed through to the owners.

- **Reserves:**
 - Budgeted **reserve contributions** for 2026 total approximately **\$221,000**, up from **\$184,000** last year.
- **Insurance:**
 - Current premium is approximately **\$15,450/month** through the present policy period.
 - The 2026 budget assumes a **10% increase**, to approximately **\$16,971/month** starting with mid-year renewal.
 - The total 2026 insurance line appears significantly higher than the prior 12-month actual because last year's figure included part of an older, cheaper policy period. The underlying projected rate increase, however, is about 10%, not the much larger jump that the annual totals might suggest.
- **Net Operating Income (NOI):**
 - As a typical association budget, the budget is structured to **break even at \$0** NOI after operating expenses, reserves, and management fees.

Lev emphasized that the **base association dues are not increasing** for 2026. The primary change affecting owners' monthly payments is the **water/sewer pass-through**, discussed separately.

6. Owner Questions & Comments

Owners were given the opportunity to speak. Topics included:

- Reserve contributions and long-term funding strategy
- Assessment impact and cash flow
- Timing of milestone repairs for 2- and 3-story buildings
- Clarification on metal replacement quantities
- Expected completion dates for gable and siding work

All questions were addressed by the Board and Management, with follow-up items noted where needed.

7. Board Discussion & Budget Approval

The Board discussed the budget in detail.

Motion:

Lev made a motion to **approve the 2026 Stone Creek COA Budget as presented.**

Seconded by: Christine

Vote:

- **Yes:** Lev, Jeremy, Christine, Lev, and Stephen.
- **No:** None

Motion Passed – the 2026 Stone Creek COA Budget

8. Adjournment

With no further business, a motion to adjourn was made by **Lev** and seconded by **Christine**. Motion passed unanimously.

The meeting adjourned at **7:14 PM**.

Submitted By:

Jeremy Lindy, Secretary

Approved By the Board On: _____