

West Cove "B" Annual Meeting – August 24, 2013

INTRODUCTION: Mr. Jason Craven, President

Mr. Craven reported that (16) units were represented in person and (6) units were represented by proxy; therefore, there was a quorum. He introduced members of the Board and Management. Mr. Craven asked each owner to introduce themselves by unit number and name. He noted that they have 3 new owners this year.

PROOF OF NOTICE

Mr. Craven requested a motion from the floor to waive the reading of the proof of notice. A motion was made, seconded and passed by unanimous vote of the members.

MINUTES OF 2012 ANNUAL MEETING

Mr. Craven requested a motion from the floor to waive the reading of the 2012 Annual Meeting minutes. A motion was made, seconded and passed by unanimous vote of the members.

BOARD OF DIRECTORS REPORT

- Parking – Mr. Craven explained that the problems with unauthorized parking have improved on Water View since the new signs were installed. The Board will continue to assess parking issues, but Water View Owners need to take responsibility and assure that no access is ever blocked, entirely or partially, due to parking. Owners need to do their best to preserve available parking by avoiding parking in the middle of an empty row versus the ends.
- Landscaping - The Board recognizes how much time Elena Williams spent on the landscaping. Mr. Zuppardi is now the landscape chair. Owners should send any landscaping requests to Belle Terre. Mr. Craven confirmed they will be walking around with Cal from Chippers this fall. An owner pointed out that for every tree you cut down, you get several more saplings; he feels that they should be able to cut the saplings. The Board will meet with Cal and if they do not get the response they want they will meet with ECC. The owners feel that ECC is being too strict. Mr. Donoghue will check in with the ECC and try to get some answers.
- Summer Parties- Mr. Craven thanked the Donoghues, Spencer's and Zuppardi's for hosting the summer parties which have been a great success.
- Delinquent Owner – Mr. Craven explained that Unit 1 has filed bankruptcy and abandoned the unit. The Association has the proper liens in place and the Board has also added a Bad Debt Reserve line item to the proposed 2014 budget. The Board has also issued a Termination of Services against the unit which transfers to new owners and prohibits those associated with the Unit from using any common area (i.e. parking) or receiving any common services (i.e. snow removal, garbage). An Owner asked if all the delinquent fees are required to be paid when the Unit sold and Mr. Craven explained a new owner is only responsible for fees once they take title to the Unit which is why the Board implemented the Termination of Services intended to require the new owner to come to the Board to discuss all delinquent fees associated with the Unit in order to lift the Termination.
- Grill Policy – Mr. Craven explained that the Association's Attorney, in response to an inquiry from another Association, has advised that New Hampshire law prohibits the kindling of grills (propane, charcoal, etc.) within 10 feet of the structure which includes the deck for multi-family dwellings such as apartments and condominiums. Only electric grills are therefore permitted on the decks when in use according to Counsel. While there may be some question as to this applicability of this New Hampshire law to a condominium such as WCB, Owners need to be aware of this Fire Code and to understand that should an Owner choose to kindle any kind of grill (other than an electric grill) within 10 feet of any structure (to include all decks and walkways), that the Owner assumes liability for any

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uncovered damages or losses resulting from a fire associated with the use of a grill in violation of this Fire Code. It is possible that should a fire loss occur due to the use of a non-electric grill within 10 feet of any structure (to include decks and walkways), the Master Insurance Policy could deny coverage (loss due to an illegal act) leaving the responsible Owner personally liable for all damages. In response to an Owner inquiry, Mr. Craven agreed that Owners should check in with their respective insurance brokers to inquire about their personal HO-6 policy in such an event. The Board intends to follow up on this matter and advises Owners to use great care with grills.

- Insurance - Owner were reminded that the Association has a \$5000 deductible on the Master Insurance Policy. Owners are responsible for damages or losses up to this \$5000 deductive. Owners should check with their insurance company regarding coverage for the deductible and each Owner's personal property. Mr. Craven advised that the Board has once again asked the Master Insurance Company to provide a definitive explanation of what the Master Policy covers and what it does not in the event of a loss. Once again, the Board received an "it depends" type answer which is effectively useless. However, it has been the experience of the Board, based on prior losses in WCB and other Eastman Condo Associations with similar Master Policies that the Master Policy covers everything that is affixed and the Owner is responsible for everything that would "fall out if you turned the unit upside down and shook", plus the \$5000 deductible.

Because of this general insurance coverage understanding, Mr. Craven reminded owners that they need written Board approval for any alteration even on the interior to help keep track of any renovations so that they can be reported to the Insurance Carrier. For example, if you replace carpet with hardwood or laminate counters with granite counter, if there was a loss and these renovations were not reported to the Board for approval, the insurance company would only cover what was known to be in the Unit, not the improvements. The Board has no interest in micromanaging interior improvements, but for insurance purposes, the alteration approval process is critic to protect the Owner's investment.

- Sewer- Mr. Donoghue briefly discussed the Eastman Sewer noting that the owners of Eastman voted against a separate company and this cannot be challenged for 2 years.

He also noted that Unit 36 suffered a loss as a result of a sewer back up. The Association replaced the sewer pumps in the lift station and installed a new alarm system. This has impacted the reserve budget by \$9,000-\$10,000.

- Invasive Plants - Mr. Donoghue noted that Lakes and Streams would like to get rid of the fragmites primarily along Road Round the Lake by B-46. One way of getting rid of them would be to cut them down and then dab them individually with a weed killer. Mr. Donoghue will follow up with Lakes & Steams on this issue.
- Chimney – Mr. Craven reported that all active wood burning chimneys will be inspected again this year, tentatively scheduled for October 1-4. The Association pays for the inspection and Owners are charged for the cleaning if necessary. An owner asked if they have to buy their wood from a certain vendor, Mr. Craven noted no; however, he commented that the ECA has put out a bulletin regarding diseased firewood. Mr. Craven asked owners to provide updates to Belle Terre if they either abandon their active wood burning or restart so we can avoid inspecting chimneys that are not in use and be sure we do inspect those actively burning for safety reasons.
- Staining - Mr. Stanley discussed the maintenance program for the refinishing of the deck and walkway walking surfaces. He noted that by sanding down the decks and walks to bare wood, they are no longer peeling which was the primary goal; however, some of them are discolored and not looking good aesthetically. The Association has found a product that should provide better cleaning and better

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prepare the surface to receive the stain. They will be using a product called M1 to power wash. An Owner asked what the rotations and costs will be. Terry noted that given the varied sizes, she did not want to give a number off the top of her head. She will check the varied rotations and future costs and provide an update to the Board.

- Roof Cables – An Owner reported that the heat cables they installed on the front eave of their unit worked really well this past year and there was no interior leaking from ice dams. Another owner also commented that they appear to work; however, there has not been a really bad winter since the install.

TREASURER’S REPORT

Mr. Craven presented the Treasurer’s Report. He discussed the how Reserves are calculated and assessed to reasonably prepare for future replacement needs of capital aspects of the Condos. He noted that WCB currently has approximately 50% in the funds needed should all capital aspects of the Condo fail at the same time and require replacement. Condominium Trade Association research suggests that Associations should have around 35-40% of anticipated replacement costs in their reserves. As WCB is ahead of this suggested benchmark, the Board believes “WCB” is in good shape.

Mr. Craven went over the budget with the Owners; noting that other than insurance which is out of their control, the Board has maintained the budget expense items. However, due to some necessary increases and the desire of the Board to recognize the need to begin a Bad Debt Reserve, the Board has decided to increase the monthly fee by \$5/Unit.

Mr. Craven reported that as of August 24, 2013:

Cash on Hand totals \$ 16,879 Common area Reserves total \$211,899 (note 2013 contributions to Common Area Reserves do not occur until the end of 2013)

Operating Reserves total \$4044

Staining Reserves total \$15,002

We have only 1 delinquent owner as of August 24, 2013 – B-1

In accordance with IRS Revenue Ruling 70-604, Mr. Craven requested a motion to designate 2013 actual excess of revenues over expense if any, be applied against the subsequent tax year member assessments or the Common Area Reserve or Operating Reserve at the Board’s discretion. The motion was made, seconded and unanimously passed by the owners.

NEW BUSINESS

- Mr. Craven reminded Owners of the tips for closing their unit during absences. He also reminded Owners to clean dryer vents and keep propane vents clear of snow and ice. Last, he reminded everyone about the Top 5 Rules, contained in the welcome packet, and asked that all Owners display them so that guests and renters are aware of these relatively basic courtesies.
- An Owner asked if the Board had ever considered getting Wi-Fi for the whole Association instead of individually. The Board indicated that no such request had been received and Mr. Craven questioned how such a service would work in our environment. The Board welcomed further information on this issue, but would take no action at this time.
- An Owner asked about the condition and replacement plans for roofs—Mr. Craven confirmed that the Board was already discussing the issue and that the roofs would be evaluated and a plan for replacement (as necessary) would be developed. Mr. Donoghue advised the Owners as to the projected replacement

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dates for each Unit. Mr. Craven explained that the life expectancy is 24 years and our Units are currently between 15 and 18 years. The Board asked that any observed roof issues be brought to Belle Terre.

- Weed Spraying – An Owner commented that Association[s] weed spraying has been brought to the Lakes and Streams Committee. He inquired how WCB handles the spraying. Mr. Stanley explained that he walked around with Tru-Green pointing out the areas they would like done and that the Board has been very happy with Tru-Green. An owner noted there is a large amount of poison ivy on the other side of the boat racks and inquired if something could be done. The Board will inspect.
- Beaches – An Owner commented that he feels the beaches need more sand—there are very large and sharp rocks. Mr. Craven confirmed the beach is an ECA responsibility; however, the Board will be happy to send an email to Ken Ryder.
- Mr. Craven thanked Mr. Donoghue for stepping in to take over Elena Williams spot on the Board following her relocation.
- The Board reminded owners not to do their own trimming.
- An owner requested the minutes from the meeting be sent out earlier than in the past. Mr. Craven indicated that the Board would do its best to accommodate the request.
- The Board Members were thanked for all their work.

ELECTION OF A DIRECTOR

Mr. Craven explained that Bill Stanley’s term expires this year and opened the floor for nominations. Mr. Zuppardi nominated Bill Stanley, the nomination was seconded. There being no other nominations, the floor was closed.

Bill Stanley was elected to serve another 3 year term as Director by the owners.

ADJOURNMENT

There being no other business to conduct, the meeting was adjourned. The Board thanked everyone for coming.

Respectfully Submitted,

Lori Pare, Recording Secretary