

West Cove “A” Annual Meeting Minutes; August 13, 2016

INTRODUCTION:

Mr. Rivenburg reported that (15) units were represented in person and (13) units were represented by proxy; therefore, there was a quorum.

Mr. Rivenburg introduced fellow director Henry Morneault and Terry Jones and Lori Pare of Belle Terre Property Management. Director Paul Etkind was not able to attend.

PROOF OF NOTICE

Mr. Rivenburg asked for a motion from the floor to waive the reading of proof of notice. A motion was made, seconded and passed by the members.

MINUTES OF 2015 ANNUAL MEETING

Mr. Rivenburg asked for a motion from the floor to waive the reading of the minutes of last year's annual meeting. The motion was made, seconded and passed by the members.

BOARD OF DIRECTORS REPORT

Mr. Rivenburg presented the following Board of Directors report:

- Staining – The walking surfaces and associated rails on Units 31- 61 were stained this year. Units 1-30 are scheduled for next year.
- Units – The body of Units 16 - 30 were stained this year, next year will be an off-year, and tentative plans are to do another group of units in 2018.
- Roads were treated with liquid calcium again this year.
- Road Project – Phase 2 which included the grading, installation of new bluestone and compacting on Bay Tree Lane was completed this past spring.
- Forestry/Grounds Update – Bush Tree removed 8 large trees early in the year and pruned some of the large hemlocks later in the spring; in addition, Belle Terre also removed several approved trees. Laura French, WCA Forester, will continue to inspect on a yearly basis and work with us.
- Mulching – the parking side was done this year. Next year will be deck sides.
- Chimney – repairs/replacement will continue this fall as needed.
- Chimney Inspections - All active wood burning unit owners must participate in the annual inspection. Cleaning is done at the time of the inspection if needed—the association pays for the inspection and owners are responsible for any cleaning fees. An email notice will go out to the community requesting active users sign up.
- We recommend propane users have their heating appliances inspected annually.
- Dryer Vents – Inspect periodically for safety. There is contact information for vendors that provide this service in the Welcome Packet or on the Belle Terre website under Local Service Providers.

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- Structural Repairs – We continue to make repairs to the exterior of our units on an as needed basis. Be sure to report any issues to Belle Terre.
- Closing Units- Remember to shut off the water supply [shutting off the hot water saves money], water should be shut off regardless of the season, systems fail 12 months of the year. Leave heat at 50-55 during absences during the cold weather season, secure all locks.
- Safety Suggestions — replace burnt bulbs in exterior lights; keep a fire extinguisher and flashlight on hand for emergencies.
- Propane Vents – owners are responsible for keeping them clear of snow and ice; a blockage could cause a malfunction. Remember to replace the batteries in smoke and carbon monoxide detectors annually.
- Pet Policy Reminder – “Welcome Pet Forms” can be found on the website.
- Tenant Contact Information Form –Unit Owners or their Rental Agents must complete and return the Tenant Contact form to Belle Terre for tenants staying 31 or more days.
- Reminder to Visit Website for additional information and policies;
www.belleterreus.com

ROOFING AND SKYLIGHT PROJECT

Mr. Morneault reported the following:

- The first phase of the roofing project started this year.
- Slopes were replaced on 13 Units – 4 units opted to participate in the skylight replacement program. There was confusion early on regarding “Skylights” as the contractor found what we thought to be Skylights were actually European Roof Windows; these windows have a 2 month lead time for delivery. The learning curve has now been straightened out for future phases.
- Replacing the skylights or roof windows at the same time as the unit slope replacement is significantly cheaper.
- Mr. Morneault explained the difference between the skylights and roof windows, the skylights are significantly smaller than the roof windows.

Q & A

- An owner asked if they will be notified when the roof slope will be replaced, Mr. Morneault confirmed they would.
- An owner asked what causes the roofing to fail so quickly, Mr. Morneault said the board has discussed this many times and explained that the shingle material used in the past was semi-organic and the life expectancy was less. Terry also noted that they have been

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told that the roof failure is also due to the ventilation and insulation issues.

Mr. Morneault noted they have chosen a better shingle; the new shingles have zinc which inhibits moss; also noted the ridge vents have been activated to prolong life.

- An owner asked if they need more insulation-Terry noted yes; however there is not enough room to install more insulation in most cases. Mr. Morneault explained he has installed a fan in the attic in hopes this would help.
- An owner asked about leaking skylights-Mr. Morneault said they are installing more ice and water shield and heavier flashing when they are replacing the roofs, the owner is concerned it will happen again this winter.
- An owner inquired if more snow removal from the roofs could be done and Mr. Morneault confirmed they should contact Belle Terre.
- An owner asked why the owners with leaking skylights can't have their roof replaced sooner; the Board explained that roof replacements are prioritized by shingle condition not skylights.
- Mr. Morneault noted it may be several years before the skylight option is available; when the time comes; there are options owners can choose to add to the skylight.

UNIT DAMAGE

Mr. Rivenburg explained that one of the units had a sewer backup and he noted there is a chance there will be some litigation; he confirmed the failure was the equipment owned and operated by the Village District of Eastman.

The Unit Owners spoke up and said they have not used their unit and cannot use it until it is inspected properly; they noted this is the 2nd time this has happened. The sewer company is now checking their system daily to make sure everything is working properly; the VDE has also added more alarms. An owner asked if the insurance will cover the litigation process, it was confirmed this is covered by the master insurance policy. It was noted that the Association's Insurance Provider has also started subrogation. An owner wondered if they would hear the alarm, and Mr. Morneault said it was in the plan; however, he was not sure if it has been installed yet. Mr. Rivenburg said the Board will let owners know the appropriate numbers to call in case of an emergency; however, Security should be called. The Board will be meeting with the affected Unit Owners in the near future.

TREASURER'S REPORT

Mr. Morneault reported that cash on hand as of August 13, 2016 was:

Checking Account-\$22,670

Common Area Reserves \$107,896

Operating Reserves- \$12,054

Staining Fund- \$7,873

We have (4) owners who are delinquent by more than 30 days. Mr. Morneault noted 4 are higher than usual but none were seriously delinquent. An owner asked how delinquencies are handled; Terry explained the process.

MOTION: In accordance with IRS Revenue Ruling 70-604, we request the following:

RESOLUTION OF West Cove "A"

RE: EXCESS INCOME APPLIED TO THE FOLLOWING YEAR'S ASSESSMENTS REVENUE RULING 70-604

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WHEREAS, the West Cove "A" Association is a NH corporation duly organized and existing under the laws of the State of NH and

WHEREAS, the members desire that the corporation shall act in full accordance with the rulings and regulations of the Internal Revenue Service;

NOW, THEREFORE, the members hereby adopt the following resolution by and on behalf of the WCA Association:

RESOLVED, that any excess of membership income over membership expenses for the year ended December 31, 2016, shall be applied against the subsequent tax year member assessments as provided by IRS Revenue Ruling 70-604.

By majority vote, this resolution is adopted and made a part of the minutes of the meeting of the West Cove "A" Condominium Association.

BOARD PROPOSED 2017 BUDGET

Mr. Morneault reviewed the 2017 proposed draft budget. He explained that they are budgeting for a normal winter which is appropriate. The proposed budget includes more reserve funding. Mr. Morneault concluded by noting that the Board has tried to be thoughtful about the process and have increased the monthly fee to avoid special assessments.

Mr. Rivenburg explained to the owners that there are new NH State Condo Laws; one of the new laws provides that owners be notified of a budget meeting to accept or reject [by 2/3 present] the Board's proposed budget. An owner asked if in the future they can correspond this with the annual meeting. Mr. Rivenburg noted the new RSA may require an amendment change. An owner also inquired if the budget was based on a calendar year; if so, could it be changed to a fiscal year. The Board will investigate the possibility.

OLD BUSINESS

Mr. Morneault explained the new walk/bike path that is being discussed by the ECA would run right through WCA beach and this would create a safety issue. Mr. Morneault is against the new path. This discussion had been stopped for now; however, there may be new discussions going on again concerning this issue. Currently WCA is not involved in the discussions. Mr. Morneault has discussed this with Leslie Moses of the ECA and has been assured WCA will be notified of any new discussions. An owner suggested installing a sign for bikers to walk their bikes through WCA beach; Mr. Morneault will reach out to the ECA regarding a sign. Another owner noted she is also against the bike path. There is a West Cove Special Place meeting next Saturday and this issue may or may not come up.

NEW BUSINESS

Owner Q & A:

An owner reported "puddling" after rains in their parking area near Unit #26; another unit owner reported major erosion issues along his parking and suggested another drainage pipe be installed. The Board will inspect.

An owner asked to address the group. He noted that he has been here since a year before WCA was developed, he stated there is a growing problem in WCA, the Board and Belle Terre/Terry are separating themselves from the owners' interests, they are no longer allies, they are adversaries and not interested or helpful. He explained his issue in detail which he feels was not resolved to his satisfaction. He then went on to address roof leak issues at another unit; that unit owner was not present.

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Mr. Rivenburg responded noting he has a different experience with Belle Terre and reminded owners that Belle Terre follows the Board's directives. He noted that some of issues are not under Board control as the Board must follow the Bylaws; they do their best to help the homeowners. Mr. Morneault said that he was not aware of some the issues being a new director; however, he explained there is not a week that goes by that they are not looking out for the interest of the owners and he took offense to the comments made. Mr. Morneault noted there are many limitations that the Board has to follow.

As an owner, Mr. Morneault stated that he is very comfortable with Belle Terre's actions on behalf of the Board and noted that you could always run for the Board.

Another owner also reiterated he is comfortable with Belle Terre and Board interaction. The owner went on to suggest there be a policy to address leaks. He also suggested researching a change in the way deductibles are handled. He noted that other Associations fund the Insurance deductible for their unit owners. The following is the gist of the points made during discussion:

- Self-funding by the Association would raise the unit owner monthly fee;
- Lowering the deductible on the Association Policy would raise the premium and could increase the number of claims which can result in higher premiums;
- HO6 Homeowner Policies normally help cover the unit owner's Association deductible;
- HO6 coverage for a lower personal deductible is most likely less than what the Association fees would be for lowering the Association deductible;
- A vote to change the current policy would require a Bylaw amendment;
- The Board agreed to research deductible options.

An owner inquired if ice dams were covered; yes, ice damage is an insurable loss.

An owner inquired about more roof raking and if there was a policy regarding when it was done. Terry confirmed there was not a policy and it could be done however often the Board requests.

Terry also noted that some owners in another Association have installed heat tapes which to date appear to be effective. She explained that the vacant units [winterized] do not have ice dams since there is no heat loss.

Mr. Rivenburg explained that the new RSA's to the NH Condo Act now require the Board of Directors to meet quarterly and notify owners of the pending meetings.

ELECTION OF A DIRECTOR

Mr. Rivenburg's term as Director expires this year, he expressed interest in serving another term. The Board sent out a call for candidates and no one responded. Mr. Morneault asked if there are any floor nominations and there were none. Mr. Rivenburg was nominated and the nomination was seconded, Mr. Rivenburg was elected to serve another 3 year term.

ADJOURNMENT

There being no other business to conduct, the meeting was adjourned.

Respectfully Submitted,
Lori Pare,
Recording Secretary for WCA