

Mailed 7/19/99

LONG HILL CONDOMINIUM ASSOCIATION

Annual Meeting of Unit Owners

July 12, 1999

MINUTES

The 1999 Annual Meeting of Unit Owners of the Long Hill Estates Condominium Association was held on Monday, July 12, 1999 at the SDE Building, Route 202 South, Peterborough, NH.

Present Board members Jonathan Hampson, Amy Myhaver and George Austermann; Cal and Ted Davison of Cardiff Management, Inc. and representatives from 21 Units. Additionally, three Owners were represented by Proxy. Those present are detailed on the Roster Sign-in Document included with these Minutes.

Call to Order

The Meeting was Called to Order at 7:36 p.m. by President, Jonathan Hampson.

Validation of Notice of Meeting

It was confirmed that all notices according to RSA 356-B had been sent for the Meeting to all Unit Owners, to the best of knowledge.

Validation of Quorum

Cal Davison confirmed that there were 24 members present of which 20 were eligible to vote. The quorum requirements were, therefore, satisfied.

Opening Remarks

Mr. Hampson welcomed all present and then introduced members of the Board and Cardiff Management. The membership then introduced themselves with reference to their Unit addresses.

There was then a review of extent and limits to what can be done at an Annual Meeting, including and how the meeting was, therefore, anticipated to progress.

Report of the President

President Hampson then reviewed the accomplishments and efforts by the Board and Management since the last meeting, those tasks currently in process and those planned for the coming year. Included were a review of work with the Declarant and the Town completed and continuing in progress, additions and changes in Association signage, efforts by the Board and Cardiff to review legal issues associated with additions of sunrooms, the painting completed and planned for this year and the immediate years to come, crack filling completed, and roof repairs required and issues to be addressed associated with premature aging of roofs in many instances. He also advised of a current review with legal assistance of possible unauthorized removal of sand by a local company from the Long Hill property. .

When he advised that there was no evidence of an audit having been completed in the past, Mr. Spooner interrupted to advise that he had completed one a few years earlier and then produced a single page document in which he stated he had completed a review. Accordingly, there was a brief review for the membership of what an actual official Audit comprised of vs a Review by a CPA. As had been previously decided, he advised that for the 6-month tax period of July through December 1999 a full Audit was planned.

Report of the Treasurer

Treasurer George Austermann then presented a brief preliminary review of the financial condition of the Association for the period ending June 1999. A copy of the Report was presented to those present.

There was some confusion voiced by the membership regarding the difference and use of the Initial Capital Reserve fund and the Capital Reserve fund. Information was then provided by Mr. Austermann, Mr. Hampson and Cal and Ted Davison.

Review of Proposed Amendments

Cal Davison reviewed the following three amendments that will be proposed for approval in the coming weeks:

1. Initial Capital Reserve Collection
2. External Wiring, Satellite Dish Installation, etc.
3. Sunroom Additions

She then answered associated questions.

Election to Board of Directors

Mr. Hampson reviewed the rotation of when positions came to term and that accordingly, there was one position open for vote at the Meeting.

C. Robertson Trowbridge, who had previously declared his candidacy, reviewed what he felt he could bring to the Board, if elected.

George Austermann then advised that he was withdrawing his name from candidacy.

When there was no response to the inquiry of whether there were any nominations or declaration of candidacy from the floor, the membership was advised that with the withdrawal of Mr. Austermann as there was only one candidate remaining, vote casting was not required. Mr. Trowbridge was then welcomed to the Board, his term commencing at the first meeting of the Board.

General Questions and Answers

There was then a general question and answer period.

During this period, Tom Forman also reviewed some work he had done to identify possible problems that might be encountered with Y2K. There was a general, non-binding agreement, that the Board would consider any recommendations he might make for which the Association would benefit.

There was also a non-binding agreement that in the next newsletter, the membership would be asked to submit their names and phone numbers if they wished to be included in a listing for publication to the membership. A preliminary list was taken at the Meeting.

Adjournment

There being no further business before the Meeting, the Meeting was adjourned at 9:38 p.m.

Respectfully submitted,

Cal Davison, Scribe

July 15, 1999

21 units - Present
3 proxies -

LONG HILL ESTATES CONDOMINIUM ASSOCIATION

Annual Meeting
July 12, 1999

Roster of Unit Owners

<u>Unit</u>	<u>Name</u>	<u>Signature</u>
1	BethAnn San Martino	<i>BethAnn San Martino</i> ✓
2	Lee Bruder/Rita Lynch	
3	Peter/Julia Medico	
4	Chor Hong Lee	
5	<i>X</i> Sandhya Kale	<i>S. Kale</i> ✓
6	Carole Reid	<i>Carole Reid</i> ✓
7	Eleanor Webber	
8	Evelyn Morrisson	
9	Betty Green	
10	Jane Morrissey	<i>Jane Morrissey</i>
11	Midge Gibbons	<i>Midge Gibbons</i>
12	Betty Green	
13	Whalen Dunn	<i>Whalen Dunn</i>
14	<i>X</i> Amy/Glen Myhaver	<i>Amy Myhaver</i>
15	C. Robertson Trowbridge	<i>He was present (proxy)</i>
16	Carl Britton	<i>Carl Britton & Marilynn P. Britton</i>
17	NH Ball Bearing	
18	<i>X</i> Jonathan Hampson	<i>J. Hampson</i>

19 Yeony Ss/Sang Wood Yi

20 Mary Lou Miley

21 Thomas/Monica Forman

MARY (Forman)
Tom Forman
Monica Forman

22 Maureen Humphrey

23 Richard White

24 Lyn Campbell

25 Paul/Helen Liscord

Richard C White
Lyn Campbell
Helen Liscord

26 Roger/Ilene Sirois

27 John/Lucille Spooner

Ilene Sirois
John Spooner

28 A.V. Lethco/Mary McDowell

Amanda Vick Lethco

29 George/Betty Austermann

Betty Austermann

30 Frances Huntley

31 Donald/Barbara Crutchley

Frances Huntley
Donald B. Crutchley
Barbara B. Crutchley

32 Raymond/Alice Goodyear

33 Till-NH

34 ~~James Forrest~~

35 Carolyn LaBosiére

36 Bert/Annie George

Philip Jushie
Annie George
Bert O. George Jr.
Annie George

LONG HILL CONDOMINIUM ASSOCIATION

**Annual Meeting
July 12, 1999**

Treasurer's Report

**FY98 - Preliminary
(Year Ending June 1999)**

Revenues

Association fees

FY98 Budget	54,000	
FY 98 Actual	<u>54,871</u>	
FY 98 Variance	871	1.6% over budget

Total Revenues (includes late charges, fines, etc.)

FY 98 Budget	54,000	
FY 98 Actual	<u>56,381</u>	
FY 98 Variance	2,381	4.4% over budget

Expenses

FY 98 Budget	54,000	
FY 98 Actual	<u>56,849</u>	
FY 98 Variance	2,849	5.3% over budget

Delinquencies at EOY

None

Capital Reserve Balances (Savings and CD)

Close of FY97	\$32,852
Close of FY 98	\$46,008

Initial Capital Reserve Balances

Close of FY 97	\$ 6,846
Close of FY 98	\$ 7,011

Commentary

Budget and Fiscal Year

Preparing a budget has been a challenge. Prior to Cardiff, while we had a very good bookkeeper, she did not have a software program used in condominium association management. As a result, it was difficult to calculate accumulated balances or to categorize expenses in the detail used by Cardiff. Therefore, without having the historical expenses, it was somewhat difficult to anticipate many of the expenses that would be incurred.

The Fiscal Year Budget was based on the understanding that Bylaws had been amended to change the fiscal year from January to December to July through June. In fact, this was not the case. The amendment that was to have made the change was not recorded for some time and then when it was, it was found that it did not make the change after all. However, the IRS had been advised of and so made the change. The result: there is a conflict between the Bylaws (and, therefore, the State of NH) and the IRS. To get back on track and have our Bylaws, the State records for the Association and the IRS consistent, we are preparing a short budget for July through December of 1999.

Types of Association Accounts

1. Operating Account
2. Capital Reserve Account
3. Initial Capital Reserve Account

Operating Account

Account from which the annual expenses of the Association are paid from. Association fees collected are deposited into this account.

Initial Capital Reserve

This account is established or funded from sales by the Declarant to the first time buyer of a unit. It can be used at the discretion of the Board of Directors. However, they cannot use it without careful thought. Most of the time it is used to add something to the community that the Declarant did not give it. Examples would be: Extra parking, ice shields on the roof lines, a playground, etc.

Once this fund is exhausted, there is no source for replenishing it except if the Bylaws are amended to allow collection of this '*contribution*' from subsequent buyers, not just the first time purchaser. Note also that '*contribution*' is a poor term as it is not voluntary.

Capital Reserve Account

On an appropriate frequency throughout the year, a budgeted amount of funds are transferred from the Operating Account into this Capital Reserve Account.

This account is held for future major capital *replacements*... Funds for anticipated costs for painting or major repairs cannot be transferred into this account or paid from it.

Currently, the Long Hill Capital Reserve funds are held in a CD and in a Savings Account.

In the past, the interest earned on the CD was transferred into the Operating Account. A change has been made, however, and now the interest earned from the CD is kept in that account.

Capital Reserve Funding Requirements

A Capital Reserve Study was done last year. According to the information available at that time, the current balance is on target primarily due to being able to make a larger than planned transfer. For the coming year, however, if we only transfer the current rate of \$417 per month, the account will be deficient. Also, we must update the Capital Reserve Study to accommodate the accelerated depreciation of the sunroom roofs. This also will result in a greater contribution being budgeted.

Date: July 6, 1999

To: All Unit Owners
Long Hill Estates Condominium Association

Fm: Cardiff Management and Board of Directors

Ref: **Proposed Amendments to Bylaws**

A) Re Initial Capital Reserve Collections
B) Re External Wiring, Antennae

Enclosed for your review are two proposed amendments to the Long Hill Association Bylaws as well as a brief background statement on each regarding the intent and benefit of the amendment, if approved by the membership. They will each be reviewed further, including taking any questions, at the Annual Meeting scheduled for July 12, 1999.

At the Annual Meeting we will also be reviewing with the membership options associated with amending the Declaration and Bylaws to allow for construction of sunrooms on current patio slabs. As this issue is much more complex, however, drafting an amendment would be premature at this point.

Should anyone have any questions in the interim, please feel free to contact Cardiff Management, Inc.

LONG HILL CONDOMINIUM ASSOCIATION

Proposed Amendment: *External Wiring, Etc.*

Bylaws: Article V, Operation of the Property 7. Restrictions on Use of Units

Background Statement

While the current language of the Bylaws does not allow for installation of satellite dishes anywhere on the property, in February 1999 the FCC issued its OTARD (Over The Airways Reception Devices) Rule. This supersedes any association documents that disallow such installations, but only on those areas defined in the Declaration as being Limited Common Area. In the case of Long Hill, this means the patio slabs and front walkways, steps and driveways only. It does NOT supersede any restrictions for placement on any other part of the community property. This amendment would allow placement on the cornerboards or siding of the buildings upon Board approval.

Current Language

(f) No Owner, tenant or guest shall allow the installation of wiring for electrical or telephone use, television antennae, air conditioning unit or other machine or equipment, which protrudes through the walls or the roof of any building or is otherwise visible on the exterior of a building except as presently installed or as authorized by the Board.

Proposed Change

(f) No Owner, tenant or guest shall allow the installation of wiring for electrical or telephone use, television antennae, air conditioning unit or other machine or equipment, which protrudes through the walls or the roof of any building or is otherwise visible on the exterior of a building except as presently installed or as authorized by the Board. Exception: In accordance with the 1999 FCC Over-The-Airways-Reception-Device (OTARD) Rule and under conditions defined in that Rule, satellite dish installations may be installed on Limited Common Area assigned to the Unit. Additionally, upon written request to the Board of Directors, the Board may approve installations on the cornerboards of the buildings so long as the Unit Owner and his assigns accepts full responsibility for all costs and liability.

LONG HILL CONDOMINIUM ASSOCIATION

Proposed Amendment: *Initial Capital Reserve Collection*

Bylaws: Article V, Operation of the Property

1. Determination of Common Expenses and Assessments Against Owners

Background Statement

Currently, the Association Bylaws mandate collection of a value equal to two months condominium fees whenever a unit is sold by the Declarant. Once all units have been sold, however, as is the case now at Long Hill, there is no ability to add to this fund or replenish it once spent. This Amendment would allow for collection of such a fee from all subsequent purchasers, but would not be retroactive.

This fund is used at the discretion of the Board of Directors. Most often, it is used to add to the community something that was not originally provided by the Declarant. Examples of what the fund could be used for are adding ice belt shields on roofs, development of a Victory Garden, construction of a utility shed, etc.

Current Language

(e) Working Capital Reserve. The Board of Directors shall establish a working capital fund equal to two months' estimated common area charge for each Unit. Each Unit's contribution shall be collected at the time of conveyance of such Unit by the Declarant, but not later than sixty (60) days after the conveyance of the first Unit in the Condominium, whichever occurs first.

Proposed Change:

Proposed Change

(e) Working Capital Reserve. The Board of Directors shall establish a working capital fund equal tot two months' estimated common area charge for each Unit. Each Unit's contribution shall be collected at the time of conveyance of such Unit, but not later than sixty (60) days after the conveyance of each Unit. The Declarant