

**LONG HILL ESTATES
AT PETERBOROUGH, A CONDOMINIUM**

**NOTICE
of
ANNUAL UNIT OWNERS MEETING**

September 13, 2005

7:00 pm

Monadnock Congregational Church

120 Wilton Road

Peterborough NH 03458

**(Meeting room is on lower level with entrance
from the rear of the building)**

LONG HILL ESTATES AT PETERBOROUGH, A CONDOMINIUM
ANNUAL MEETING MINUTES
MONADNOCK CONGREGATIONAL CHURCH
WILTON ROAD
PETERBOROUGH,NH
SEPTEMBER 13,2005 7:00 PM

The meeting was **called to order** at 7:05 pm by Jane Morrissey, President

A **quorum** was established with 16 unit owners: 3 by proxy and 13 in person.

The directors were introduced, George Austermann, Treasurer; Bob Price and Jane Morrissey.

MOTION by Carole Reid, second by Midge Gibbons: To accept the Minutes of the Annual Meeting of September 7,2004 as written.**PASSED: Unanimous**

The **President's Report** was presented by Jane Morrissey. (Report attached)

The **Treasurer's Report** was presented by George Austermann. (Year's budget figures attached) He also reported on the roofing loan status. After several months of ongoing paperwork, negotiating, legal interpretation, etc. it was decided that in the Association's best interests, we cease dealing with CAI Bank and seek alternatives to financing. The Association has verbal approval from Ocean National Bank for a \$60,000, 5 year note. Loan costs will boost the monthly per unit assessment by \$34 (from \$212 to \$246) beginning with the November,2005 payment. Marilyn Britton asked several questions re: figures which were addressed by the treasurer and the maintenance manager.

Notes from the **Rules Committee** meeting of 9/11/05 were distributed and discussed. Although the Committee's "charge" is to evaluate the draft prepared in November,2004 and make recommendations for changes, additions, etc., the Committee had several comments and questions they wished to present and get input on (Notes attached)Points from that discussion follow:

- The Handbook is a legal document and following the Committees recommendations to the Board and Board recommendations (if any) will be given to the attorney to be sure we are in compliance with statute and our documents and that rules can be enforced.
- A contractors list was specifically omitted from the draft because they change often which immediately outdates the list. The Board felt it better to post a list if the unit owners feel its helpful. That way it can easily be updated. This is why the list of Board members was also purposefully omitted.
- Yes, contractors need to follow the rules. The maintenance manager oversees them. Contractors do not read the handbook .
- Although a "straw vote" re: dogs was asked for, the Board feels that 1) Any vote should be taken only after all unit owners are notified because pets in general are a very personal and sensitive issue 2) Dogs cannot be taken in isolation 3) We

need to find out if the rule we have will pass "legal muster" in the first place 4) "Guest dogs" cannot be dealt with arbitrarily by the Board. 5) Boards have the means to deal with violations without banning dogs. (This topic is also addressed in the President's Report)

- The Association must comply with the Federal Disability Act. And the Federal Fair Housing Acts. Owners must request adaptations in writing. The Board will act as quickly as is humanly possible and will require that any adaptations meet code (if code applies), can require the use of particular materials in certain cases, can require certain insurance coverage of contractors hired including "hold harmless clauses", can include certain requirements lest common area be damaged or abandoned, etc. It is not necessary to put this in the handbook. People requesting modifications to units know to what they are entitled and by accepting a deed, they also agree to abide by the contents of our documents (which covers procedures for alterations)
- Our emergency response system is handled by the Board. Directors have lists of all owners with phone numbers and emergency contact information. (It is requested of all owners and it is an owner responsibility to notify the Board of any updates.) We have had but 2 emergencies here...one gas and one water. The call system worked as planned. Long Hill is a part of any response system adopted by the town. Glen Swanson, who serves on that town committee, reported that he is satisfied with the town plan.
- We can recommend that owners have fire extinguishers and that they check them yearly along with the smoke detectors. We cannot require because we cannot enforce.
- The speed limit sign was replaced with the "Please Drive Slowly" sign because there is no way to enforce a particular speed limit. The aim is to get people driving too quickly to go more slowly. The Board is considering addition of a sign indicating that there are children playing. The Rules Committee may come up with another recommendation.
- A unit owner asked what happened to the red triangle on a tree at the bottom of the hill. The Association had nothing to do with that and recommended she contact a unit owner who we think may have put it up
- Marilyn Britton reported that she is still working privately with the police to address traffic problems at the intersection of Long Hill Road and Rte. 202

MOTION by Marilyn Britton, second by Jane Morrissey: That Greg Lawn, Unit #25 be elected for a three year term. **PASSED: Unanimous**

New Business: Marilyn Britton presented the following:

- A call for unit owners to call for the Board to hold a special meeting for the purpose of adopting a by-law amendment which would limit a Board appointee's term from the time of appointment until the next annual meeting. The Board's position on this matter is: The issue has been discussed in the past by the Board and there is a possibility that there could be a completely new Board. The procedure outlined in the by-laws is designed to keep the stagger system in tact.

The Board also feels this should not be addressed in isolation. Issues to be considered are the possibility of shortening terms to 2 years from the current 3, election of an alternate who would attend meetings in a non-voting capacity and take the place of any director who must be absent, adoption of a requirement that unit owners be required to serve on the Board on a rotational basis, and any other viable options. The Board believes the problem of getting and retaining Board members is the real problem which will not be solved by the proposal.

- A question re: name of the Condominium. (This, it was pointed out is a non-issue because the Board was advised that the law no longer requires re-registering of names by groups such as ours)
- A call to unit owners to oppose a management search and discuss it before the fact at this meeting (as supported by a letter sent to the Board and signed by 18 owners. As a matter of record of the 18 signatories, 6 were present)The Board position is covered in the President's Report)

Greg Lawn thanked the Board for their work on behalf of the Association.

The meeting **adjourned** at 8:44 pm.

Respectfully submitted,

Lyn Campbell, Clerk

**RESOLUTION FOR DISPOSITION OF EXCESS REVENUE OVER
EXPENSES FOR FISCAL YEAR ENDED JUNE 30, 2006**

RESOLVED: that any excess of membership income over membership expenses for the fiscal year ended June 30, 2006 shall be applied against subsequent tax year membership assessments as provided by IRS Revenue Ruling 70-064.

**PROXY STATEMENT
ANNUAL MEETING**

Long Hill Estates at Peterborough, a Condominium

I/We _____ and _____
of Unit # _____, being member (s) in good standing of Long Hill Estates at
Peterborough, a Condominium, under the duly recorded legal instruments
governing the community, do hereby grant my/our proxy to:

(name)

(address)

for the purpose of establishing a quorum and for any other business that
may come before the Association at the Annual Meeting of Long Hill
Estates at Peterborough, a Condominium on September 20, 2006 at the
Monadnock Congregational Church, 120 Wilton Road, Peterborough NH.
This proxy carries full right for the proxy holder to cast his/her vote(s) as
he/she feels fit. This proxy revokes any and all proxies previously assigned;
personal appearance at the Annual Meeting will negate this proxy.

Date Signed: _____

*NOTE: In the event more than one individual's name appears on the deed,
ALL such individuals must sign this proxy form.*

Unit Owner Signature

Unit Owner Signature

Unit Owner Printed Name

Unit Owner Printed Name

Unit Address _____

*NOTE: Only this exact form may be used for a proxy from your unit. Copies
will not be accepted.*

LONG HILL ESTATES AT PETERBOROUGH, A CONDOMINIUM

PRESIDENT'S REPORT ANNUAL MEETING SEPTEMBER 13, 2005

The year began with Liam Kelly being reelected for a 3 year term and continuing to fill the office of President. Shortly thereafter he and Lesley purchased a new home and they moved in November.. They remained actively working with us. Liam served as an unpaid business consultant. Lesley continued as unpaid financial administrator until the end of the fiscal year when she turned over the accounting system to Ilene Sirois. The two had worked together in preparation for the turnover and it transitioned exceptionally well. Lesley still assists on an on call basis.

Prior to Liam's departure a renegotiated contract with Paul Seguin, our maintenance manager, was signed. The maintenance procedures were streamlined and along with more money, gave Paul more responsibility . He and Paul negotiated a two year combined landscape/plowing contract. During Liam's brief second term, he was the liason to our attorney in a situation involving a rules and by-law violation which threatened the residential character, market value, and legal use of our property.

Liam researched legal advisors and found the attorney retained in the above- mentioned case. The full Board went to Nashua for a consultation and interview re: this and other issues following which we voted to retain Gary Braun , a specialist in condominium law with the firm of Winer and Bennett. The firm deals with condominium issues of all types all over the state. The attorneys there meet weekly to discuss various cases that are particularly controversial in nature. One problem from Long Hill was discussed in that forum. An association cannot finalize a loan without some very specialized legal opinions and documentation. Gary handled this extremely efficiently, and clearly protected our best interests at all times. In a state where case law is rather limited it is particularly important to have counsel who " knows the ropes" so to speak. It is a misconception to think we must have a local attorney. There are no local specialists primarily due to the minimal number of condominiums around the area. The specialists set up shop where they are needed the most and that's in major cities where there is an abundance of condo development. Business is conducted via e-mail, fax, phone and U.S Mail. Other than the original office consultation and interview, there has been no need to meet face to face. We are extremely pleased. The service is outstanding in everything from thorough background research to punctuality.

Bob Price, one of two volunteers, was appointed to fill the Board vacancy. The rationale in choosing him instead of someone who had previously served was simple. He had lots of experience that could prove beneficial and Long Hill badly needs fresh ideas and a new perspective. He's doing a great job. Thank you , Bob.

We're still faced with playing catch-up for maintenance in all areas which, for whatever reason, had been sorely neglected for years. There's so much.....everything from a large area in back of buildings 1,3,5 and 7 going out and around the tennis courts which had been allowed to deteriorate into a hayfield, to wooden underpinnings of sunroom walls which are rotted, to landscape beds which were not touched in some cases for five years, to all shrubs and trees which in 15 years were never fertilized, etc,etc. Even that which was considered to be in good or reasonably good shape over the years is showing signs of wear and tear. Long Hill was built originally in 1989. It was completed with Building 9 in 1997. Nothing lasts forever and nothing will stay in good shape unless it is maintained on a regular basis. One of the idiosyncrosies, if we wish to call it that, of Long Hill is that the major living space consisting of living rooms, dens, master bedrooms, patios and sunrooms face the back while the first impression to people driving in is the front. We do not have the luxury of ignoring what is seen in one space for the other. We do believe that real headway is being made and with completion of much of the roofing, an established painting and wood replacement cycle, establishment of a yearly outside spray around all buildings which cut down considerably on pest infestation, washing all gutters for the first time in Long Hill's history to rid them of mold, additional gutters and drainage work behind portions of building 9, and finally weeding, pruning and mulching of all but the beds by the tennis courts, we are finally getting where we need to be. Paul is responsible for the day to day management of our maintenance, interfacing with contractors, unit owners and the Board. We're lucky to have him. An engineer with an MBA, who is great at fixing just about anything and doing small construction projects, he has saved us large amounts of money. His expertise in long range planning is extremely helpful for that is something that was never done here by anyone that understood all of the technicalities that go into it. He is very cognizant of budget as it relates to maintenance and contracts.

We purchased a laptop computer. It's primary residence right now is at Ilene Sirois' house since she handles the financial administration and uses it almost daily. There too is our printer on which we do some of our copying.

Storage space presents somewhat of a dilemma and needs to be addressed. Right now boxes of files are stored in various places based on who uses them the most. Minutes and unit files are in my unfinished room either roasting or freezing, general files and historical files other than financial are at George's where they need to be lifted from the closet floor in order to use them, historical financial files which are rarely used are at Lyn Campbell's and the current financials are at Ilene's. This means we must have access to all these units just in case something is needed. A former Board member pointed out that we really do need central storage NOT in someone's home. "If I were to die," he said, "You would have to locate my children neither of whom live here and have them let you in with proof to the attorney and administrators that these should be removed." Going along with that idea, in my own case, if I were to die, finding my kids wouldn't do it. Nobody's getting in there without all kinds of legal mumbo jumbo through a successor trustee which happens to be a legal firm. This type of arrangement is hardly in the best interests of the Association. As long as we're all alive, well, and here it works for lack of anything else, but it is not a real solution for the long term.

We did find what could pose a problem if Boards choose not to perform annual financial reviews. It needs to be corrected. The By-Law amendment passed back in 2000 changed the word "audit" to "financial statement". It occurred to us that this has no meaning whatsoever. What kind of a statement? We cannot locate any of what those in the accounting world consider reviews. All there appear to be are year end financial statements generated from the software program used by the person who handled our books. There are no reviews performed by an outside source who checked the records and found all to be in order. It is our understanding that what was really intended was that reviews be performed ...not statements. So we showed the amendment to the accountant, at no cost, who said it needed to be more specific. Everything is fine as long as no one makes any errors, everyone is honest, and everyone follows generally acceptable financial policies. But even honest people make mistakes. That really is the case at Long Hill. Even so, I point out a few things that although not occurring within the past year, did occur and help support a clear need for a properly worded amendment **requiring** the yearly review as intended. A few years ago a Board member discovered what he thought was a \$4000 overpayment to a plowing contractor some two years after the bills had been paid. Upon checking it out, he was right. It could only be assumed that it occurred because the person writing the checks didn't have the contract or whoever had the contract misinterpreted it, there was no written approval for the bills to be paid yet they were paid anyway. We asked counsel who told us we had willingly paid it, we had no legal leg to stand on as far as demanding it back, the best we could do was try to negotiate. That was done by the then Treasurer, to no avail. The person responsible for bill payment finally demanded written approval for payments. The Board then went to requiring the treasurer or president's signature. That proved to be problematic also so we instituted a policy requiring that 2 Board members approve payment in writing on the bill prior to disbursing the funds and in cases where the maintenance manager is responsible for supervision, that he approve it in writing prior to Board approval. That includes noting which line item to charge it to in case of anything that might be confusing for the financial administrator. We found charge accounts which were open ended where anyone could go in and sign. No more....all charge accounts have been closed because we don't need any. Our contractors are responsible for supplying materials. We have years worth of minutes in which no motions appear to support certain expenditures, awarding of contracts, transfers of money, etc..

We also follow the policy of Board approval in the form of motions transferring any funds from the Capital Replacement Savings Account to the Operating Checking Account. We have been advised that the IRS looks for a clean slate on this one and is really sticky about it.

The Treasurer will deal with the loan in his report, ~~which at this point is still not in place.~~ Nevertheless, I cannot stress enough that it is absolutely necessary to keep clean, precise minutes which clearly and succinctly reflect the business of the association. We had to present the last 6 months of minutes, all records of the special meeting for roofing loan authorization, the motion by which calling of the special meeting was authorized, and they had to meet acceptable legal standards. No, we are not attorneys, but fortunately all

of our records were written in an appropriate manner and our procedures carried out appropriately. If they had not been, we would not have been able to even apply for a loan. It also is absolutely necessary to have a competent condominium attorney so that the best interests of the association always remain protected.

We engaged the firm of McClarney and Company, Concord NH to do a review and complete our taxes. We discovered that the person who took over Ed Juengsts business did do our taxes last year, but never did the 1099s he claimed to have done. When a bill was not forthcoming and our phone calls ignored, we checked this out and none of our contractors had received them. It was actually Paul Seguin who bailed us out of this one. He has an accounting program with all the forms. Lesley redid the figures, delivered them to me, Paul picked them up and overnight he had them complete and ready for mailing. We checked with the new accountant who told us exactly what to send to the IRS along with those late 1099s. Again, we have gone to a firm that does lots of condominium taxes.

We have followed financial policies re: collections, due dates, overdue balances, etc. as outlined in our by-laws and charge late fees and monthly interest on overdue balances. It has proven highly successful and rarely do we have any outstanding.

There have been 10 unit sales this year, each generating its share of work for the Board. (and its share of money for the Operating Reserve) We have an excellent working relationship with the two agencies in town who handle most of the listings here. We do not mind listing agents calling for information. What we do mind are the calls day and night from prospective buyers, title companies, unknown agents, lenders, appraisers, etc. Listing agents have clearly told us that everything should go through them. That we need not call these people back. We are being emphatic that anything that does not go through the listing agent, be submitted to us in writing, as per our by-laws. We did supply the 2 local agencies with the roofing and gas change information so that prospective buyers at the time would be fully aware of the situation here. I personally went through the Long Hill files with agents at both agencies. What we found was years of piles of all sorts of things, much of which was internal, private business such as meeting minutes, vote tallies, proposals, etc. That is private association business and is not supposed to be reading material for the general public. Basically, the files were disaster. We ultimately shredded the entire file and gave them a clean copies of current documents, a current list of Board members, etc. We continue to supply any updates to documents or personnel.

*Not just copying
Attend closings
perhaps.*

We think the gas change went about as smoothly as possible. We do have a report of extraordinarily good service. A special thank you to the residents on the upper road who put up with the day and a half of digging and subsequently several days of gas tanks lying in the yards. We also owe a thank you to Allen and Mathewson who gave us an entirely new fence rather than just replacing the rotted sections.

A unit owner is looking into putting up a basketball hoop with a hard playing surface somewhere on the property. The Board felt that the request to have one put up was a

reasonable one and made several suggestions as to where it might be placed keeping in mind, cost, impact on residents, safety and insurance matters.

We also have been asked to revisit the ^{pet} dog issue because it is essentially unfair to those who purchased units when dogs were allowed, intended to get a dog at some point, but did not have one at the time the rule was put into place, yet people who did have dogs were allowed to keep them. "Guest" dogs come to visit, sometimes for months on end, but restrictions on them is not addressed in the rule. We have been asked what qualifies a dog as a "guest". Owners have been allowed to have guest dogs but cannot have their own. *Discriminated against would be between but no other pet*

It's a dog, - Perrito - not belly pet
In the final analysis of the request for volunteer help, we report the following:

pet
Out of 36 owners, 3 people were already serving on the Board which took the count to 33. Of the 33, 20 did not respond at all. That left 13. Of the 13, 4 said they couldn't do anything. 2 of those who couldn't do anything did not want professional management and 1 said it would be okay. That took us down to 9. Of the 9 there were multiple jobs for which most volunteered. 2 offered to serve on the Board. 2 volunteered to serve as clerk. One was appointed....a person who had helped in various ways but had never worked with a Board. This was a chance to get someone else involved. 3 volunteered for financial management. 2 had not been previously involved and it was a good chance to have them involved as well. One is currently doing the job and will train the other once she feels comfortable doing that. 2 volunteered to pick up mail regularly and are doing it. 1 said he could probably do that. 2 volunteered to deliver notices, get mail on an as needed basis. 4 volunteered for a Rules Committee, 2 with restrictions, a chairperson was appointed, one member resigned before it ever got going. 2 volunteered to do typing. The bottom line here is that 9 people offered to assist in some way, but only 2 offered to serve on a Board. When the three of us are no longer serving, that leaves one Board volunteer.

Looking at the results of those returns, the work load involved even with the maintenance being managed efficiently, this Board feels we need to look into professional condominium management with an eye toward contracting for administrative functions. There was a time when companies were willing to work on a menu type plan. Whether or not that is so today, we do not know. The last time Long Hill looked for management, we were told that nobody would take us on due to size and location. We might find that again. We don't know. We have just begun looking into this. So far, one company based in Merrimack has not responded to the question, "Will you take on a 36 unit condominium in Peterborough?" Even if they respond in the affirmative, after 2 weeks of waiting for an answer to a simple question, we would not want to do business with them. Another which serves much of the state, will not take us on because we are too small to make it worth coming here. A third does not wish to take on any more clients at this time because the business would be overtaxed. When we have bits of free time we are investigating. At this time we have absolutely nothing to present because we have no information. What we planned to do was get what information we could, analyze it, look at the cost impact for the services we think we need and then present it to the owners. There are other alternatives which might be considered if professional condominium administrative management is not feasible. But one thing is for sure. The Board produces

burnout as evidenced by the number of resignations over the years. Coordinating volunteers is a job in itself oftentimes consuming more time than doing it yourself. No matter what, with or without administrative management, a Board is required by law. From personal experience I can tell you that in an 86 unit condo, with professional management, I spent no more than 6 hours per month on Association business, including monthly Board meetings. Here I spend an average of 30.

17 yrs. -
7 resignations

We received a petition asking that this matter be discussed before investigation is done. Anyone is free to bring up anything they wish under "New Business". However, we don't feel much can be gained from the discussion of something about which we have basically nothing to report. The only concrete things we know in addition to what I just mentioned is at this time is as follows: We have analyzed the signatures relative to the responses of the volunteer survey mentioned previously. Of the 18 signers, 5 were not living here at the time so are not included in that analysis. Of the 5, it is our understanding that 1 has sold a unit and another told a Board member that no work would be forthcoming from them. So that leaves 3 that might serve. Of the 13 signers who were here when the call for help went out, 3 did not respond at all, 4 said they could not help. That leaves 6. 1 volunteered for multiple positions including a Board position, was asked to serve in a committee position and resigned, 1 volunteered to help for approximately half of the year, 3 volunteered for jobs they are doing, and 1 might be able to help. What we conclude is that the maximum number of people who might serve on a Board is 4 (1 who volunteered and 3 who we don't know about).

I leave you with the message that what the Board does is necessary to meet its fiduciary duty. None of it is extra. If Board members did not put in the kind of time they do put in, that fiduciary duty would not be carried out. Any person who has served on any Board in any condominium community will attest to that. Someone has to do the work, but the Board is charged with the ultimate responsibility of making everything happen. A Condominium Association is a business and must be run as such, but it is unique in that the matters it deals with are very often private in nature, for each man's home is his castle but he cannot be king. Rulership of the realm must be turned over to an Association which through its Board, manages affairs of the kingdom.

Prior to Pres. report - Betty.
Rides to Pres. & Betty.

Long Hill Estates at Peterborough, a Condominium

NOMINATION FORM

At the Annual Meeting on September 13, 2005, the membership will be electing one unit owner to fill a three-year term on the Board of Directors.

Should you wish to nominate someone prior to the meeting, please do so by using this form and submitting it to the Board before the meeting. The same form may be used for self-nomination.

Nominations may also be submitted from the floor, verbally or in writing, at the meeting, up until the time the election takes place.

Nominators and nominees must be unit owners.

NOMINEE: _____ UNIT # _____

NOMINATED BY: _____ UNIT # _____

NOTE: this year George Austermann's term has been fulfilled so it is his position that is open.