

Long Hill Estates Unit Owners Association

Finance Committee

Minutes of the First Meeting

June 11, 1996

Present: Jeanne Proulx, John Spooner, Lee Bruder.

1.) We convened at 5:05 PM.

2.) We reviewed the **Statement of Income and Expenses** through April from Jeanne. We have approximately \$1,100 more in savings than we did last month, and just over \$32,000 cash on hand.

3.) We discussed a **bill received from Carl Little**, CPA who was asked to do some work for us more than two years ago. He is just now billing us in the amount of almost \$500.

It was decided that Lee would write him and state that we dispute his bill because it is two years late, and because we have received no benefit from the work he claims to have done. We have no report, no audit and received no communication from him during the time he was allegedly performing the work.

Lee will run a draft by John before sending it out.

4.) John believes that the Association should have been filing **income tax returns** each year. That is not something we have been doing. It was decided we need information about our tax status for State and Federal government. Toward this end Jeanne will:

speak to a CPA friend of hers and ask about condominiums.

will look for 1099s from Primary Bank and to see if there is a Federal Tax ID Number on our accounts.

will look through our file box that Phyllis turned over to us for a Federal Tax ID Number statement form from the IRS that Lee remembers receiving from Harry Ray the former Treasurer of Woodmaster, when the Association was turned over to the owners from Woodmaster back in February of 1992.

5.) The Association was randomly chosen to participate in a pilot project to deregulate the sales of electricity. We do not know if any owners have been chosen. Since our bill is less than \$1,000 a year and the difference of our savings between the competing companies will be so little, we decided to go with whatever the selectman decide is best. John will talk with people at the Town House and find out the status of their research.

6.) Discussion about the fact we need to be obtaining annual audits lead to a discussion about the timing of our fiscal year. John made a motion that we change our fiscal year from January 1st through December 31st, to some other time. The time should allow for attendance at the annual meeting of those owners who reside out of State during the winter months. In addition, accountants will find our small account more attractive to accept if it was not during their busy season. The audit is due within 120 days (4 months) of the end of the fiscal year. This change will require a change in the Bylaws through a vote of 67% of the owners. In addition, Mortgage holders my need to be notified of the motion to change the Bylaws. It was pointed out that it might be less expensive to obtain an audit from a Public Accountant as opposed to a CPA. We'll have to check the Bylaws to see if they specify a CPA. Lee will present this idea to the Board at the next meeting.

7.) Discussion about our **insurance coverage** lead to the following questions.

a.) Does our agent know that we now have 32 units to cover?

b.) If not, then we need to be sure that we notify them as soon as we know that a new building has been declared.

c.) Will they send us a copy of this years policy.

d.) What is the amount of our deductible?

e.) Will they send out an adjuster to look at the roof on building #2 to look at the damage?
John will call our agent and see if we can get answers to these questions.

We feel that that insurance should intervene in this issue, especially since the manufacturer of the shingles, Georgia Pacific, is being uncooperative with Woodmaster, as best we can tell. This would allow us to avoid using a lawyer to resolve the issue. If the insurance company wants to pursue the manufacturer then they can do it.

Lee reported that a copy of the bill for the repair of the sliding glass door glass in unit #15 will be sent to our insurance agent. Since we will have to repair the damage anyway, there is no use in finding out if it will be covered ahead of time. John pointed out that it will probably not exceed our deductible, which appears to be \$500.

Jeanne will gather all bills for work done on any of our roofs since April, 1995 and forward them to Lee. We will then consider submitting them to our agent for coverage.

8.) Woodmaster has not reimbursed us for the repair work done on the roof. Lee will talk to Tom about this and give Tom a copy of the Bergeron bill to forward to Woodmaster, if need be.

9.) All owners are current in the payment of fees except for New Hampshire Ball Bearings who tends to be 2-3 weeks late each month. Jeanne will call Carol Reid and let her know the check needs to be cut in the previous month.

Next Meeting: Tuesday, July 16th at 5:00 PM at Lee's.

Agenda:

Old business:

- Statement of Income and Expenses (Jeanne)
- Delinquent accounts (Jeanne)
- Carl Little Letter (Lee)
- Income tax returns (Jeanne)
- Federal Tax ID Number (Jeanne)
- Electricity (John)
- Change of fiscal year (Lee)
- Insurance coverage (John)

New Business: