



Minutes
Annual Meeting of MRE
May 24, 2014
Thornton Central School

Board Members Present:

Timothy Duggan
Steve Ciras
Nomand Vadenais
Matt Siegel
Alan Crowe

Mountain River Management Company: Guy and Melissa Tuchon

Agenda:

9:00-9:30 Coffee and Goodies Social
9:30 Welcome by the President

Timothy Duggan announces a 3 year extension for Mad River Management explaining what a great job they do.

Timothy discusses the many complaints we have had about dogs. We have to change to adapt to the full time population and people who use the place for 2nd homes.

Steve explains the meeting is going to follow Robert's rules.

Alan makes a motion to accept last years' annual meeting minutes. Jerry Perry seconds the motion and Steve announces all in favor.

Changes in Condo Declaration:

See insert that was given to people prior to meeting.

1. People have been replacing Doors and Windows.
2. People have been replacing Storm Doors.
3. Balcony Decking: Owners have either replaced it or turned it over. Balusters, railing and joists still Association responsibility.
4. Board of Directors in 1991 or 1992 voted for 5 people on board.
5. Annual Meeting.
6. Fiscal year April 1st to March 31st
7. Estimation of Expenses

8. The Association may deny common services to any unit because of owner refusing to pay fees. Financial hardship is not what the association is talking about, we are talking about people who use condo and refuse to pay their bills. Our lawyer recommends this.
9. Association may levy fines for violations. This was explained last year and given approval. The board needs to produce a set of guidelines.
10. Denial of Services.
11. Association may modify the declaration by laws. As it states now, $\frac{3}{4}$ vote of all mortgage holders, (aka banks) is needed for this. This as it stands, makes it ungovernable. This is NOT a 2/3 change. We still need that to approve changes. Our Attorney says the banks have 3 years to appeal these decisions. Attorney says at no other association have banks appealed this. We could, if we had to, go to court and convince a judge.
12. Attorney suggests we do this.
13. Saves the association some money.

Questions:

- Tom Faulkner Unit #2 states he is very impressed with the work done by the board on this subject. Wants to know if rules going to be enforced. Tim states they will and the board responds to complaints. Tom says the management company should follow up on complaints.
- Brian Mellon Unit #20 suggests starting a committee for complaints. Brian says board doing great job.
- Management of common areas. The association will levy fines if the owner/guest damages the common area.
- Mike Delossantos Unit #14 asks what constitutes denial of services. Tim answers by stating that the water will be shut off to the unit. Each unit can have water turned off if need be.
- Tom F. Unit #2 States there seems to be more renters. Owners are collecting rent and not paying the condo fees, he urges to be more forceful in collecting.
- John Folloni Unit #49 asks if we could go point by point on voting.
- Sandra Cooper Unit #1 thanks the board for their work. She states that even if it is currently accepted practice, doesn't mean we should always do it that way. Tim responds that is good point, but with shift in population, and whether or not its best, it is what we need to do.
- Pete J. Diforte Jr. Unit #31 & #40 asks are we being completely consistent with by laws. Unit owner boundaries? Some octagon windows have been replaced and he asks will association replace the octagon windows if these changes are instituted. Pete said Walter replaced one in 2010 and he also said poor painting was done.
- Sandra asks if windows have been replaced by the association.

- Russ Chernin Unit #73 states that early on, skylights were being cracked because they were being shut too tight. There have been owners who have replaced windows.
- Brian M states that either way, you are going to have to pay! The owner has the ability to pick the window because this has happened overtime. He states that we should charge the individual owner when they need to be replaced and the owner is not doing it.
- Phillip Campanile Unit #42 asks if there are standards for doors and windows and storm doors. Tim states that yes, there are. These standards are on website. The association has in the past, removed a slider because it was not conforming with standards.
- When vote is proposed it will be voted on for all changes and the voting will be done by ownership interest.
- Jennifer Smith Unit #41 asks if storm door have lifetime warranty by association since the company is out of business but a new company has taken over for them. Norm said it was an option in 1989. Norm said skylights were the owner/renters responsibility.
- Brian M. Unit #20 feels it should be the whole deck or nothing, as far as, who takes responsibility for it. Tim states we are too far along for decking. Tim states that the color is gray for deck.
- Pete Unit #31& #40 disagrees. 2010 he voiced concern for decks and that he feels deck boards should not be responsibility of owners. Tim answers that owners have replaced deck boards but no owners have replaced joists or balusters.
- Gerard Perry Unit #48 advises Pete to make an amendment or move on.
- Mike #14 feels all decks should be inspected. He states you should notify the board when doing work to deck and have management inspect it when finished.
- Norman Dupre Unit #25 asks if he goes and replaces decking, can he replace balusters? Tim answers No.
- No questions on Amendments #4,5,6,7.
- Question #8 what other services could be withheld? Shoveling.
- Question #9 Peter asked if we have consulted our attorney to see if this is legal. Timothy answers that all changes proposed have been recommended by our counsel. The board, in fact, took the list of changes to attorney and got legal opinion and we also asked if we had missed anything.
- Russ asked to change #9 wording to prior to levy of fine, have a schedule of fines and these fines are subject to the schedule. He also asked how can we influence owners/renters? Common sense, emails, management company talking with them. Demographic has shifted toward more full time renters/owners now.
- No questions on Amendment #10 or 11.
- On #12 Russ states a point of information. It is less expensive and quicker to go after rent payments than it is to go after landlords. The Association can go to court to get rental payments from renters.
- Sandra states that assessments should not be treated as same as condo fees. Tim answers her by stating the way this association is set up, it is all assessments.
- No questions on #13.

- Gerard #48 states he is very impressed by these changes as it protects the association financially. He further states that we would be foolish to not vote for these changes.
- Gerard makes a motion to consolidate all the changes, (1-13) into one vote. Everyone agrees. Motion accepted.

**VOTING RESULTS ON CHANGES TO CONDO DECLARATION:
80.5% IN FAVOR OF CHANGES**

- Matt talks about financials. He states that a financial package went out to each owner. \$92.5k in reserves. Tom Unit #2 makes a motion to accept the financials based on package sent out. All in favor.

Building & Repairs:

- All resident building repairs were completed last year. Pete Unit #31 met with board and contractor to discuss remedial actions and the contractor agreed that certain things needed attention. The contractor agreed to do this at no extra charge. The contractor fully admitted that nobody is perfect. The contractor did, however, question this owner and his experience in the contractor/building field. The owner admitted to no hands-on experience in either building or contracting. The contractor with over 30 years of experience questioned why the board would entertain a novice's opinion.
- Prior management didn't get multiple quotes, nor did they provide oversight. However, we have made it a point to solicit multiple bids on each project. Our current management team now does the oversight of work done at MRE. This summer, painting will resume. The painter has agreed to point out problem areas that need to be addressed and will not just paint over them. The woodbins are also being addressed.
- Utility doors are also being replaced. Building #5 balusters and rails being replaced. Trim is now being done with PVC, to eliminate future problems.

Painting:

- Everyone in the association seems to like the job the painters are performing. On building #5 we realized that paint did not look right, we went to the painter and he agreed it did not and agreed to repaint. It was apparently a different color and was rectified. The schedule for painting was set up, so that every six years all buildings will be painted. Two buildings a year.

Lawns & Grounds:

- We are on a fertilizing program. We are looking at putting up trees from building 1 up the side of the road to building 8. This would form a tree fence. 6.5' trees that would grow. Plant 125 trees at \$59 per tree. The whole association would

benefit from this as it would eliminate having to look at our neighbor's unsightly junk laying around their property.

- The pine trees were examined on our property by an expert. The expert concluded that no tree on the MRE property is more or less likely to fall. His advice is that the trees all are in good shape.
- The trees we are getting to form the tree fence are from a company in Wethersfield, CT. They will grow to 12-14 feet high. They are an arborvitae type of tree.
- If we water them, we should not have a problem. If some need to be replaced, this will be done in the fall.
- Pete Unit#40 expressed concerned over the top of some of the trees on the MRE property. He contends that trees are damaging the roofs.
- Normand V. stands up and invites the assembled group to peruse the huge stack of emails from Pete and what the board of directors has to deal with constant harassment. Steve C. also on the board, states it would only make sense the board of directors follow the advice of an expert on the subject of trees rather than a resident who claims to know all.

Water heaters:

The board advises that we cannot beat the price we are getting from vendor.

Dryer vents:

- Tim explains that unfortunately, this has fallen to the bottom of the list with all the other stuff happening but he vows to make this a priority. We will work on it till we get it fixed. Russ C. states he vents over the front door, he further states, that maybe some do not need to be repaired. Norm V states that only two dryer vents put in the entire complex they are Units 55 and 56, and the rest do not have them. Unit #34 vents right into the electrical box. Brian M. was shocked when hearing this and Pete of course, was concerned with building codes.

Fireplace Inspections:

- Melissa from management states that two end units with wood stoves were not installed properly. She also said 8 other wood stoves not properly installed. The vendor who installed came back out and fixed the problems with the fire department giving approval. The last 4 are still not operational. In Waterville Valley, they had a wood stove fire because of improper installation.

Treasurer's Report:

- We are spending more on the grounds for upkeep. No questions were presented for operational budget. A motion was made to accept the budget, and all were in favor.

Roofing:

- We are looking at replacing the roofing in the near future which could be a \$300k expense. There are 2 ways to go about paying for this.
 1. Go through strict assessments
 2. Borrow 60% of the expense and assess the rest. If we borrow, we would be looking at \$57k worth of interest.
- We currently have \$85k in reserve.
- Question was asked about what kind of roof we are looking at. We answered that we are looking at metal roofs because we would not have to take off the current layers and the metal roofs last twice as long. The board is looking at using the same assessments as for the pool, with \$30k a year, which would total \$240 in assessments and the rest would come out of the condo fees.
- Question was asked how long are current ones going to last? Norm thinks they are around 25 years old now. Ken from Unit #76 asked about a capitol fund in case of change of ownership. The board will take a look at it.

Additional Points:

- Russ again expressed concerned about having our banking on a cloud platform. Steve C. on the board, stated that we have looked at it and our finances are done through Citizens Bank. This allows us to do bank online or in person. We only have our accounting system in the cloud.
- Steve makes motion to accept the budget, all in favor.
- Entertain motion to accept assessments for roofing for long term budget. All in favor.
- Steve C. on the board, states that he looked at financials and the controls in place to protect us. He states that he is an auditor and that the controls are very safe for the association.

Changes to Rules:

- Based on the numerous complaints and circumstances, we are removing the dog walk. We shall have dog stations put up on the grounds with doggie bags to pick up their droppings.
- **No dogs for vacation people or weekend renters.**
- Rental application needed. No commercial vehicles and only 2 vehicles per unit.
- The water heaters have a 10 year warranty.
- No long term parking for RV's and trailers.
- Woodstoves and fireplaces must be inspected annually.

Billing procedures:

Melissa and accountant: We will have our billing procedures on the website detailing our billing practices. Paper copies will be provided for those who ask for billing. Owners are required to notify association when they are selling and to whom.

Northern Pass:

- Not a lot to report. Opposition is ready to fight when new routes come out. When/If ever gets built, hopefully it will be buried. All political people are against it. Northern Pass claims to have a route, they have agreed to bury it, under land they do not own.
- Our worst case is MRE would have tower approx. 40' from our property.
- Tim suggests donating to organizations opposed to the Northern Pass.

Board of Directors:

- Steve Ciras position is up, Alan makes a motion to keep him on for another term as Vice President. All in favor.
- New owners: Unit #66 Kathy Flaherty and #33 Susan Secor.

Ron makes motion to adjourn, and Alan 2^{nds}.