

Minutes of SLCA Board of Directors Meeting

February 13, 2014

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Opening

Meeting called to order at 7:06 PM.

Present:

- Mary Jo Mulligan-Kehoe (President and Acting Treasurer)
- Scott Gilmore (Secretary)
- Alan Nadel
- Sandy Orr
- Jeanne Childs
- Ray Stanford (Property Manager, Moseley Associates)

Non-Board owners present:

- None

Minutes from Previous Meeting

January minutes have not yet been approved by a sufficient number of Board members (at least 3).

Action Items

- **Scott resend January minutes to Board members.**
- **Board members review and approve January minutes by email.**

- *Scott post January minutes on new SLCA website.*

Financial Report

Ray walked the Board through the monthly financial report. The main balances at the end of the prior month were as follows:

Operating and Reserve Funds:

Item	Annual Budget	Current Period		Year-to-Date		
		Budget	Actual	Budget	Actual	Variance
Operating Surplus	1,865.17	2,137.33	3,666.94	2,137.33	3,666.94	1,529.61
Short Term Reserves	(9,999.00)	0.12	22,721.99	0.12	22,721.99	22,721.99
Long Term Reserves	(798.52)	1,183.42	6,073.68	1,183.42	6,073.68	4,890.26

Capital Funds:

Item	Amount
CD's Invested	117,831.93
Long Term Reserves (cash ready for investment)	6,073.68
Total Capital Funds	122,676.05

Details can be found in Moseley's full monthly report. Following are highlights and discussion points.

The numbers are healthy. The surplus in operating income is due to low snow removal costs, but we expect those to be spent soon given the large amount of recent snowfall.

The Short Term Reserve surplus balance continues to include approximately \$8000 for the pending insurance claim for Unit 47-1.

Previous Action Items

- Mary Jo contact Kevin Albert (former SLCA Treasurer) to find out where original documents for CDs are kept.
 - Mary Jo called Kevin. He said that he'll look for them, but he hasn't gotten back to her yet.
- Mary Jo arrange for another Board member to sign the signature card for Service Credit Union.
 - Scott and Sandy will replace Penny and Kevin. Scott will sign after this meeting. Sandy will sign this coming weekend.

We discussed Jeanne's suggestion that we store the CD certificates and other important association documents in a safe deposit box at a bank. Sandy noted that small safe deposit boxes cost about \$30/year. We agreed that this should be done to protect our important paper

documents from fire, theft, and other dangers. We will store electronic documents on the association's website.

Scott has the Board Secretary files, which contain paper records going back many years. We will go through the files to determine which documents need to be stored in the safe deposit box.

There should be multiple Board member signatories on the safe deposit box, as with the bank accounts at Service Credit Union.

Ray noted that our tax return was recently completed by Wilder Business Services. No taxes are due. Mary Jo signed it.

Action Items

- ***Mary Jo rent safe deposit box at Service Credit Union or Lake Sunapee Bank.***
- ***Scott bring Secretary file box to next Board meeting.***
- ***Ray file signed tax return.***

Old business

New website

Alan provided an update. The new website is up and running.

Alan paid for the website start-up expenses with his personal credit card. The cost for the website was just over \$300 for 5 years; this was the best financial deal. Ashley did \$125 worth of work for us to get the site up and running. Alan will submit statements for reimbursement.

We need content to get the most value out of the new website. Alan is happy to write copy (text), but he needs information like history, statistics about the association and our property, photos, region information, and anything else that can help to promote the goodness of our community. Some of the history from Jeanne's research would be interesting.

The website has a password-protected area for information that we do not want to be accessed by the general public. We can give this password to all owners.

A separate area and password can be set up for Board members. This would be a good place to archive documents that only Board members need.

Action Items

- ***Alan ask Ashley to add Board section to website.***
- ***Scott send Board-only content to Ashley for posting.***

Status of Unit 47-1 flue repair

Previous Action Items

- Mary Jo contact the contractor, Jim Kelleher, for an update. If he does not respond, she will contact the owner.

Mary Jo contacted the owner. The owner arranged a meeting with Mary Jo and Jim Kelleher, in which Kelleher agreed to provide the necessary information to Mary Jo or Ray. This includes a breakdown of costs, copies of his permits, and anything that he needs from us to move forward. Kelleher also promised to be done the repair work by the end of this month.

The owner was not aware that she is responsible for the association's deductible. Mary Jo explained this to her.

Mary Jo has received nothing from Kelleher.

Action Items

- ***Mary Jo notify owner that we haven't received anything from Kelleher.***

Status of repairs

Unit 35-3

Jim Shibles discovered that insulation was missing in some places and blocking ventilation in other places. This resulted in moisture condensing and freezing in ceiling and wall cavities, which subsequently melted and caused drips when the weather warmed. Jim corrected the insulation problems.

Unit 45-1

The problem originally appeared to be a leaking skylight, but Jim Shibles found sections of missing insulation. This caused the same condensation problem as 35-3.

Unit 7-2

A new leak was reported around the kitchen window skylight. It is not dripping, but a water stain has formed.

Action Items

- ***Ray ask Jim Shibles to investigate 7-2 leak.***

Rule Violations

Previous Action Items

- Ray check exterior of 35-2 to confirm that siding has been sufficiently cleaned.
- Mary Jo take a picture of 35-2 exterior to confirm cleaning.

The soot has returned on the exterior of 35-2. The owner notified us of this, and Mary Jo also noticed it. The owner indicated that Irving Oil was supposed to be there on February 4th. Ray asked the owner for an update, but hasn't received one yet.

Action Items

- ***Ray ask 35-2 owner again for update on soot problem.***

New investment plan

We discussed the report from attorney Eric Jansen, which Ray had sent to all Board members along a copy of the Trustee Standards.

Jeanne noted that the content of Jansen's report is good, but the document is unsigned. The credibility of the document would be greater if it was on the attorney's official letterhead, dated, and signed by Eric Jansen.

Jeanne also requested Eric's recommendations of financial planners in our area who are fee-for-service and who follow the Prudent Investor Rule that he cited in his report.

Mary Jo moved that we accept Eric Jansen's legal opinion as read, with the exception of it being on letterhead, dated and signed. Alan seconded. The motion passed by a vote of 5-0.

Action Items

- ***Ray ask Eric Jansen for new copy of report on signed, dated, letterhead.***
- ***Ray ask Eric Jansen for financial planner recommendations.***

Reserve study

Ray has proposals from 3 vendors: Right Track Consulting in southern NH; DKM Consulting in southern NH; and Ralph Noblin in Dover, NH. Noblin quoted a fee of \$3900; DKM quoted \$2500; Right Track hasn't given a price, but promised to provide one next week.

Jeanne wants to see sample reports from the vendors. The credentials and references from DKM don't provide enough information. We don't have much information from Right Track, though Ray was pleased with their recent work at Ivy Place.

We need to get moving on this to have the results by the time of our annual owner meeting in August. Ray noted that the chosen vendor could do some work before the snow melts (review files, association records, etc.). Visual inspections need to wait until the snow melts.

Action Items

- ***Ray request sample reports from all 3 vendors, then send them to Board members.***
- ***Board members read proposals and sample reports, and send feedback to Mary Jo via email.***

Septic holding tank locations

Jeanne was able to gather some information by chasing several leads. Brother Claude Rheaume from La Salette provided the following explanation via email:

I remember the original fields being in front of buildings 43&45. They failed early on and an additional field was added just beyond Bldg 47. It too failed in late 70's. A new field was created somewhere above between Mastro Lane and Bradford Lane. It was a major undertaking and the grade had to be raised considerably. The original tanks I believe were kept down by Bldg 43 and the effluent was pumped up to the new field. It was constructed by Carl Patten of Enfield at a cost of over \$100,000.00. We never had any difficulty after that.

Per Brother Claude's description, the current leach field is behind the dumpsters in the Visitor Parking lot. (The PVC vent pipe is visible behind the dumpsters.)

Jeanne also spoke with Marge Carr, Enfield Librarian and former planning board member, who said that Mel Pierce has the plans. Jeanne reached Bud Pierce, but he said that he doesn't have anything.

Jeanne suggested that we ask Brother Claude, Mel Pierce, and Bud Pierce to be interviewed by the reserve study contractor that we choose.

Snow-related problems

Jim Shibles is away for a few days. Degrasse will rake roofs while Jim is gone, and will be paid from Jim's budget.

The owner of unit 7-1 asked Ray to ensure that the pathway to its lower apartment is shoveled and sanded. Ray passed the request to Degrasse, and it is now being properly maintained.

Ray commented that Degrasse is responding quickly to address slippery walkways. Owners should call Moseley's 24/7 hotline to report problems.

Spring/summer projects

Presidential Pest will treat all unit exteriors for ants and similar pests. We have this done every year.

Buildings 15 and 33 are scheduled for painting, drip edges, front porch railing (15 only), and tree pruning this year. The anticipated costs are well within our budget because the lower buildings are less expensive to paint than the upper buildings. Sandy noted that his building may need more scraping than anticipated during paint preparations, because it was not done properly the last time that it was painted (when the property was managed by Simpson Development Corp.).

We have a small amount of money available for more lighting upgrades. We need to revisit the costs of upgrading the lighting on Landing Road, starting from Keene Medical and going as far as we can afford to.

Mary Jo will pay Jim Shibles (at her own expense) to try a new kind of paint on her front steps and porch. The goal is to test whether it will hold up better under wear than the paint that we have been using. Mary Jo will also pay Jim to redo a small section of the walkway in front of her unit with large stones and gravel, as we have considered previously. This will give us a sample to evaluate and decide whether to redo the walkways like this everywhere.

We have no major drainage needs, except maybe replacement of a PVC drain pipe on the lower lawn that tends to rise out of the ground from frost.

The septic system should be inspected after the next pumping, by feeding camera into the lines, as recommended by Sterns Septic and discussed at previous Board meetings.

The Landscaping Committee has not yet met. It consists of Gary Best, Tom Byrne, Ann Byrne, and Ann Hoar. According to Jeanne, Gary wants to know how much money can be used for

landscaping projects. Mary Jo pointed out that we have a landscaping budget. Gary also wants to know the amount budgeted for tree maintenance. Tom Byrnes has made some suggestions in recent letters. Tom's second letter complained that 8 trees were recently removed, instead of the 4 that we authorized. Ray believes that a couple of smaller trees had to be taken down to get access to the problematic cluster of 4. Tom also recommended replanting when we remove trees. The Landscaping Committee needs to meet, discuss options, and make recommendations to the Board. The Landscaping Committee is also responsible for reviewing the Degrasse contract. Ray noted that Degrasse is very willing to make minor adjustments to address Landscape Committee requests, and that Degrasse may also have some good suggestions for the Committee.

Action Items

- ***Ray check PVC drain pipe on lower lawn.***
- ***Ray find or obtain quote from Sterns Septic to inspect system.***
- ***Jeanne ask Landscape Committee to meet, discuss, and make recommendations.***

New Business

Chimneys

Mary Jo reported that she received a letter from Top Hat Chimney Sweep indicating that units 35-3 and 37-3 need a 24" top extension on their metalbestos chimneys to meet current standards. Top Hat contacted the Board because the owners haven't complied. The cost for one of the units is \$170; it is \$205 for the other.

Action Items

- ***Ray notify 35-3 and 37-3 owners that they must have chimney extensions installed.***

Insurance policy renewal

Ray and Jeanne met with Richard Logan last week, to review the association's insurance policy. March 10th is the renewal date with Goss-Logan.

Richard suggested doubling our deductible to \$5000. The savings would be \$1500/year. Ray recommends against it for that amount of money. Individual unit owners would need to increase their loss assessment coverage to \$5000; at a cost of approximately \$75/unit/year, it would cost owners more than the association would save.

We discussed the need for a larger amount of liability umbrella coverage. Currently, we have \$1 million of coverage for basic liability, plus another \$1 million of coverage in a liability umbrella. Richard Logan can give us prices for more coverage. We can get as much umbrella coverage as we want, depending on our risk tolerance and exposures. We pay \$550 for our current \$1 million; \$2 million would cost twice as much. Jeanne and her husband have a \$5 million liability umbrella on an apartment complex that they own and rent. Jeanne feels that we are under-insured, especially with only 56% of units owner-occupied (as we have now).

Ray said that Nationwide (via the local Guaraldi Agency) has repeatedly expressed interest in getting our business. They will make a proposal. We've had a good relationship with Goss-Logan and Peerless, and they have treated us well, but we should be open to other options.

Sandy noted that he found the Concord Group in Enfield to have the best insurance price when he bought his unit here.

We need to decide on our insurance before the Goss-Logan offer expires on March 10th. This will occur before our next Board meeting.

Action Items

- ***Board members review Goss-Logan renewal offer and send feedback to Mary Jo.***

New repairs reported to Moseley

None.

Next meeting date

Wednesday, March 12, at 7 PM, in unit 7-2.

Closing

Motion to adjourn by Sandy. Seconded by Jeanne. All agreed.

Meeting adjourned at 8:37 PM.