

SOUTH COVE HEIGHTS ANNUAL MEETING MINUTES, SEPTEMBER 15, 2018

INTRODUCTION:

The Annual Meeting of the South Cove Heights Condominium Association was called to order by Board President Don Hooper. Seven (7) units were represented in person [no proxies]; therefore, a quorum was declared.

Mr. Hooper welcomed everyone, and introduced the Board and Terry Jones from Belle Terre. Mr. Hooper explained that Bob Koester was appointed to the Board to serve the remainder of Garth Rands' term. Mr. Rand resigned due to the sale of their unit.

PROOF OF NOTICE

Mr. Hooper entertained a motion from the floor to waive the reading of proof of notice which is the meeting notice that the owners received. The motion was made, seconded and passed by a unanimous vote.

MINUTES OF 2017 ANNUAL MEETING

Mr. Hooper requested a motion to waive the reading of the minutes of the 2017 Annual Meeting. A motion was made, seconded and passed by a unanimous vote.

PRESIDENT'S REPORT

Mr. Hooper reported the following:

- Staining-The staining policy is to re-stain our condo units every ten years and our decks and walkways every two years. In keeping with this policy Units 20 and 22 were stained this year (2018). Next year (2019) units 46-44-42 were tentatively scheduled; however, the Board conducted a walk around and concluded many of the units need repairs. It was suggested to delay staining and make the repairs first.

An owner commented that the walks appear to need sanding again.

Landscaping-The Board inspected and provided Belle Terre with a punch list for pruning and removals. Mr. Hooper noted Unit 38 would like the removal of the dead lilac branches added to list, Unit 24 would like a dead tree replaced and Unit 44 would like the dead branches cut out of Blue Spruce.

The weeds were treated again this year by a licensed technician; although we saw some improvement, the deck side still seems susceptible to tall weeds.

We will continue our practice of mulching the sides and fronts of our units as part of the annual spring cleanup.

Siding Replacement- The Association contractor will be inspecting all the units and provide a priority list of needed repairs. Repairs should start in the Fall.

- Roof Replacement-As you know, we are in the process of replacing our roof slopes. This program will be funded over the next several years from our Common Area Reserves which should amount to approximately 10 sloped completed by the end of this year. It has been our practice to fund this reserve at the rate of approximately \$24,000 per year: \$11,900 from the annual special assessment of \$850 per unit plus approximately \$12,000 from our annual budget. The selection of which slopes to replace in any one year will be based on an annual inspection and condition report provided by our roofing company Weathercheck Roofing.

This year (2018), based on the recommendation of our roofer, we plan to replace the following 5 slopes:

Unit 20 – Deck Side
Unit 22 – Deck Side
Unit 26 – Parking
Unit 36 – Parking
Unit 36 – Deck Side

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NOTE: Work is tentatively scheduled to start October 1st. We will email advance notice to all unit owners prior to the start.

Weathercheck will be inspecting the remaining slopes this fall to determine the next round of replacements for 2019. We anticipate the following replacements [subject to change]:

26 Parking

20 and 22 Deck Side; however, the final decision is pending the fall inspection

TREASURER'S REPORT

Mr. Welsh presented the following Treasurer's Report:

Cash on hand at September 15th is approximately \$28,784

At this time, there is one (1) delinquent owner(s) owing more than one month of common charges.

The Common Area Reserve balance is approximately \$45,313 and the Operating Reserve balance is approximately \$8025. The Staining Reserve fund is \$6389 which does not include this year's contribution.

Audited Financials for 2017 are available. Please view at your leisure and contact us if you have any questions.

2019 Budget - The board reviewed the 2019 proposed budget. Mr. Welsh asked if everyone present accepted the proposed 2019 budget. A motion was made, seconded and passed by a unanimous vote to accept the 2019 budget as proposed.

In accordance with IRS Revenue Ruling 70-604, we request the following:

RESOLUTION OF SOUTH COVE HEIGHTS

RE: EXCESS INCOME APPLIED TO THE FOLLOWING YEAR'S ASSESSMENTS REVENUE RULING 70-604

WHEREAS, the SOUTH COVE HEIGHTS ASSOCIATION is a NH corporation duly organized and existing under the laws of the State of NH and

WHEREAS, the members desire that the corporation shall act in full accordance with the rulings and regulations of the Internal Revenue Service;

NOW, THEREFORE, the members hereby adopt the following resolution by and on behalf of the SCH Association:

RESOLVED, that any excess of membership income over membership expenses for the year ended December 31, 2018, shall be applied against the subsequent tax year member assessments as provided by IRS Revenue Ruling 70-604.

The motion was made, seconded and approved by the unanimous vote of the members; the resolution will be included in the SCH Condo Association Annual Meeting Minutes

MISCELLANEOUS

- Chimney inspections- Active wood burning stoves or fireplaces that are being used must be inspected annually and cleaned as needed. We had one inspection earlier this year and one more phase is scheduled. If you did not sign up and want to be added to the list, please do so now.
- Washing Machine Hoses – reminder to replace the older style hoses if not already done. Six of the seven owners present confirmed they have replaced the hoses.

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- Website-We encourage you to visit our web page on the Belle Terre Website; go to belleterreus.com. You'll find updates, policies, resolutions and other information pertinent to our Association. Belle Terre welcomes any suggestions for information you would like to see included.
- Insurance Reminder – the Association's deductible on the master policy is \$5,000 for most insurable losses; the deductible is the responsibility of the unit owner where the damage originated. Check with your own agent to be sure you have the coverage you are comfortable with.
- Closing Units- Remember proper procedures for closing units. There were several major losses throughout the various Associations during the past few years due to freeze-ups. All absentee owners (even short absences) should remember to shut off the main water supply if they have a "by-pass". Remember to lift the arm of your ice maker even for short trips; malfunctioning ice makers can cause a lot of damage.
- Propane Updates- some of you will remember, we had a propane outage this past winter due to an early cold snap, we suggest that owners maintain contact with Suburban Propane and inform them of changes in rental status that could affect changing heating needs, please call 603-448-4708. Owners should have their propane inspected and serviced annually as needed. There was a major loss last year due to a frozen pipe in the baseboard heater, owners should consider having more anti-freeze added to protect against broken pipes during extended cold periods.

It was suggested at last year's meeting to research the possibility of switching propane suppliers. Suburban's pricing changes from owner to owner and seems to be higher than other Eastman groups. Leo Sprecher researched the options and, in the end, Suburban agreed to maintain the same fee for every unit owner. The price per gallon would be consistent throughout the Association.

Owners discussed the annual contracts Suburban offers for the furnace inspections. It was noted that the Gold plan was not an option due to age. Some owners have reached out to other contractors rather than Suburban for their inspections.

- General Safety Tips-keep fire extinguishers and flashlights in a convenient location in the event of an emergency. Check expiration date on extinguishers if out of date contact Grantham Fire Dept. to dispose of. Replace the batteries your smoke detectors annually.

ELECTION OF A DIRECTOR

Mr. Hooper noted that Jay Welsh's term expires this year. The floor was open for nominations, a motion was made and seconded to nominate Mr. Welsh if he was willing to serve another term. Mr. Welsh confirmed he would serve another term if elected. There being no other nominations, the floor was closed to nominations.

Mr. Welsh was elected to serve a three-year term by a unanimous vote of the members.

ADJOURNMENT

There being no other business to conduct, the meeting was adjourned.

Respectfully Submitted,

Terry Jones, Recording Secretary