ATHERTON COMMON UNIT OWNERS ASSOCIATION
ANNUAL MEETING
DECEMBER 1, 2018

M I N U T E S

CALL TO ORDER:
The meeting was called to order at 10:05 AM by Kevin Eagan, President of the Board of Directors.

WELCOME AND INTRODUCTION:
Mr. Eagan welcomed new unit owners to the association, and introduced Cliff Kinghorn, Kevin McIntyre, Art Brault and John Learoyd, members of the Board of Directors, and Norman Desrochers, Property Manager from Great North.

PROOF OF ANNUAL MEETING NOTICE:
Mr. Desrochers confirmed that the meeting notice was sent by first class mail to all unit owners on November 6, 2019.

QUORUM:
Mr. Desrochers certified that a quorum was established, with 32 units in attendance and 7 units represented by proxy.

VOTE ON UNIT 17 PROPOSAL TO INSTALL STEPS OFF BACK PORCH:
Mr. Eagan said that Richard Defoe, the unit owner was seeking permission to install steps off the back porch, which requires approval from at least 2/3 of the unit owners represented at the meeting. Mr. Defeo was not present at the meeting. Ms. McGuire (#16) asked if there was a precise location for the proposed steps, and Mr. Eagan said that it would need to be determined. A motion was made by Mr. Chandler (#25) to approve installation of the steps subject to approval of their location by the new Board of Directors that will be seated after the meeting. There was a second by Mr. Jacobs (#36), and the motion passed by unanimous voice vote.

2017 ANNUAL MEETING MINUTES:
A motion was made by Ms. McGuire (#16) to accept the Minutes of the 2017 Annual Meeting as written. There was a second by Mr. Kinghorn (#31), and the motion passed by unanimous voice vote.

IRS REVENUE RULING 70 -604:
Mr. Desrochers read the resolution that states that any excess of income over expense for the year ended 12/31/18 shall be applied against the subsequent tax year assessments, as provided by IRS Revenue Ruling 70-604. A motion was made by Mr. Weber (#42) to adopt the resolution, and there was a second by Mr. Brinkema (#34). The motion passed by unanimous voice vote.

ACCOMPLISHMENTS AND ISSUES IN 2018:
Mr. Eagan reviewed the association activities in 2018 and noted the following:

- A crack sealing and paving project was successfully completed, and under budget.
- Some street lights were replaced, but a more comprehensive street light replacement project will be developed in 2019.
- Akorn completed an extensive landscaping improvements project.
- Nine privacy fences were replaced at five locations.
- An exterior repair and painting project was done at units 4-6 and 10-12. Next year's project will include units 13-18.
- Mr. Kinghorn is working on drafting amendments to the By-Laws to bring them into Conformance with recent revisions to the NH Condominium Act.
- A new contract for property management was negotiated with Great North.

2019 OPERATING BUDGET:
Mr. McIntrye reviewed the proposed budget that contains an increase in the condo fee to $450 per unit, per month, and includes a special assessment of $1,000 per unit. He said that the fee increase is needed to meet anticipated increases in operating expenses in 2019, particularly in maintenance. He also said that funds generated from the special assessment will be used to increase the level of funding into the Capital Replacement Fund. After discussion, a motion was made by Mr. Kinghorn to approve the proposed budget. There was a second by Mr. Weller (#4), and the proposed operating budget was passed with unanimous voice vote.

2019 CAPITAL REPLACEMENT BUDGET:
Mr. McIntyre presented the proposed budget that includes funding of $40.5K from condo fees and $45K from the special assessment. Other income includes $2,500 from buy in fees and $1,000 from earned interest. He said that budgeted expenses amount to $102,548, as itemized on the proposed budget. He indicated that the projected balance in the Capital Replacement Fund at y/e 2018 is $203,442, and $189,894 at year end 2019.

Mr. McIntyre also noted that the special assessment will be billed in two equal installments of $500 on March 1, 2019 and September 1, 2019. Mr. Eagan said that the balance in the Capital Replacement Fund is adequate to meet expected short term expenses, but the current level of funding is inadequate for long term projections. Following discussion, a motion was made by

Mr. Madigan (#37 to approve the proposed budget. There was a second by Ms. Madden (#2), and the proposed capital replacement budget was passed by unanimous voice vote.

PROPOSED BY-LAW CHANGES:
Mr. Kinghorn said that amendments were last done in 1993, and updates are needed to reflect revisions in the NH Condominium Act that have been made by the state legislature. He stated that the amended By-Laws will be contained in one document. He indicated that a special meeting will be held to discuss the proposed amendments after they are drafted, and approval by two thirds of the unit ownership will be needed for passage.

OPEN COMMENTS AND QUESTIONS:
Several unit owners expressed an interest in eliminating the stagnancy in the pond and were advised that the Board will take steps to do so in 2019.
The pruning and trimming schedule for Akorn was discussed. Mr. Desrochers said that he would discuss the schedule with Akorn to see if it can be modified so that some shrubs and bushes are trimmed at more opportune times.
Mr. Weller provided some guidelines for proper use of the septic system.
There was a question about the buy in fee for the association. Mr. Eagan said that new owners are assessed a $500 buy in fee, which is deposited into the Capital Replacement Fund.
A request was made to limit and control parking for events like estate sales that are held in the community.
A suggestion was made to change the date of the Annual Meeting, which will be considered by the Board.

ELECTION:
Mr. Desrochers informed the unit owners that Mr. Kinghorn, Mr. McIntyre, and Mr. Brault were stepping down from their seats on the Board and not running for election. He said that Mr. Eagan and Mr. Learoyd were candidates for election, as were Elizabeth Shankel (#28), Joan Ferguson (#9) and Richard Stout (#45).

A motion was made by Mr. Brault to elect the five candidates by acclamation. There was a second by Ms. Day (#7), and the motion passed by unanimous voice vote.

ADJOURNMENT:
The meeting was adjourned at 11:35 AM.

Respectfully submitted,

Norman Desrochers
Great North Property Management