

339 Ocean Boulevard Condominium Homeowners Association (HOA)
Annual Meeting Minutes
April 13, 2019

Prior to the start of the meeting at the Ashworth Hotel, a sign-in sheet for all attendees was established at the entrance to the meeting room, and a PowerPoint document that contained the agenda and supporting information for the meeting was provided to all attendees. A copy of the PowerPoint document is included as Enclosure 1 to these minutes and should be referred to when reviewing the minutes.

Also prior to the meeting, a speaker telephone connection with the HOA's UberConference website account was established to permit members not physically present to call-in for the meeting. Three members elected to call-in over this connection.

The meeting was called to order at 9:08 a.m.

Based upon the number of unit owners physically present for the meeting, as well as proxies received from absent members, a quorum of 83.87% was established.

An affidavit of Notice of Mailing for our annual meeting was acknowledged.

The 339 Ocean Boulevard Condominium HOA annual meeting minutes for 2018 were reviewed and unanimously approved without further discussion.

Steve Copley welcomed all attendees and presented an overview of the major accomplishments of the Association over the past year. These highlights included:

- Held two mediation sessions to resolve building construction issues
- Resolved parking issue over Space #24
- Held annual HOA meeting
- Held three quarterly "Communication" meetings with HOA members
- Worked to close gaps in condominium documents
- Installed cameras to monitor property
- Maintained a healthy financial status

Additionally Steve noted that one residential unit, #403, was sold in 2018 to Song and Xue (Sue) Chen, and that another unit, #505, is presently for sale. Additionally he noted that two commercial units, #101 (Pizzeria 339) and #103 (Oceanfront Convenience), are also presently for sale.

The enclosed PowerPoint document was used as the primary vehicle to guide the remaining meeting topics.

All HOA members were sent three financial documents prior to the annual meeting: the HOA 2018 and 2017 Income Statement, the HOA 2018 and 2017 Balance Sheet; and the HOA 2019

proposed budget, which also included 2018 budgeted and actual expenses. These documents are located at Enclosure 2 to the minutes for reference.¹ Scott Barrett reviewed the HOA's 2018 budget performance pointing out key differences between the budgeted and actual expenses for the year (PowerPoint page 4). A significant overspend area was legal fees caused mostly by the arbitration between the HOA and Michael Green in regards to Space # 24, and the mediations between, on the one hand, the HOA, and, on the other hand, 339 Ocean Blvd. LLC (the property developer) and Whitcher Builders, dealing with building construction issues. It was noted that this topic would be addressed in more detail later in the meeting. On an overall basis, the net income for the year was approximately \$10.5K, a positive improvement over the previous year. Also, he noted that the reserve fund was on plan at \$50K, that it had not been necessary to have any special assessments to cover repairs, maintenance, or other work at the condominium, and that the HOA's current financial situation was sound. A question was asked concerning the accounting vehicles used and it was noted that both QuickBooks and Excel are used for documenting the HOA's financial records.

Next, Scott reviewed the 2019 budget (PowerPoint page 5). He indicated that the 2019 quarterly dues would be the same as the 2018 quarterly dues. Discussions took place concerning some specific line items of the budget. One area was legal fees. Since much of the legal work for the HOA has been completed, the need to budget \$15K for 2019 was questioned. It was explained that there were still some legal fees coming in from mediation activities, and fees were accrued from required changes to condominium documentation. It was not known how much these charges would be. While the board felt we would very likely be under \$15K, we believe we must be prepared to handle unexpected charges.

Questions were also asked about the composition of landscape charges and professional fees. It was explained that landscape charges were based on 2018 expenses which included mulch, clean-up from a major storm, weeding, and regular garbage/trash clean-up after weekend activities on the beach. The 2018 professional fees were incurred largely from an engineering study requested by the board, and True North's preparation of a Capital Systems Replacement Study, which was used to develop the HOA's Reserve Fund Plan. This category for the 2019 budget was reduced significantly (over 50%) from the 2018 actual expenses.

Peter Sorrentino presented a pie chart which combines some of the budget line items into categories which may be more meaningful to some HOA members (PowerPoint page 6). The chart shows where each budgeted dollar is expected to go during the year. For example, 21 cents of each dollar goes to professional fees, which includes legal fees as well as True North management fees. The elevator charges include four different separate budget line items and comprise five cents of each dollar. Similarly, fire prevention systems are comprised of four different line items. While the 2019 budget details are in the line items, the pie chart is intended to show a budget overview graphically.

¹ The HOA 2018 Balance Sheet mailed to unit owners on March 22 contained a minor error that did not affect the aggregate totals. The minor error was noted and corrected on April 8. The corrected version appears in the documents contained in Enclosure 2.

After all questions were answered and comments made, a motion was made and seconded to accept the 2019 Budget. The motion passed unanimously, and the budget was formally accepted by the HOA.

Steve next presented a top level view of the benefits received by the HOA for legal fees paid through 2018 (PowerPoint page 7). Essentially the \$51K of legal fees paid to deal with building issues and parking has resulted in a return to the HOA of approximately \$340K in goods, services, and labor. Overall, the HOA has received direct financial gain, and significant building construction issues have been, or are being, corrected. Had the legal fees not been expended, most of the \$340K would have been paid through special owner assessments.

A review of outstanding issues from last year's meeting was next accomplished (PowerPoint page 8). Steve reviewed the status of each specific old business topic; however on an overall basis, every action that was still outstanding as of last year's meeting had been completed during 2018. The primary focuses of the board during 2018 were in the following areas (PowerPoint page 9):

- Parking Space 24
- Building Construction Issues
- Rules & Regulations
- Reserve Fund Plan
- Identifying/Correcting Maintenance Issues

The HOA prevailed in the arbitration claim for Space 24. As a result, condominium documentation is being corrected and legal fees in the amount of \$20K have been reimbursed by Michael Green. Space 24 was then auctioned off for \$20,000.² The total monies received - \$40K - will be applied to HOA operational and reserve fund expenses.

Building construction issues were addressed primarily as a result of mediation activities. By way of background, it was noted that several meetings between the condominium developer (Green & Co.), builder (Whitcher Builders), and the board of directors, were not fruitful in addressing construction issues. Attorneys for all parties recommended mediation to resolve differences. This was accomplished in the late fall of 2018. Two mediations (in November and December) resulted in the following positive results for the HOA:

- We received \$10K to cover costs for installing electrical heat taping and insulation of stairwell sprinkler pipes, and to install an oil heater for elevator hydraulic fluid should this be necessary.

² The Board, excluding Barrett, determined to auction the space and set a minimum bid price of \$20K. All four unit owners having lifts were advised of the auction. Two unit owners, Morin (503) and Iulicci (504), stated that they were not interested. Barrett (401) and Green (406) indicated that they would participate in the auction. Ultimately, Green decided not to participate in the auction. Thereafter, Space 24 was auctioned off to the Barrett's for \$20K.

- The known deck issues (water intrusion and rusting) are being addressed by the builder.
- The leaking on the Northeast walls/windows of the building is being addressed by the builder.
- We will receive 24 new Pella doors for the ocean-side residential decks (expected delivery during week of April 15th).
- The HOA will receive \$20K towards the installation of the doors (however, our expected installation cost is nearly double that amount).
- All of the identified rusted sprinkler heads were replaced, and the HOA received a letter from the sprinkler company stating that we should not have sprinkler head issues for at least five years.
- Damaged wind shields installed on rooftop heat pumps were repaired and/or replaced where missing.
- Missing siding on the side of the building roof parapet adjacent to unit 505 was replaced.

Issues that were not resolved and will have to be accomplished by the HOA include the following:

- We will have to repair and pay for the lifting deck boards on unit 202 as it was deemed to be caused by settling of the building.
- We will have to replace and pay for siding on the North wall as it was deemed to be storm related, and not a construction issue.

It was noted that a condominium Rules and Regulations document was prepared and mailed to all unit owners during the year. This document is also posted on the 339 page of the True North Website. HOA members were reminded to review this document, and asked to comply with its provisions.

Steve also noted that a Reserve Fund Plan had been prepared and approved by the board in December. This plan was based on a Capital Replacement Study that was prepared for the HOA by True North. The plan identifies 12 mechanical and non-mechanical building systems that will require replacement in the future. The total replacement cost of these systems will be approximately \$1.2 million (in today's dollars) and life expectancies range between 15 and 50 years for the systems. The board prioritized the systems and elected to place the five highest priority systems in the reserve fund, with the remaining seven to be assessed to the membership when replacement is necessary. Based on the board's analysis, it was determined that while there was a shortfall initially in the reserve fund, by December 2018 the HOA's reserves were fully funded (for the five selected systems). The board of directors will review the plan annually with a view toward bringing additional systems into the group being earmarked for reserve

funds. Appropriate adjustments will be made as required. The Reserve Fund Plan is also posted on the 339 page of the True North Website.

The maintenance issues identified last year that are being carried over for 2019 include dryer vent cleaning for all units (planned for 2018; but contractor did not respond), power washing of the building (completed in 2018; scheduled for May 2019 – this is an annual requirement), and Pizzeria 339 vent cleaning (completed in 2018; scheduled for May 2019 – this is also an annual requirement).

Next, Steve presented the Condominium Documentation changes that are being proposed this year for HOA approval. These changes include amendments to our Declaration of Condominium and Bylaws. The proposed changes are specifically cited in PowerPoint pages 11 – 15, and can be generally categorized as follows:

- Changes to clarify/modify conditions in the condominium (e.g., parking spaces, heat pumps, adding transfer fees upon sale of any unit, and giving board discretion as to meeting procedures that can be used).
- Changes to bring our documentation into compliance with current New Hampshire law (e.g., voting provisions and proxies, voting provisions without a meeting, and budgets/assessments).

At the conclusion of the presentation/discussion of each specific proposed change, a motion was made and seconded to approve all proposed declaration and bylaw changes. The motion was unanimously approved by all members.

The next item of business was the election of the 2019 board of directors (PowerPoint page 16). There were two vacancies for positions on the board, each having a two year term. One current board member, Scott Barrett, had agreed to run for another term, and one board member, Peter Sorrentino, declined to run again. Nominations from the floor were requested, and three were received, Joe Mancini, Dave Mould, and Sue Welch. Joe later withdrew his nomination. A written ballot listing Barrett, Mould, and Welch was prepared by True North and distributed to each unit in the condominium that was present, or represented by proxy. Additionally, one call-in unit owner was given the option of directly contacting True North and voting electronically. True North tallied the votes and applied appropriate condominium weighting factors. The two elected board members for 2019 were Scott Barrett and Sue Welch, each for two year terms which expire in 2021.

Steve then briefly outlined the future direction planned by the board for 339 Ocean Blvd Condominium HOA (PowerPoint page 17). The first area was continuing to deal with identified maintenance issues. This included continuing to monitor the correction of construction issues ongoing by the builder as well as the following:

- Cleaning rust from building siding and trim where needed.

- Selected painting of door jambs, lobby walls, mail box cabinet, and other areas as necessary.
- Replacing rusted outside lights, as needed.
- Replacing deck railing brackets and caps, as needed (the HOA purchased a quantity of new components at a greatly discounted price for replacement purposes).
- Painting/Replacing rusted door hardware on common doors.

Currently, some of the HOA members are having difficulty identifying technicians to service and repair units where needed. Most owners who have used Heritage Plumbing and Heating, have been generally satisfied with their response to heat pump problems. Other technicians have not been as timely or successful in making needed repairs. Additionally, it was noted that the board requested a quote from Hart Plumbing and Heating for annual preventive maintenance services on all heat pumps. The service, at the quoted price of \$225 for each unit, would be performed on all units. It was an “all or nothing type of bid” – meaning that the entire HOA would have to sign the agreement. The board elected not to enter into such an agreement at this time.

On a final note, the commercial owners were reminded of the requirements to follow the HOA’s rules and regulations in setting up for summer business with respect to outdoor seating, signage/attractions, window treatments, cleaning, etc.

Throughout the meeting some general questions were raised by members and some discussions were held. Following is a synopsis of these discussions, which are not necessarily in the order in which they occurred:

1. The board was asked if when the new Pella doors were installed, would any existing window treatments (blinds, etc.) be reinstalled on the new door. The answer was that existing door treatments would be removed by the contractor; however, they would not be reinstalled on the new doors. Owners would be responsible for re-installation. The rationale for this decision was that usually window treatment experts make installation, and there was a possibility the window size in the new doors would be slightly different than the existing door windows. There was some concern that reinstallation of treatments, if improperly done, would cause damage to the new doors.
2. A question was asked concerning the common area camera monitoring system. This led to a description by Peter of the general process for viewing potential incidents. An email had previously been sent to the HOA membership describing the process; however, a request was made to document this information again so that it could be included in the HOA’s User Handbook. A copy of the procedure will be incorporated into the handbook.
3. All owners were reminded of their responsibility to keep True North updated on the following information:

- Permission to enter a unit (Unit Access Permission Form – Form 105). All forms are located on the 339 page of True North Website. If permission is not current, or if door locks or codes have been changed, or if owners cannot be contacted, it is possible doors will have to be broken into in the event of an emergency (repair will be at the unit owner's expense).
- Any changes in individual unit owner mailing addresses, email addresses, phone numbers or other similar pertinent personal information should be updated whenever something changes (Owner Contact Information Updates & Consent – Form 122). A request was made for a Unit Owners Directory so that owner's not using Social Media can contact each other.

4. Owners who currently rent, or plan to rent their units must ensure that they have submitted the proper forms to True North (Unit Owner Rental Responsibilities and Acknowledgment - Form 116, and Unit Owners Intent to Rent – Form 117).

5. It was announced that effective immediately the door to the roof would be locked with a combination padlock. This is necessitated because of liability issues associated with anyone who goes up on the roof for any purpose. Additionally there have been occasions when the door was not properly closed when exiting the roof, resulting in water entering the stairwell during storms. A sign will be prepared and installed near the roof entrance ladder that provides instructions to those who require access. Unit owners should instruct any repair persons or technicians who require access to the roof to contact True North who will, upon insuring that an insurance certificate is on file, provide the combination to the lock to permit access. It is the vendor's responsibility to ensure that the roof door is closed and locked when the work is finished.

6. A general discussion of parking rules occurred. It was reaffirmed that unit owners control their own parking spaces. If unauthorized persons park in their spaces, owners may have the offending vehicles towed. The board is responsible for the visitor (space 49) and handicap parking spaces for towing. The board asked that owners make sure their visitors use the parking pass in the visitor and handicap spaces. It was requested that we have tolerance toward someone parked in an unauthorized manner, as it often may be a misunderstanding. It was suggested that owners try to identify unauthorized parkers through use of Facebook, windshield notes, etc. to have corrective action taken before having vehicles towed. Also, it was noted that owners who need additional spaces for special occasions often use the 339 Facebook site (although not all owners participate on Facebook), or contact other owners directly in advance of the required dates.

7. It was noted that pigeons roosting on oceanside balconies was a particular problem this year, much more so than in previous years. Not all balconies are similarly affected; however, owners with problems have developed some repellent techniques to drive the pigeons away, with varying degrees of success. It was noted that the problem has seemed to diminish recently, although pigeons may have moved to the decks on the parking side of the building. There was evidence that some were trying to build nests in dryer vents. It was generally decided to continue to monitor this problem, as many felt it would likely soon diminish as the summer season approaches. It was also requested that owners not attach reflective streamers to their balconies as

this is a violation of condo rules. The Board of Directors are being lenient on this rule for a very short time to see how effective the deterrent is. This may be a topic for future action consideration by the HOA.

Steve asked for any new business or additional feedback from unit owners (PowerPoint page 18). The following items were noted:

Alan Shackleford asked to remind everyone that sound really carries throughout the building, and to be aware, especially at night during normal sleeping hours.

Steve reminded everyone about the roof lock, as previously mentioned.

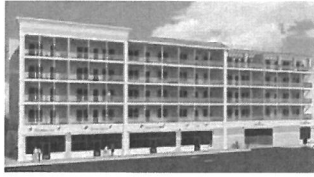
Roanne Copley asked that the commercial units comply with the rules and regulations, especially concerning the spaces outside their businesses. She also reminded owners that if there were maintenance issues in their units that were the responsibility of the HOA, that they should submit an Online Maintenance Request – Form 106 – to True North.

The annual meeting was adjourned at 11:15 a.m.; however, the commercial owners were asked to remain to meet separately with the board of directors, to discuss some business unique to those owners.

The purpose of the commercial owner meeting was to discuss a notice received by the board on April 10, 2019. Karloss Kazal (Commercial Unit 104 – Aloha Ice Cream) indicated via email that he intended to purchase the remaining two commercial units in the condominium, units 105 and 107, and was seeking board approval for this action. Karloss plans to convert this combined space into a café that sells coffee, other drinks, breakfast sandwiches, bagels, muffins, croissants, soups, pre-made yogurt cups, cookies, cakes, etc. He indicated that this would be a heat and serve type of operation and that he will not be cooking in the units. In his opinion, the items he plans to sell should not interfere with any other business in the building. Karloss further indicated that he had obtained approval from the Town of Hampton for this venture.

The board had discussed the proposal and did not have any major objections to the plan, provided the condominium rules and regulations were strictly followed in the construction and operation of the enterprise. However, the declaration of condominium indicates that a new business area must be approved by the existing commercial owners, and the board would not approve the proposal if the other owners objected. Thus, it was determined that the other commercial owners would have to agree to this plan before anything could move forward.

Karloss presented his plan to the board and other commercial unit owners. His proposal was rejected by Jeff Hathaway, unit 101 (Pizzeria 339). Jeff indicated that his unit is the only one authorized to be a restaurant and that what Karloss wanted to do would be considered a restaurant since a town license would be required. He vigorously objected, and indicated that he would contact his attorney to make his protest. In light of this information, the board took no further action, and will await input from Jeff's attorney.



339 Ocean Boulevard Condominium Homeowners' Association 2019 Annual Meeting

Saturday, April 13, 2019

Location: Ashworth Hotel	Time of meeting: 9 AM to 12 Noon
Conference Call in number: 603-267-4384	
Password: Not Required	

Meeting Agenda

Topic	Page
1. Welcome	
2. Roll Call	
3. Establish Quorum	
4. Affidavit of Notice Mailing	
5. Review and approval of 2018 annual meeting minutes	
6. Financial <ul style="list-style-type: none">• 2018 Performance• 2019 Budget• 2019 Budget Approval• Legal Fees - Top Level View	4 - 7
7. Old Business <ul style="list-style-type: none">• Board Focus Areas 2018<ul style="list-style-type: none">• Outstanding Topics Status (2018)• Space 24 with Ramifications• Correction of Building Construction Issues• Rules & Regulations• Reserve Fund Plan• Identifying/Correcting Maintenance Issues	8 - 10

Meeting Agenda (Continued)

Topic	Page
8. New Business Condo Documentation <ul style="list-style-type: none"> • Required Changes • Proposed Changes Nominations for Board of Directors Future 339 Direction <ul style="list-style-type: none"> • Identified Maintenance Issues • Heat Pumps (PM Contract) • Business Owner Requirements Input from Owners	11 - 18
9. Vote/Tallying of Election Ballots/Results	
10. Adjourn	

Financial

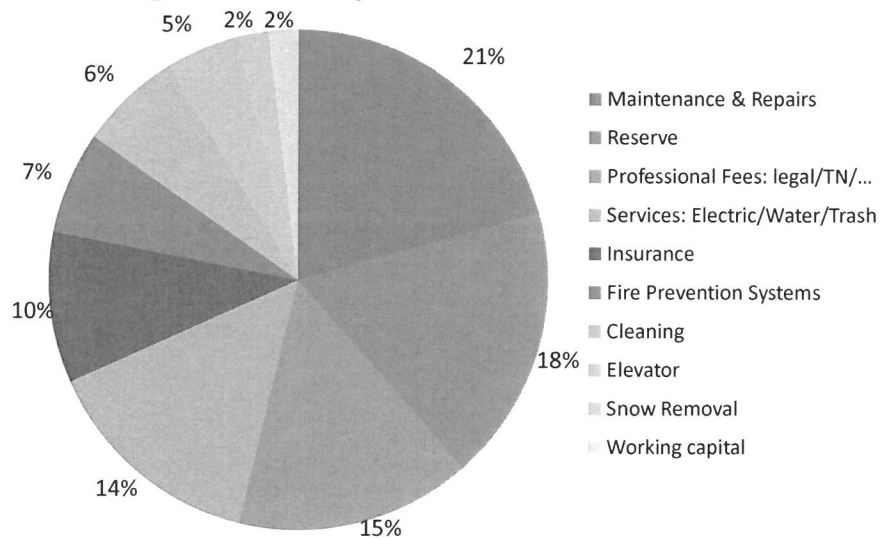
Status Item	Comments
2018 Performance • 2018 Budget vs 2018 Actual	<ul style="list-style-type: none"> • Significant differences Between Budget and Actual: + \$10,511 <ul style="list-style-type: none"> • Electric Common \$1,342 over • Elevator Maintenance \$1,481 under • Fire Panel/Extinguisher/Sprinkler Maintenance \$1,541 over • Insurance - Property Liability \$1,060 under • Landscaping Maintenance \$1,245 over • Legal Fees \$16,344 over, subject to recoupment in 2019 of \$20K from Green and \$20K from sale of Space 24 • Lift Maintenance \$2,100 under • Parking Lot /Snow Removal \$2,098 under • Professional Fees \$2,075 over • Clean Dryer Vents \$2,400 under (will be done in 2019) • Repairs and Maintenance under \$2,416 • Portico on 501 - \$3,500 under • Maintenance Reserve Fund Balance as of 12/31/2018: \$50,000 • Special Assessment: NONE

Financial (Continued)

Status Item	Comments
2019 Budget	<ul style="list-style-type: none"> • 2019 Budget vs 2018 Budget: No change from 2018 – quarterly dues same as 2018 • Impact on Condo Fees: None known subject to contingencies as Green & Whitcher work through the fixes agreed to in the 2018 mediations • 2019 addition to reserve fund: \$30,000 (includes catchup from Green shortage in 2015)/ Projected balance at 12/31/2019: \$80,000

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2019 Budgeted Expenses



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Legal Fees – Top Level View

Issue	Legal Fees Paid (through 2018)	Value Received	Difference
Broken Sprinkler	\$15K	\$130K	\$115K
Parking Space	\$26K	\$40K	\$14K
Building Issues	\$10K*	\$170K	\$150K
Total	\$51K	\$340K	\$289K

As frustrating as it was to spend the time and money on lawyers, the return to the HOA was well worth the investment. Most of the value received would have come out of the HOA in the form of an assessment

*We will incur additional legal fees this year as we document the closeout of the mediation agreement

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Old Business - Outstanding Topics (04/13/2019)

Topic	Comments / Status
Changing Door Entry Codes	Status: Complete
Install Key Lock Box for Stairwell Access	Status: Complete
Installing Monitoring Cameras	Status: Complete
Back Up Generator	Status: Tabled due to cost (\$30K - \$50K For Installed Receptacle/Switching Hardware; Generator availability an issue) – No new action
Access to units (Emergency)	Status: Permission form sent to unit owners for them their completion (True North or the Board will not enter without form) – No new action
By-Laws Changes (2018)	Status: Incorporated/Filed with State
339 Owners Handbook	Status: Complete
Vent cleaning for Pizzeria 339	Status: Awaiting Certificate of Cleaning from Unit - Complete
Dave's Towing Stickers	Status: Signs with contact info for Dave's Towing to be posted - Complete
Power washing	Status: Completed 2018

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Old Business (Continued)

Topic	Comments / Status
Space 24	Status: HOA prevailed in claim. Documentation being corrected. Legal fees (\$20K) being reimbursed by Mike Green. Space 24 auctioned off for additional \$20K (Barrett).
Building Construction Issues	Status: See next slide
Rules and Regulations	Document sent to all owners – Please read and comply Also available on True North Website (339 Page)
Reserve Fund Plan	Plan established and approved – will be revisited annually <ul style="list-style-type: none"> • Based on Capital Replacement Study • Plan posted on True North Website (339 Page)
Identifying/Correcting Maintenance Issues	Dryer Vent Cleaning – Being Scheduled 339 Pizza Vent Cleaning - Scheduled Building Pressure Washing – Planned after Doors installed

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Building Construction Issues

Topic	Status
Mediation	<ul style="list-style-type: none"> • Several meetings held with BoD/Green/Whitcher with no resolution • Parties agreed to go to mediation in fall of 2018 • Mediation resulted in the following: <ul style="list-style-type: none"> • HOA Received \$10,000 to cover cost of heat taping and insulating stairwell sprinkler pipes and install oil heater for elevator • The known deck issues (leaking/rusting) are being addressed • The leaking on the North East walls/windows will be addressed • The HOA will receive 24 new Pella doors for the Oceanside Residential Decks • The HOA will receive \$20K towards the installation of the doors • All of the rusted sprinkler heads were replaced and the HOA received a letter stating that we won't have sprinkler head issues for 5 years • Damaged wind shields on rooftop heat pumps were repaired/replaced • Siding on side of parapet (unit 505) was replaced • HOA will pay to fix lifting deck boards on unit 202 • HOA will pay to replace siding on North wall

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New Business – Condo Documentation
Amendments to the Declaration

Proposed Change	Description
<p>1. Amend Article III, “DESCRIPTION OF THE BOUNDARIES OF THE UNITS INCLUDING THE HORIZONTAL BOUNDARIES AS WELL AS THE VERTICAL BOUNDARIES AS REQUIRED BY RSA 356-B:16(d),” by adding the following new sentence at the end of the Article:</p> <p>The entire heating system, including those portions on the roof of the building, for each Unit is part of the Unit.</p>	<p>This recommended change clarifies responsibility of Heat Pump Ownership.</p> <p>Note: This change has been recommended by the association’s condo attorney and approved by the Board of Directors; 5 – Yes</p>
<p>2. Amend Article IV, “DESCRIPTION OF THE LIMITED COMMON AREAS, SHOWING OR DESIGNATING THE UNITS TO WHICH EACH IS ASSIGNED,” by replacing Section 5 with the following new section.</p> <p>5. Parking spaces 5 and 6, 7 and 8, and 11 up and 11 down each shall come with a car lift to allow for over/under parking. To the units which are assigned these spaces, the said car lift equipment is assigned as Limited Common Area.</p>	<p>This recommended change is necessary to align the site plan with the as built condition.</p> <p>Note: This change has been recommended by the association’s condo attorney and approved by the Board of Directors; 5 – Yes</p>
<p>3. Amend Article XII, “MAINTENANCE, ALTERATION, AND IMPROVEMENT,” Section B “By the Unit Owner,” by adding the following sentence:</p> <p>The residential Unit Owners shall be responsible for the repair, maintenance and replacement of all components of his/her heat pump. Prior to replacement, the Unit Owner must obtain the prior written approval of the Board to specifications of the replacement heat pump.</p>	<p>This recommended change gives the Board of Directors approval authority over Heat Pump Replacement.</p> <p>Note: This change has been recommended by the association’s condo attorney and approved by the Board of Directors; 5 – Yes</p>

New Business – Condo Documentation (Continued)
Amendments to the By-Laws

Proposed Change	Description
<p>1. Amend Article III, “VOTING PROVISIONS,” Section B “Proxies,” by replacing it in its entirety with the following:</p> <p>The votes appertaining to any unit may be cast pursuant to a proxy or proxies duly executed by or on behalf of the unit owner, or, in cases where the unit owner is more than one person, by or on behalf of all such persons. A person may not cast undirected proxies representing more than 10 percent of the votes in the Association. The proxy or proxies shall list the name of the person who is to vote. No such proxy shall be revocable except by actual notice to the person presiding over the meeting, by the unit owner, that it be revoked. Any proxy shall be void if it is not dated or if it purports to be revocable without the required notice. The proxy shall be void if not signed by a person having authority, at the time of the execution thereof, to execute deeds on behalf of that person. Any proxy shall terminate automatically upon the adjournment of the first meeting held on or after the date of the proxy. The Board of Directors shall deliver to the unit owners, together with their notice of meeting and agenda, proxy forms bearing a control number which the Board shall correlate to the list of all Owners then entitled to vote. At the noticed meeting, the Board shall recover all proxies and compare them to the control list maintained for that purpose. Any proxies which are on a form other than that provided by the Board or which do not correlate with the control list shall be disregarded for purposes of determining whether a quorum was present at the meeting and for purposes of casting any vote at the meeting.</p> <p>The Board shall retain all proxies delivered and all independent written confirmation of any such proxies for inspection by the Unit Owners for a period of not less than three years from the date of the meeting.</p>	<p>This recommended change aligns our By-Laws with State Statues.</p> <p>Note: This change has been recommended by the association’s condo attorney and approved by the Board of Directors; 4 – Yes; 1 No</p>

New Business – Condo Documentation (Continued)
Amendments to the By-Laws

Proposed Change	Description
<p>2. Amend Article III, “VOTING PROVISIONS,” Section B “Proxies,” by adding the following new Section C entitled “Voting Without a Meeting” and redesignating existing Section C, “Notice of Meetings of the Association,” as new Section D:</p> <p>C. Voting Without a Meeting. The Board may choose to put a matter to vote without a meeting. The Board shall notify the Unit Owners, that a vote will be taken by ballot and deliver a paper or electronic ballot to every Unit Owner entitled to vote. The ballot shall set forth the following:</p> <ul style="list-style-type: none"> • each proposed action and provide an opportunity to vote for or against the action; • indicate the number of responses to meet the quorum requirement; • state the percentage of votes necessary to approve each matter other than election of directors; • specify the time and date by which a ballot must be returned to the Board to be counted, which time and date may not be fewer than 10 days after the date of delivery of the ballot; • describe the time, date, and manner by which Unit Owners wishing to deliver information to all unit owners regarding the subject of the vote may do so. <p>A ballot is not revoked after delivery to the Board by death or disability or attempted revocation by the person that cast the vote. Approval by ballot is valid only if the number of votes cast equals or exceeds the quorum required to conduct a meeting authorizing the action.</p>	<p>This recommended change aligns our By-Laws with State Statutes.</p> <p>Note: This change has been recommended by the association’s condo attorney and approved by the Board of Directors; 4 – Yes; 1 No</p>

New Business – Condo Documentation (Continued)
Amendments to the By-Laws

Proposed Change	Description
<p>3. Amend Article V, “COMMON EXPENSES,” Section A, “Assessments,” by replacing it in its entirety with the following:</p> <p>The Board, at least annually, shall adopt a proposed budget for the Association for consideration by the Owners. Not later than 30 days after adoption of the proposed budget, the Board shall provide to all Owners a summary of the budget, including reserves, and a statement of the basis on which reserves are calculated and funded. Simultaneously, the Board shall set a date not less than 10 days or more than 60 days after providing the summary for a meeting of the unit owners to consider ratification of the budget. Unless at that meeting two thirds (2/3) of all Owners reject the budget, the budget is ratified, whether or not a quorum is present. If a proposed budget is rejected, the last ratified budget continues until the Owners ratify a subsequent budget.</p> <p>The Board, at any time, may propose a special assessment. Except in an emergency, the assessment is effective only if the Board follows the procedures for ratification of a budget and the Owners do not reject the assessment.</p> <p>If the Board determines by a two-third (2/3) vote that a special assessment is necessary to respond to an emergency, the special assessment becomes effective immediately in accordance with the terms of the vote. Notice of the special assessment must be provided to all Owners. The Board may spend the funds from the special assessment only for the purposes described in the vote.</p>	<p>This Changes aligns our By-Laws with the State Statutes.</p> <p>Note: This change has been recommended by the association’s condo attorney and approved by the Board of Directors; 4 – Yes; 1 No</p>

New Business – Condo Documentation (Continued)

Amendments to the By-Laws

Proposed Change	Description
<p>4. Amend Article V, “COMMON EXPENSES,” by adding a new section to be identified as B and changing the existing section B to C. The new section B is as follows:</p> <p>B. Initial Assessment upon the Transfer of a Unit. Upon the transfer of any unit at the Condominium the purchaser of said unit will be assessed the sum equal to one quarterly condominium assessment as a contribution to the capital reserve of the association.</p>	<p>This recommended change is to help offset the fact that new buyers get advantage of a well funded reserve account.</p> <p>Note: This change has been recommended by the association’s condo attorney and approved by the Board of Directors; 5 – Yes</p>
<p>NEW:</p> <p>5. Amend Article II by adding a new section F. as follows:</p> <p>F. All meetings of the Board of Directors and Association shall be governed in accordance with such procedures as the President deems reasonable and appropriate under the circumstances. At the President’s discretion, meetings may follow Robert Rules of Order but that process is not required.</p>	<p>This recommended change documents the fact that the Board of Directors are allowed the discretion to determine what procedures to use in the conduct of a meeting.</p> <p>Note: This change has been recommended by the association’s condo attorney and approved by the Board of Directors; 5 – Yes</p>

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2019 Board of Directors Nominees

- **2019 Nominees for the BOD*** (Note: two nominees for two positions)
 - Scott Barrett
 - TBD
- **Current 2 year positions with 1 year remaining:**
 - Steve Copley, President
 - Phil Bosma – Secretary
 - Dave Hartnett – Commercial Representative
- **Expiring Positions:**
 - Peter Sorrentino
 - Scott Barrett

Note: Once a full Board of Directors is elected, the elected members decide on what positions they will fill (with the exception of the Commercial Representative).

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New Business – Future 339 Direction

Topics	Comments
Identified Maintenance Issues	<ul style="list-style-type: none"> • Cleaning Rust from Siding and Trim • Selected Painting of Door Jambs, Lobby Walls, Mail Box Cabinet • Replace Rusted Outside Lights as Needed • Replace Deck Railing Brackets as Needed <ul style="list-style-type: none"> • HOA Purchased new components at discounted price • Paint/Replace Rusted Door hardware on Common Doors
Heat Pumps	<ul style="list-style-type: none"> • Units have approximately 5 years of remaining life • Difficulty finding technicians to service units • BoD solicited a bid for Preventative Maintenance Services – all or nothing deal
Business Owners requirements	Outdoor seating/signage/attractions, window treatments, cleaning, etc.

New Business - Open session for unit owners feedback

Topics	Comments

Adjourn

Enclosure 2 to 2019 Annual Meeting MINUTES

	A	B	C	D	N	O	P	Q	R	S
1				339 Ocean Blvd Homeowners Ass'n 2018 and 2017 Income Statements	Operating account 2017	Reserve account 2017	Consolidated Totals 2017	Operating account 2018	Reserve account 2018	Consolidated Totals 2018
2					Actuals	Actuals		Actuals	Actuals	
3					Jan - Dec 17	Jan - Dec 17		Jan - Dec 18	Jan - Dec 18	
4				Ordinary Income/Expense						
5				Income						
6				Residential Condo Fees	108,099.97		108,099.97	127,093.31		127,093.31
7				Commercial - Condo Fees	7,699.98		7,699.98	11,662.56		11,662.56
8				Heat Tape Installation Green Funds				10,000.00		10,000.00
9				Late Charges	38.91		38.91	127.13		127.13
10				Interest Income		22.89	22.89		173.52	173.52
11				Misc Income	72.79		72.79			0.00
12				Reserve fund	(20,000.00)	20,000.00	0.00	(15,000.00)	15,000.00	0.00
13				Total Income	95,911.65	20,022.89	115,934.54	133,883.00	15,173.52	149,056.52
14				Expense						
15				Bank Service Charges	20.00		20.00	0.00		0.00
16				Common Area Cleaning	6,530.00		6,530.00	6,300.00		6,300.00
17				Electric Common	9,536.68		9,536.68	11,342.25		11,342.25
18				Electric Elevator	3,031.26		3,031.26	3,324.88		3,324.88
19				Elevator Maintenance Contract	7,441.21		7,441.21	3,811.35		3,811.35
20				Elevator Maintenance	1,887.34		1,887.34	519.00		519.00
21				Fire Extinguisher Maintenance	854.69		854.69	3,040.96		3,040.96
22				Heat/Fire Panel Monitoring Fee	1,016.33		1,016.33	1,512.00		1,512.00
23				Heat Tape Installation Expenses			0.00	7,500.00		7,500.00
24				Insurance - Property Liability	14,681.94		14,681.94	15,040.47		15,040.47
25				Insurance - Umbrella	2,009.50		2,009.50	1,383.00		1,383.00
26				Irrigation Service	220.00		220.00	175.00		175.00
27				Landscaping Maintenance	575.00		575.00	1,845.00		1,845.00
28				Legal Fees	4,516.00		4,516.00	31,344.36		31,344.36
29				Lift Maintenance	870.00		870.00	0.00		0.00
30				Monitoring Installation	7,009.50		7,009.50	0.00		0.00
31				Office Expense	555.42		555.42	565.18		565.18
32				Parking Lot /Snow Removal	5,274.00		5,274.00	3,102.00		3,102.00
33				Professional Fees	4,164.75		4,164.75	2,075.00		2,075.00
34				Malthouse water intrusion investigate				3,775.00		3,775.00
35				Property Management Fees	8,700.00		8,700.00	8,700.00		8,700.00
36				Total Repairs and Maintenance	9,225.72		9,225.72	7,943.47		7,943.47
37				Rubbish Removal	6,985.78		6,985.78	7,696.30		7,696.30
38				Camera Monitoring System Install	0.00		0.00	4,982.00		4,982.00
39				Rubbish Tote Swap Fees	150.00		150.00	0.00		0.00
40				Security Monitoring	0.00		0.00	0.00		0.00
41				Sprinkler/Fire Pump Inspection	1,762.73		1,762.73	2,746.95		2,746.95
42				Stormwater Management			0.00	600.00		600.00
43				Telephone Expense - Alarms	2,058.68		2,058.68	2,077.20		2,077.20
44				Water - Domestic - Residents	4,188.80		4,188.80	4,876.46		4,876.46
45				Water -Private Fire Service Fee	1,843.88		1,843.88	2,267.63		2,267.63
46				Total Expense	105,109.21	0.00	105,109.21	138,545.46	0.00	138,545.46
47										
48				Net Income (Loss)	(9,197.56)	20,022.89	10,825.33	(4,662.46)	15,173.52	10,511.06

	A	K	L	M	N	O	P	Q
1	339 Ocean Blvd Homeowners Ass'n 2018 and 2017 Balance Sheets	Operating account 2017	Reserve account 2017	Consolidated Totals 2017		Operating account 2018	Reserve account 2018	Consolidated Totals 2018
2		Actuals	Actuals			Actuals	Actuals	
3		Jan - Dec 17	Jan - Dec 17			Jan - Dec 18	Jan - Dec 18	
4	ASSETS							
5	TD Bank Operating	17,326.79		17,326.79		4,974.66		4,974.66
6	TD Bank Reserve		35,016.45	35,016.45				
7	Digital Fed Credit Union Reserve						50,176.73	50,176.73
8	Accounts Receivable	(8,210.91)		(8,210.91)		(508.00)		(508.00)
9	Insurance Settlement Expenses	0.50		0.50				
10	Misc adjustment to balance	(19.22)	19.22	0.00				
11								
12	Total assets	9,097.16	35,035.67	44,132.83		4,466.66	50,176.73	54,643.39
13								
14	LIABILITIES & RETAINED EARNINGS							
15	Accounts Payable	0.00		0.00		0.00		0.00
16								
17	Retained Earnings beginning of year	18,294.72	15,012.78	33,307.50		9,097.16	35,035.67	44,132.83
18	Misc adjustment related to 12-31-17 Insurance Settlement Expenses					(0.50)		(0.50)
19	Adjusted Retained Earnings beginning of year					9,096.66	35,035.67	44,132.33
20	Earnings (Loss) current year	(9,197.56)	20,022.89	10,825.33		(4,662.46)	15,173.52	10,511.06
21	Misc adjustment to balance					32.46	(32.46)	0.00
22	Retained Earnings end of year	9,097.16	35,035.67	44,132.83		4,466.66	50,176.73	54,643.39
23								
24	Total Liabilities & Retained Earnings	9,097.16	35,035.67	44,132.83		4,466.66	50,176.73	54,643.39

	A	B	C	D	E	F	G	H	I	L	M	N
1					339 Ocean Blvd Homeowners Ass'n 2019 Proposed Budget							
2						2018		Actuals		2018 Budget		2019 Budget
3						Budget		Jan - Dec 2018		vs Actual		
4					Ordinary Income/Expense							
5					Income							
6					Residential Condo Fees	127,535.00		127,093.31		(441.69)		127,535.00
7					Commercial - Condo Fees	12,464.00		11,662.56		(801.44)		12,464.00
8					Late Charges	0.00		127.13		127.13		125.00
9					Misc Income			0.00				0.00
10					Heat Tape Installation Green Funds			10,000.00		10,000.00		0.00
11					Interest Income			173.52		173.52		600.00
12					Misc adjustment 2-26-19	(1.00)						
13					New ocean-side doors Green funds (approximate)							60,000.00
14					Ocean-side door installation Green funds							20,000.00
15					Repairs by Green & Whitcher (in-kind) (estimated)							75,000.00
16					Sale of parking space 24							20,000.00
17					Green pay HOA legal fees re parking space 24							20,000.00
18					Total Income	139,998.00		149,056.52		9,057.52		335,724.00
19					Expense							
20					Bank Service Charges			0.00		0.00		0.00
21					Common Area Cleaning	6,300.00		6,300.00		0.00		6,300.00
22					Electric Common	10,000.00		11,342.25		1,342.25		11,500.00
23					Electric Elevator	3,500.00		3,324.88		(175.12)		3,500.00
24					Elevator Maintenance Contract	3,890.00		3,811.35		(78.65)		3,890.00
25					Elevator Maintenance	2,000.00		519.00		(1,481.00)		500.00
26					Fire Panel/Extinguisher/Sprinkler Maintenance	1,500.00		3,040.96		1,540.96		1,500.00
27					Heat/Fire Panel Monitoring Fee	1,512.00		1,512.00		0.00		1,512.00
28					Heat Tape Installation Expenses			7,500.00		7,500.00		0.00
29					Insurance - Property Liability	16,100.00		15,040.47		(1,059.53)		15,000.00
30					Insurance - Umbrella	2,200.00		1,383.00		(817.00)		1,400.00
31					Irrigation Service	220.00		175.00		(45.00)		200.00
32					Landscaping Maintenance	600.00		1,845.00		1,245.00		1,850.00
33					Legal Fees	15,000.00		31,344.36		16,344.36		15,000.00
34					Lift Maintenance	2,100.00		0.00		(2,100.00)		1,600.00
35					Light Fixture Replacement							0.00
36					Office Expense	500.00		565.18		65.18		600.00
37					Parking Lot /Snow Removal	5,200.00		3,102.00		(2,098.00)		3,500.00
38					Parking Area Maintenance (Every 2 Years) ADD							
39					Professional Fees			2,075.00		2,075.00		1,000.00
40					Property Management Fees	8,961.00		8,700.00		(261.00)		9,100.00
41					Repairs and Maintenance							
42					Clean Dryer Vents	2,400.00		0.00		(2,400.00)		2,400.00
43					Parking Area Maintenance (Every 2 Years)							2,500.00
44					Power Wash Building incl Commercial	2,540.00		2,360.00		(180.00)		2,400.00
45					Pump Room							500.00
46					Exterior Scraping/Painting Rust	500.00				(500.00)		1,000.00
47					Extraordinary repairs to North wall							15,000.00
48					Repair Unit 202 Raised Deck							2,000.00
49					Repair Frozen Bathroom Drain Unit 203							1,000.00
50					Replace Rusted Door Bars/Handles/Plates							2,000.00
51					Camera Monitoring System Maintenance							500.00
52					Light Fixture Replacement							500.00
53					Install ocean-side doors							32,500.00
54					Repairs and Maintenance - Other	8,000.00		5,583.47		(2,416.53)		6,000.00
55					Total Repairs and Maintenance	13,440.00		7,943.47		(5,496.53)		68,300.00
56					Reserve Fund Allocation (including catch up)	15,000.00		0.00				30,000.00
57					Rubbish Removal	7,000.00		7,696.30		696.30		8,000.00
58					Purchase ocean-side doors (approximate)							60,000.00
59					Repairs by Green & Whitcher (in-kind) (estimated)							75,000.00
60					Portico on 501	3,500.00		-		(3,500.00)		0.00
61					Malthouse Const (Water Intrusion investigation)	3,775.00		3,775.00		0.00		0.00
62					Camera Monitoring System Installation	5,000.00		4,982.00		(18.00)		0.00
63					Rubbish Tote Swap Fees	600.00		0.00		(600.00)		0.00
64					Sprinkler/Fire Pump Inspection	3,000.00		2,746.95		(253.05)		3,000.00
65					Stormwater Management	500.00		600.00		100.00		600.00
66					Telephone Expense - Alarms	2,100.00		2,077.20		(22.80)		2,100.00
67					Water - Domestic - Residents	4,500.00		4,876.46		376.46		5,000.00
68					Water -Private Fire Service Fee	2,000.00		2,267.63		267.63		2,500.00
69					Working capital & contingencies							3,272.00
70					Total Expense	139,998.00		138,545.46		(1,452.54)		335,724.00
71					Net Income		0.00	10,511.06		10,511.06		0.00