

339 Ocean Boulevard Condominium Owners Association
Annual Meeting Minutes
April 18, 2020

The Association's annual meeting was held on Saturday, April 18, 2020 via telephone conference call. The meeting was conducted in this manner, due to the COVID-19 National Emergency, using our UberConference website account, which enables and facilitates teleconferences of this type. The Board of Directors routinely uses this service for board meetings as well.

Prior to this event, a pre-meeting notification and information package had been mailed to all owners in accordance with procedures and time frames established in our Declaration of Condominium and State of New Hampshire statutes. These packages were indexed and page numbered to facilitate discussions during the meeting. No voting was planned during the meeting itself; however, a ballot, with a pre-addressed, stamped return envelope, was included with each pre-meeting package. Ballots were to be completed at the conclusion of the meeting and mailed in. Further, the ballot was intended for use by all owners, whether or not they attended the annual meeting. In addition, emails that provided supplemental information to all owners were sent by CP Management prior to the meeting. These emails contained supplemental information for the Board of Directors election, and answers to specific questions that had been submitted by owners in advance of the meeting.

The agenda for the meeting is as shown in bold type below. Each agenda topic will be addressed separately as presented by the board.

Call to Order

The Secretary of the Board of Directors, Phil Bosma, opened the teleconference phone line (603-267-4384) at 8:45 AM, to permit owners and other interested parties to call in to the teleconference. He called the meeting to order at 9:05 AM.

Roll Call

Phil conducted a roll call confirming the specific attendees participating in the conference. It was noted that representatives from all units except 103, 105, 107, 203, 205, 402, 404, 406, 503, 504, and 505 were on the call. In addition, the CP Management property manager, Sam Raynor, was present on the call.

Establish Quorum

A meeting quorum was established with 20 of 31 units representing 67.511% of the Association's voting power present on the conference call. This exceeds the requirements stated in the Declaration of Condominium.

Affidavit of Notice Mailing

An Affidavit of Notice Mailing was provided to the Association by our former property manager, True North Property Management, which certified that the notice and other pertinent information had been mailed to all owners to their official addresses on file. This affidavit will remain on file with Association records for three years.

Welcome

The meeting was turned over to the President, Board of Directors and meeting moderator, Joe Mancini, who welcomed all attendees to the teleconference. Joe thanked retiring board members Dave Hartnett and Phil Bosma for their service on the board. He also thanked True North Property Management and its owner Ted Alex for the excellent support they have provided to the Association since its inception. Joe also noted that since the last annual meeting, ownership of three units has changed. Owners of units 505

(Al and Jane Gadbut), 203 (Scott and Deborah Richards), and 402 (Arvid Gireesh) were formally welcomed to the Association.

Annual Meeting Procedures

Joe outlined the procedures and protocols that would be used during the meeting. He asked that anyone speaking first state their name, so everyone is aware of who is talking. He also asked everyone on the call to keep their phones muted unless they were talking. He briefly reviewed the structure and contents of the pre-package information, indicating that board speakers would reference specific page numbers when discussing agenda items. Joe also noted that at the conclusion of each agenda topic, attendees would be asked if they have any questions.

Joe mentioned the ballot that had been included in the package. He indicated that there were four items that would require voting by Association owners. He asked that Dave Mould's name be added as a candidate for a Board of Directors position, as Dave's request to run was received after the ballots had been mailed. He further explained that a second ballot, containing Dave's name had been sent out via email prior to the meeting. Owners were advised that they could either use the revised ballot, or ensure that Dave's name was added to the original ballot.

Lastly, Joe acknowledged that owner submitted questions had been received by the Board of Directors prior to the meeting. He noted that these questions had been answered via email to all members, but that they would again be addressed during the meeting.

CP Management Information

Joe introduced Sam Raynor, from CP Management, who is our new property manager. Sam had prepared a welcome letter describing CP Management capabilities which was included in the pre-meeting package. He stated that CP Management support to 339 Ocean Blvd began on April 1, 2020. He indicated that he was pleased to be supporting us and looked forward to working with the board and the Association. He noted that the transition to CP has been quite smooth, to date; although, there are still a few accounts, websites, and other minor items to be worked out. He expects things to continue to rapidly be in place in the near future.

Approve 2019 Meeting Minutes

Joe indicated that the minutes from last year's meeting were in the pre-meeting package, and that everyone should have a copy. Therefore, we would not read the minutes again during the meeting. He asked if anyone had questions concerning any aspect of these minutes. No questions were asked. In conclusion he reminded attendees that a vote would be required to approve the minutes, and that this was ballot Item 1.

Financial

Joe indicated that the next agenda item was a presentation of financial information. He stated that 2020 Budget approval was a ballot item. He also noted as general comments that the overall Association budget has been unchanged for three years, with respect to amounts that owners pay in fees. Overall, the financial state of the Association has been, and continues to be, strong.

Joe then turned the meeting over to Scott Barrett, Treasurer, Board of Directors, to present the Association's financial performance for 2019, the status of the Reserve Fund at year end, and the 2020 Association Budget.

Scott first presented the financial statements that had been provided in the pre-meeting package. The balance sheet compared performance in the operating account, reserve account, and the consolidated totals for 2018 and 2019. For 2019, at year end, the operating balance was \$7537, the reserve balance was \$72,105, and the consolidated total was \$79,643.

There were some questions asked concerning technical accounting procedures in dealing with accounts receivable and adjustments to retained earnings. Discussions occurred indicating ideas and suggestions how to avoid confusion and handle these items; however, in the final analysis it was concluded that the final numbers are objectively verifiable and are unaffected. Further, CP Management uses a different software for their accounting than did True North, so these possibly confusing situations should not occur in the future.

The income statement similarly presented information in the operating and reserve accounts along with the consolidated totals for 2018 and 2019. Scott noted that a three page, detailed breakdown of the Repairs and Maintenance category (\$58,631) was included in the pre-meeting package for review by any interested owner. He also stated that all expenditures by True North were reviewed by the Board of Directors before payment was made, to ensure accuracy. Further, he noted that a total of \$21,939 (including interest) had been contributed to the reserve account for 2019.

Scott explained that the reserve fund is kept in a separate bank account which earns a higher interest rate than the account for operating funds. He reiterated that the year-end Reserve Fund balance was \$72,105 and that \$21,396 had been directed into the account by the Board of Directors during 2019. In response to a question concerning adequacy of annual amounts being added to the reserve it was noted that the amounts are based upon the Association's Reserve Fund Plan. This plan was prepared and approved by the board last year, with a requirement to review it annually for adequacy. A review, conducted by the board, in January 2020, indicated that the annual contribution of \$15,000 met current requirements. Scott reinforced the idea that a strong reserve fund was not only important to being able to replace building systems, but was also valuable to a condominium when individual units are bought and sold.

An owner asked if CP Management has had an opportunity to review the Association's Reserve Fund Plan since they have experience with many other condominiums. Sam Raynor responded that he has looked at our plan and is currently reviewing it in more detail. He stated he would be having discussions with the Board of Directors concerning the document in the future.

The proposed 2020 Budget was also included as part of the pre-meeting package. The budget presentation contained the 2019 budget, the actual 2019 expenditures by budget category, and the difference between budgeted and actual. It also included the proposed 2020 budget, by category. Scott noted that the details of the Repair and Maintenance category are contained in a separate breakdown sheet, also included in the pre-meeting package. This sheet identifies and prioritizes the individual repair and maintenance activities planned for 2020. Estimated costs are \$30,460 for the entire list. Assuming the estimates are correct, the budget will be able to accomplish \$25,622 of the identified items. This means all high and medium priority tasks identified (\$21,360) should be completed, along with a portion of the low priority tasks.

Lastly, attendees were again reminded that a vote would be required to approve the 2020 Budget, and that this was ballot Item 2.

Old Business

Joe Mancini presented this agenda topic which consisted of an overview of Board of Directors significant focus areas that were accomplished during 2019.

Arbitration and Mediation

He noted that the arbitration and mediation activities that have consumed so much of the Board of Directors time and effort in the past have finally been completely closed out. All payments due the Association have been received, new Pella ocean side doors have been installed, and building construction issues identified to be corrected by Whitcher Builders have been completed.

Panasonic Subrogation

Joe summarized our Panasonic subrogation activities by explaining that the Association has initiated an effort to join others in legal action against Panasonic, our HVAC provider, for equipment issues related to the 2016 freeze-up in our building. The action is under consideration by a New Hampshire judge. It is unknown when an outcome or next step is expected. We have secured legal help on a contingency basis so our costs are very low. Our attorneys don't get paid if we don't get paid. We have joined the ongoing lawsuits realizing that there is likely a low probability of success; however, because of minimal potential costs we decided to participate.

Identifying/Correcting Maintenance Issues

Throughout 2019 we identified and corrected new issues and continued to correct previously identified problems. The detailed list of Repair and Maintenance items discussed during the financial report shows the extent of these activities. A detailed walk through of the condominium in September 2019 by True North and some Board of Directors representatives resulted in a list of repair items, some of which were repaired and include in the detailed list cited above. The remaining items, along with uncorrected problems sustained during the fall storm, form the basis for the 2020 budget category of Repair and Maintenance.

A question was asked if the 2020 power wash budget (\$1560) included a lift. The budget cost was based on the 2019 actual cost; however, the quotes for 2020 were higher. Because of unit entry problems encountered last year, it was decided to use a lift to clean the ocean side front so that contractors will not have to enter individual units to get to the front. This increased the cost by \$550. The total bill this year will be approximately \$3200 and will include washing of the building front, rear, and inside the garage.

Later in the meeting, in response to a question concerning washing windows on the north and south ends of the building, it was noted again that we were not including those portions of the building this year. Further, the entire power wash quote did not include window cleaning for any of the windows. All windows will be sprayed and washed down, but individual owners will have to wipe their own windows.

A question was asked about the 2020 maintenance task to repair picture window water leaks in 01 units (\$3,000). It was explained that this was to determine the source of water intrusion through the areas of these windows in the 01 units during the fall storm, and to repair the problem, if possible.

Developed Check lists and Calendar

The Board, in conjunction with True North, prepared detailed checklists of tasks required to prepare the condominium for winter and summer seasons. These checklists will be refined and used by CP Management representatives in accomplishing seasonal requirements.

The Board also developed an annual calendar which identifies actions that need to be taken every month to effectively manage condominium operations. The calendar includes maintenance and contract actions required so that nothing is omitted or forgotten.

October Storm Damage

A storm on October 17, 2019 caused some damage to the condominium. Several heat pump units on the roof were blown over, the lid was blown off a chase (dog house) that carries electrical and plumbing into the building, and the roof was damaged in several areas. Additionally, damage was done to the pergola and cover on Unit 501, shingles were blown off Unit 503, and water intruded into the windows of the 01 units. The roof related damage was mostly repaired. Items not yet repaired are included in the 2020 Budget. It was noted that CP Management planned to address the missing shingles over Unit 503 by coordinating with the power wash vendor to use the lift when the building is being power washed in May.

TN Notice to Quit

In December 2019 True North sent a notice to the Association that they would be terminating their service to us as a Property Manager. True North was downsizing and scaling back their operation. This led to a 3 month extensive search to obtain a new property manager. In March, 2020 the Board of Directors selected CP Management, who assumed the role on April 1, 2020. We expect to have a long, fruitful relationship with Sam Raynor and the entire CP Management organization.

New Business

Condo Documentation

Joe mentioned that there was one proposed amendment to the Declaration of Condominium that would require a vote by the membership; it was ballot Item 3.

Phil presented an overview of the proposed amendment, a copy of which had been included in the pre-meeting package. He noted that the purpose for the revision was to correct errors and omissions caused by earlier amendments and changes, and that there was no need to read the document during the meeting since everyone received a copy. He also stated that the rationale for each change was shown in italics following the change in the document. In general, the changes are largely administrative, caused mostly by document changes made in September 2014, prior to the owners assuming control of the Association. This change increased the number of commercial units from five to seven. In addition, one change corrects and simplifies the undivided interest table in the document. There was one question concerning the amendment at the conclusion of the discussion.

An owner asked why the business area for his commercial unit was being left "To Be Determined," when the First Amendment to the declaration in July 2014 indicated it was a restaurant. It was noted that this earlier amendment was not a business designation, rather it referred to a venting system. The declaration states that the declarant (developer) specifies business areas initially. Thereafter commercial unit owners holding a majority of the voting rights shall make amendments. The initial specification was "To Be Determined." If changes are to be made to business designations, the commercial unit owners must get together and agree by vote to make the changes. If the owners work together and reach agreement then the board can and will change the documentation.

In response to a question concerning allocation of costs of accomplishing document changes it was noted that since the board did the preparation, the only costs for this change would be for legal review and filing, and were expected to be minimal. Further the declaration is a governing document so any costs associated with revisions are shared by the entire Association.

Election for Board of Directors

Phil discussed the election for the Board of Director open positions. First he reminded everyone to ensure that Dave Mould's name was on the ballot as a candidate. He explained that there were four candidates for three open positions. One position was for a Commercial Representative, a requirement for the Board, and two were for Residential owners. Karloss Kozal, a commercial owner, has volunteered to run for the open Commercial Representative position. Since everyone must vote for one Commercial Representative, Karloss should receive their vote.

The three candidates for the remaining two open positions are Joe Mancini, Steve Bezreh, and Dave Mould. Each candidate had been afforded the opportunity to prepare a statement as to why they wanted to serve on the Board. The candidate statements were sent to the membership via a blast email prior to the meeting. Owners were asked if they had any questions for the candidates. One question, concerning the composition of directors who rent and directors who do not rent was asked. In response, candidates Joe Mancini, and Dave Mould indicated that they rent their units periodically, while Steve Bezreh does not. (Current board member Scott Barrett does rent, while Sue Welch does not.) No further questions were asked. Owners were reminded that under ballot Item 4, they should vote for three candidates, one of which must be a Commercial Representative.

Future 339 Directions

Joe discussed the future directions that the Board of Directors would be taking during 2020. He indicated that we will be integrating our operations with the new property manager. This will include transferring financial and other administrative activities, and getting the repair and maintenance items already identified accomplished. We will be completing the tasks focusing on the high priority projects first, then working through the medium and low priority tasks later. Any tasks not completed will be carried over to 2021.

Next Joe covered some of the planned changes that will occur in 2020. We will be replacing all of our rusted oceanside lights. The new lights are all plastic and have been undergoing test, where they have performed satisfactorily, for several months. CP Management will order and replace all lights. Access to all units will be required for this task, and will be scheduled. Additionally, when the lights are being replaced, corroded deck railing caps and brackets will also be changed.

A discussion of railing balusters occurred in response to a question as to whether or not split balusters would be repaired when corroded caps and brackets are replaced. The answer was that baluster replacement is a separate event, currently on our maintenance list. It is expected that we will not be able to get parts in time to do it during light replacement. It was noted that only two units apparently have this problem, although the situation may be unnoticed by many owners. This problem, in most cases, does not appear to be a safety or aesthetic issue; however, if it is either of these conditions, replacement will be made. The Board has an action to further evaluate this situation.

The foot wash located near parking space 11 & 11 will be moved to a position around the corner, in the driveway near the north stairway. This entails moving the water spigot. It is expected that this will be a more satisfactory location and will not hinder parking in space 11 & 11.

The lobby area will be repainted by contractors in the near future. This is a high priority task. At the same time we will also paint other less noticeable areas around building that have been previously identified.

A landscape committee is being established to do some minor landscaping work around the property on a volunteer basis. Sue Welch is coordinating committee activities. Participants will be required to sign a liability waiver, which is currently being prepared.

Reminders

We recently received notification of high water usage in the condominium. Owners were requested to check their units for appliances and fixtures that may be leaking. In the past we have had problems with toilet flapper valves and have received manufacturer's replacements. Some valves are still available in the water room. It was suggested that when owners are not present in the building they shut the water off to their toilets. Additionally, it was noted that Kohler fixtures have a lifetime warranty and will be replaced if they go bad. Several owners have taken advantage of this. Also leaks have been noted in fixtures that haven't been used for extended periods. In addition, it was noted that water should be added to traps in sinks and tubs so they don't dry out if units are vacant for longer periods of time.

During our required annual storm water management inspection it was noted that there was a large buildup of grease in our sewer. This is the second time in five years that this has occurred, and caused the Association to have the sewer cleaned by a contractor. We also ran a camera down the sewer in an attempt to determine the source. Results were revealing, but inconclusive. Owners are reminded that grease cannot be put down sinks or other fixtures into the sewer!

Owners were reminded to ensure that their contact information is current with CP Management. Correct USPS and email addresses and telephone numbers are imperative in the event of emergencies and/or dissemination of condominium information.

Owners were reminded that they should register on CP Management's Building maintenance system. Owners are encouraged to report other problems they find in the common area using this system. Sam Raynor will consolidate requests that are made, and discuss them with the Board of Directors.

CP Management will not enter any unit without owner permission. Permission forms or other written permission should be sent to CP Management if you want to let their representatives into your unit, if you are not present.

Owners who rent were reminded that they must submit an Intent to Rent form each year. Contact information must be included on this form. The form is still available on the True North website and will be posted soon on the CP Management website.

Parking – please remember to use your parking passes, particularly in the high use (summer) season.

Owners were advised that our trash pickup contract will be changing on June 1, 2020. We will still have totes in both the north and south trash rooms that will be collected by the contractor; however, we will not have recycling.

Answers to Owner Questions

Joe read the Board's answers to the 11 questions that had been sent to the board prior to this meeting. There were some discussions related to a few questions as he went through the list. Joe confirmed that the questions and answers were emailed to all owners prior to the annual meeting.

Input From Owners (Board)

Owner input was solicited by the Board to ensure that everyone had an opportunity to comment and/or ask questions. All attendees thanked the Board for their efforts over the past year. Many owners indicated that they looked forward to working with Sam Raynor and CP Management. Recognition and thanks were given to the many residents who help out, when they see a need for our community.

Some potential action items were developed as a result of owner suggestions, questions, and comments:

1. A suggestion was made that the Board consider reviewing the Association Pet Policy.
2. It was noted that Unit 202 deck boards were lifting despite several attempts that had been made to fix this situation. The unit owners were asked to submit a work order through CP's Building Engine system so that it can be processed, scheduled, and tracked until repairs are satisfactory.
3. A suggestion was made for the Board to consider adding pictures/hangings to the walls in the lobby area after the painting is completed, to enhance that area of the building.
4. A suggestion was made that the Board consider establishing an orientation/welcome committee to welcome new owners to the condominium. Currently, the Board President, Joe Mancini, is personally welcoming new owners.
5. A suggestion was made that the Board consider setting up a "Useful Tips" area on our website so that information relevant to all owners learned by an owner can be shared. Some examples were: Experience with Kohler faucet warranties, Self-install video website links, Leaking toilet flapper valves, etc.
6. An owner noted that several lights were out on the fourth floor deck on the west side of the building, and in the parking area.
7. A suggestion was made that all owners should consider serving a term as a member of the Board of Directors. The experience will be very insightful, and provide better understanding with respect to operation of the condominium.

Ballot Instructions

Joe reminded everyone to complete their ballot, and put it in the mail. He noted that any ballots received after April 30, 2020 would not be counted. He advised everyone that the results of voting will be included with the meeting minutes, and will be sent to all owners via email blast.

Voting Results

As of May 1, 2020, 23 completed ballots representing 78.87 % of the Association owner voting power had been received: Following are the results:

Item 1. The 2019 Annual Meeting Minutes were approved by a majority of the Association's owner voting power.

Item 2. The 2020 Annual Budget was approved by a majority of the Association's owner voting power.

Item 3. The Amendment to the Declaration of Condominium was approved by more than 67% of the Association's owner voting power.

Item 4. Balloting for the Board of Directors three open positions resulted in the election of Karloss Kozal (Commercial Representative), Joe Mancini (Board of Directors), and Steve Bezreh (Board of Directors) by a majority of the Association's owner voting power. Thus, your Board of Directors for 2020 will be: Joe Mancini, Scott Barrett, Sue Welch, Karloss Kozal, and Steve Bezreh.

Adjourn

Joe adjourned the meeting at 11:25 AM. The meeting lasted 2 hours and 20 minutes.