

# DRAFT

## **2016 Annual Meeting of the Owners of Stone Terrace**

Monday, October 17, 2016  
Manchester City Library, Manchester, NH

Maureen Gilman, Stone Terrace Property Manager for Sentry Property management, called the meeting to order at 6:30 after roll call and owner registration was completed.

**Quorum:** The attendance of the meeting as 31.16% in attendance and 12.16 present by proxy with a total of 43.32%. We made quorum (quorum is 25%) to allow us to vote.

The reading of the 2015 minutes was waived, a motion to approve was given by owner 245-105 and seconded by owner 265-208, and all approved. Maureen talked about proof of meeting which was mailed to owners by US Postal service in September which included the new budget for 2017 along with the opening of 2 positions on the board of directors.

**President Message:** Good evening and thank you all for coming out tonight. I am Debbie Patterson, and have served as President of the board for the past 3 years. My job tonight is to report to all of you the condition of the property. At last year's annual meeting I focused my speech on transition. We had a new Property management team, new maintenance with Certified, new lawyers and were about to begin a lease agreement with Automatic Laundry for our newly acquired laundry rooms. This year I am very happy to report to you that things are running smoothly!

We have come so very far with the property as a whole. The major things that this board and homeowners were most concerned about 3 years ago have been addressed. Our yearly master insurance cost has decreased the past two years. Plumbing and sprinkler systems are inspected and serviced as needed. Outside, our irrigation system has been less problematic this year and the major repairs that we made to the pool last fall enabled us to have an uninterrupted swim season.

Our contract with Automatic laundry has operated successfully. All new washers and dryers have been installed, and we have had no problems with their upkeep. We have also been on a regular schedule for cleaning the vents which in the past was a nightmare. At our 2015 meeting, we voted to change the docs to reflect that these rooms are now part of common area. This allowed us to have the taxes included in our regular bill rather than 6 additional bills for the rooms.

Other maintenance projects this year include:

Circulator fans for the heating system have been repaired and/or replaced

Extensive inspection of and ongoing repairs to all plumbing in both buildings as well as the clubhouse

Gutter replaced at clubhouse

Dead tree cut down and tree stumps removed

Dumpster enclosures were repaired and painted

Deck inspections and repairs where needed

Garage sweeping

Carpet cleaning

Window washing

Power washing of both buildings and clubhouse are in process and we are gradually replacing light bulbs as they burn out with LED which will help with energy costs.

All of this work takes time and money. We, as a board, try very hard to be cognizant of budget as we deal with regular maintenance and upkeep to the property. We have reserves that have steadily grown due to careful planning. Sometimes planned projects are delayed if something unexpected happens requiring immediate action. As you know, this is a large property and keeping up with things takes a great deal of diligence. All 5 of us discuss items along with Maureen, our property manager, and make decisions based on what is best for the property as a whole. There are no unilateral decisions made here.

In conclusion I would like to personally thank these people who have worked very hard on your behalf. Please stand as I introduce you. Paul Martineau, vice president, Pam Saidla, treasurer, Ann Ball, secretary, (thank you Ann for all of the time you have put in over the past several years) Gloria Schmidtchen member at large, and Maureen Gilman our property manager from Sentry, who has been our guide to everything that happens on a daily basis. I can't stress enough how important it is to have board members who are respectful of each other and cooperate for the greater cause. It's all about discussing relevant research and information to make the right decisions. That is why I am proud of what this board has been able to accomplish, and what we hope for in the coming year.

This year you are voting on 2 positions. Next year there will be 3 positions. We need people to consider running. This is coming up on my 5<sup>th</sup> year and plan for it to be my last year. Many of you have some excellent background skills that would be an asset to Stone Terrace. I know it is

hard to find extra time, but this property belongs to all of us. We are a community. Good or bad depends on all of us.

Treasurer Message:

Good evening everyone, my name is Pam Saidla and I have been the Treasurer of Stone Terrace for the past five years. Professionally, I have been a corporate controller for over thirty years. Some of what I am about to say will be familiar, but I am being repetitive for new owners that have not attended an annual meeting in the past.

Management of a condominium community is much like a democratic government in a small town or village. The budget process is very similar, fees are collected, and bills are paid.

Condominiums with knowledgeable board members who take their positions seriously, have the highest success rates. Making solid, well-grounded decisions is essential for boards to fulfill their primary obligation, to follow a set of directives commonly known as “fiduciary duty.” These are decisions made on behalf of their fellow residents, made in good faith, and with the best interests of the community firmly in mind.

The fiduciary relationship is a higher duty than people have to each other in daily life — a special obligation that only exists when someone takes a position like serving on a board. After all, we live here too, so it doesn’t benefit us to neglect a leak or do something that will hurt property values.

Boards encounter all manner of problems and pursue all kinds of opportunities, but the very best boards have one thing in common: exceptional dedication. It is my belief that this board, in particular, possesses this characteristic

It’s not uncommon for change, or proposed change, to be met with some measure of resistance—in fact, it’s rather expected. Making everyone happy isn’t a realistic objective. This happens especially with maintenance issues or a one-time assessment in condo fees. These situations are almost always met with resistance, but are necessary when a board needs to bring a community back from the brink of disaster. Even so, the process can be frustrating for a well-intentioned board prudently doing what needs to be done. People will always feel that you could have done things better.

Overcoming the issues really comes down to standing your ground knowing that you made the best decision that you could in the current situation with the information that you have on hand at the time of the decision.

In 2011, when I joined the board, our capital reserve (after 8 years) was a paltry \$97,609.96. As of September 30, 2016 our reserve balance is \$266,365 and I am hoping it will be close to \$300,000 at year end.

With the exception of our need to use reserves for the final work on the dry sprinklers in the attics of both buildings, we have been able to consistently contribute to our reserves and not touch these funds all the while making necessary repairs to the property.

The bottom line is that a healthy reserve will allow the association to properly maintain the community's physical assets—and each homeowner's financial asset as well.

We are all entitled to the preservation of our investment and that is achieved through a continuous funding of our capital reserves.

Thank you for attending this meeting tonight. Your attendance is a very important part of living at Stone Terrace and participating in its future.

**Elections:** Two positions were open and 3 people have been nominated: Paul Martineau, Ron Gomes and Susan Garrett. The owners voted and Paul Martineau and Ron Gomes were elected to fill the positions.

#### **Q&A**

- 1) Concern over the lack of hot water in 265 was requested by an owner of 102 and wanted to have it looked into. Maureen added to her list to resolve.
- 2) Budget questions from owner 265-317 which Pam explained how we estimate budget amounts and future jobs, etc.
- 3) Loud noise from heating several unit owners in 265 have had loud banging noises various times of day and night. Maureen advised we are planning a review of the building heating systems.

#### **New Business:**

Unit owner 245-204 suggested that when replacing the current air conditioners in our units that owners look into split unit systems. Maureen advised we will look into getting more information.

Meeting adjourned at 7:10pm.

**New Board of Directors:** Deb Patterson-President, Paul Martineau-V.P., Pam Saidla-Treasurer, Ron Gomes-Secretary and Gloria Schmidtchen-Member at Large