

The Wentworth Resort Condominium Association (WRCA)
Board Meeting Minutes
Saturday, August 20, 2011
The Wentworth

The meeting was called to order at 9:29 a.m. by Jack Kwesell, WRCA BOD President.

Present: Board Members: Mike Dinneen, Jack Kwesell, Rosemary O'Brien, John Sevee,
Blake Smith, David Treadwell, and DD Warren

Management: Irina Ilieva, Fritz Koeppel, Marcel Leveille

Guests: John Bruni, Peggy Dinneen

Management Report

Management has been working on the punch list with all items not completed in fiscal 2010 transferred to 2011 list. Repairs and painting at 180 Main Street were completed. BOD members remarked that the building looks great. Management also started scraping and power washing 6 Fox View Lane in preparation for painting.

There was a roof leak at 13B Chipper Point. The roof and adjacent cheek wall are being repaired. Mold on the north side of the building of has been washed off in preparation for painting.

Management reported that the septic pump system at 17 Wentworth Hall Ave. failed. Repairs have been made.

Financial Report:

Fritz and John presented the financial report. Profit and Loss Statement shows we are going to be under budget (\$7,500) for the year assuming no unexpected expenses.

Fritz presented a summary of the fiscal 2011 budget, actual costs to date, and the proposed budget for 2012. The 2012 budget reflects decreased costs for snow removal and pest control and increases for building repairs. The operating budget will decrease by about \$10K and the CAPEX will increase by \$10K.

CAPEX will increase to \$110K and will include at least three roof replacements (20 Cottage Drive, 9 and 82 Wentworth Hall Ave.), along with painting and patio repairs. Roofs of 20 Cottage Drive and 9 Wentworth Hall will be done in October and 82 in the spring. Other roof priorities include 10 Joshua Loop, 13 Chipper Point and 77 Wentworth Hall Ave. golf course side which should be scheduled in fiscal 2013.

Fritz indicated that he can control painting costs with the painters he has retained versus using outside contractors. Our cost is \$35/hour versus \$50 for outside firms.

A potential concern is the amount allocated for the punch list: \$18K in 2012 versus \$30K spent this year; however, the punch list is getting smaller.

\$15.5K is in the budget for patio repairs. Marcel did a walkabout and rated each patio in the 7 buildings that have them. All of them will eventually need repair. 10 Patios in the worst condition are targeted for repair in 2012. Priorities are 14 Joshua, 10 Joshua and 8A & 8B Fox View. Repairs will be made in the spring when the cash flow will be more favorable. The budget for patios is based on estimate from Eastern Green. It was agreed to obtain more quotes. Eastern Green is expected to do a superior job, but we should have several quotes, to ensure that cost is appropriate. Cost will be impacted by reusing brick or having to purchase new. Costs could be reduced if Management assists Eastern Green or other contractor by emptying and moving the wood boxes.

Our cash flow is good – we have only two owners who are late in their payments this quarter.

We continue to replace roofs. In the period from 2009 to the end of fiscal 2012 we will have replaced 10 roofs, almost half of the buildings. We have spent about \$100K on roofs in the past 3 years. It was agreed that this is money well spent because we will not have the ongoing issues and expenses from the poorly installed roofs of the past.

After discussion we will not renew the pest control contract and will keep an eye on any pest issues and track any pest control costs. This and the decision not to remove snow from new roofs unless there are structural or safety issues should save substantial money.

The BOD approved the 2012 budget.

Management noted that the insurance quote is 4% more than last year. The BOD requested that additional quotes be solicited.

July 16, 2011 BOD Minutes:

The minutes of the July 16, 2011 BOD meeting were approved.

Old Business

Fritz obtained a “no parking” sign from the Jackson Fire Department for installation at 84 Wentworth Hall Ave. He will check with Eastern Green to choose a location for the sign that will not interfere with property maintenance.

Trees:

- Management has a quote for removal of two trees at 6 Fox View Lane. All four owners are in agreement and will share cost.
- A quote for removal of dead trees at 77 Wentworth Hall Ave. was obtained. Cost will be borne by owners of 77A.
- A quote for removal of 3 trees threatening 13 Hurlin Lane structure and roof was obtained. This cost will be borne by the Association.
- The above three removals will be done this fall by an outside contractor.
- Removal of a tree at 10/14 Georgia Lane was discussed. One owner objects to paying for the removal but the owner who originally requested the removal will pay. Another owner objects to removing the tree, will not pay for the removal, and is concerned about ownership of the tree. Management will follow up.

- Other dead trees near Hurlin Lane and 29 Wentworth Hall Ave. are the property of the golf course.

Discussed at this point but not old business: Ownership of a gazebo and who is responsible for maintaining surrounding property (mowing) was raised at a recent Town of Jackson Board of Selectmen meeting. After discussion it was decided that this issue does not affect the Association. Land on both sides of the river was turned over to the Town at various times either directly or via easement, to allow the river to meet the criteria for a Wild and Scenic River designation. This included land owned by various entities including Mike Mallett, the Wentworth Hotel, and the Association. The gazebo on the far side of the river belongs to the town and the gazebo on the near side belongs to the hotel. Fritz explained that the hotel retains ownership of land in the vicinity of the barn and gazebo. He also indicated that the town (Conservation Commission) maintains (mows) north of barn up to the little bridge and the hotel mows near the barn, snow roller, and down to the parking lot. John indicated that there is a survey drawing showing ownership of the land on the near side of the river by the hotel with an easement to the Town of Jackson. John offered to fax a copy to Fritz if the hotel can't locate this particular drawing. Fritz will follow up, but this does not appear to affect the Association in terms of maintenance or liability.

Management has not heard from P. M. MacKay for payment for the window repairs for 12A Cottage Drive and also to cover the cost of repairs to the other affected windows in the building. It does not appear that we will recover costs from them or Vermont Mutual. As such, 50% of the money spent to repair 12A will be billed to the unit owner. The owners of 12B and 12C have to agree to do the work and pay for 50% of the repairs to their windows or we will not proceed with repairs to those units at this point.

New Business

The unit owner of 3A Fairview Lane replaced a sliding door to their deck. In conjunction with door replacement, their contractor repaired some rotted wood on the exterior of the building. The portion of the job that addressed the rot, approximately \$240, was billed to the Association. This rotted wood was identified on the punch list, but due to other priorities, Management had not yet addressed the rot. While we do not want to set a precedent for owners making repairs to the exterior of buildings themselves and then billing the Association, the BOD agrees that in this case because the work was in proximity to the door, on the punch list, and done at reasonable cost, that the Association will pay for the work. Management will send a letter to the owner clarifying our position.

DD noted that the doors at 5A Fairview Lane are in very bad shape and the owner spoke about contacting Management. Management will examine the doors and contact the owner.

The owner of 13B Chipper would like to install a ductless AC system on the main level. The condenser would be located on the side of the building. A short length of small diameter pipe (approximately 8') would run vertically down the front of the golf course side with the majority hidden under the deck. They would like to use a cover over the pipe painted the same color as the wall instead of having to construct a wooden chase, which would be overkill. The BOD approved this request.

Fritz noted that the orange cables (Time Warner Cable) between Building 6 and 8 Fox View Lane have finally been removed.

Fritz noted that an owner received an invoice from the Town of Jackson for two false burglar alarms, which required emergency response. Jackson allows two false alarms a year and according to the town this owner had four. The invoice is for \$100 per false alarm. The owner takes issue with the invoice. This condo is in the rental pool and the unit was occupied at the time of the alarm(s). Management is looking into the total number of alarms triggered this year for this unit. Pope has been contacted. After discussion, the BOD thinks the town's position is reasonable. This particular instance is a matter for the owner, rental agent, Pope Security and town to work out.

Management Contract Renewal

Discussion ensued as to what fixed and variable fees should be included in the contract. Tentative agreement was made for the following pending review by Blake.

There will remain in the contract a ten percent management fee to supervise outside subcontractors with some identified exclusions (for example, electricity, trash removal). A ten percent handling fee on materials purchased (for work involved in procuring them) will be allowed but the wording has to be added to the contract. A flat fee will be paid for the cell phone (\$135/month) and for office supplies (\$100/month). Past fees included in the contract for postage and land line will be eliminated.

To compensate for reduction in office fees, the labor rate will start at \$35/hr. for the first year and will be allowed to increase by \$1/hr./yr (\$35/\$36/\$37). The management fee will start at \$4000/mo. and will be allowed to increase by \$100/mo/yr (\$4,000/\$4,100/\$4,200). Blake will rework the contract for wording and analyze the fee increases and labor rate increases versus reduction in office costs.

Next Meeting

The next meeting is scheduled for September 17, 2011 at the Wentworth at 9:30 AM. Rosemary will take the minutes.

The meeting adjourned at 11:42 am.