



FREEDOM HILL COOPERATIVE, INC
Annual Membership Meeting – Meeting Minutes
Wednesday September 24, 2014 6:30 P.M.
Historical Building Loudon NH (Charlie's Barn)

Call To Order 6:32 P.M.

Pledge of Allegiance

Introduction of Board Members

President Susan Pirnie, Vice President Kay Wallace, Treasurer Angella Sears, Asst. Treasurer Peter Bartlett, Director at Large Gus Pirnie and Director at Large Ron Scovil.

President's Message

The president gave a brief talk about the workings of a cooperative. Our cooperative was formed in 2002, guided by the Community Loan Fund./ROC NH. The cooperative is owned by each member and governed by participation of the members. We are regulated by the Statues of the State of NH, the town of Loudon NH Ordinances, the by-laws of the cooperative and the park rules.

To best operate the community we need volunteers to offset the rents. We are a desirable area in which to live. In order for this to continue and for the rents to remain low we must encourage and receive efforts of active volunteers in our community.

Audited Financial Statements for period beginning October 1, 2012 and ending September 30, 2013

Q: Preston Lawrence re: the comment on the audit report of management omitting the schedule of future major repairs and replacement s of common property. A: Gus Pirnie explained that although we have established a Community Improvement Planning Committee and a draft, the refinance project delayed the CIP from proceeding with the established draft. The next board should be voting and approving the draft. Donna Rollins made a motion to accept the audit report, seconded by Preston Lawrence. Motion passed unanmously with 25 member households voting.

Acceptance of the September 25, 2013 Annual Meeting Minutes

A correction was noted by Gus Pirnie on page 2 of the minutes. The amount of the mortgage was stated as approximately \$9,000.00 per month for our current monthly mortgage payment. It should have been stated as approximately \$29,000.00 per month. Peter Bartlett made a motion to accept the minutes as corrected. Donna Rollins seconded. Minutes accepted unanimously.

Proposed Budget for October 1, 2014 through September 30, 2015

Angella Sears explained the budget process to membership beginning with receiving a print out of a preliminary proposed budget from Dan Hotchkiss of Hodges Management our financial management company. The budget was then reviewed by the finance committee which is made up of Gus Pirnie, Kay Wallace and Angella Sears. Its recommendations were approved unanimously by the Board of Directors. Although not accepted by the board yet the CIP draft was reviewed by the finance committee. Finance determined that certain line items on the CIP draft should be recommended to the board for addition to the budget. Account #5010 (7e) Water System Maintenance was added to be proactive not reactive in addressing some of our costly water issues. This line item would plan in advance for servicing the wells on a regular basis. This includes maintenance of the pumps and cleaning out of the pipes, etc. Also recommended was to add Account #5012 (8a) Culverts Repair. We have had to do a repair to a driveway because of a culvert wash out and there is more to do in that area. That number was based on estimates obtained.

Salt and sand was increased based on exceeding last year's budget. Electric was increased based on a usual anticipated increase, lighting needed for the shed and possibly adding more lighting around the park in certain dark areas to be determined.

The board increased the amount set aside for our capital reserve account. It has been at the \$21,600 each year for about 10 years. We determined with the cost of maintenance and repairs rising and refinancing saving us a considerable amount of money that it would be wise to increase our capital reserves to \$30,000 annually and put that money back into our community. The budget is able to handle the increase without impact on the rents.

The floor was opened for **discussion and questions** regarding the proposed budget. Q : Preston Lawrence of 28 Willow Terrace questioned the source of the heating costs. A: Gus Pirnie responded that the maintenance shed was the primary expense. The maintenance building was not insulated, however we have now completed insulation and have done some finishing so the heating expense should go down this coming year.

Q: Preston Lawrence asked why legal fees increased from \$300 to \$1600. A: Gus Pirnie answered that we had several vacancies and the need for either eviction or using legal counsel to deal with the lenders to obtain our money is the reason for the increase. This is a more realistic figure.

Q: Helen Hamlin 251 Redwood Road asked if we waive late charges for residents experiencing financial difficulty. Sue responded that we may waive as per circumstance. Gus added that late charges are a part of income and we do not waive if a habitual late payer but the board will review for the initial late charge and individual cases such as hardship. Kay Wallace also stated that Hodges works with any individual to set up payment plans and referrals for help to various agencies.

Sue Pirnie called the vote.

Budget Motion

Preston Lawrence made a motion to approve the budget as written and discussed, seconded by Helen Hamlin. Motion approved unanimously.

Gus Pirnie made a motion to transfer the Cooperative funds from the fiscal year ending September 30, 2014 into the new fiscal year beginning October 1, 2015. The motion was seconded by Donna Rollins. Motion passed unanimously.

Rules Changes

Rules Review Committee has worked on some changes to the rules to clarify and or assist the board in the enforcement of them. In a 148 home community with approximately 400 residents rules are a necessary means to keep our park safe, aesthetically pleasing, and with consideration of the residents quiet enjoyment of their homes. The proposed changes were sent to all households in the community. Q: Donna Rollins re: **occupancy and criminal background checks** on adults over 18. Is that on everyone? A: Sue responded it must be everyone living here longer than 30 days related or otherwise. Q: Jennifer Gauvier questioned action re **loose dogs**. A: Sue and Gus advised new ordinance (law) in the town. It is now the town's responsibility Call the police. Kelly Pelletier also spoke about the same issue. Sue reiterated in the interest of prevention of animal cruelty we must call the police.

Q: Preston Lawrence asked if we should increase the **15 mph speed limit** to 20. Sue asked why and responded they would do 40. He also asked whose **responsibility is it for water leaks under the home**. Gus Pirnie answered the faucet under the home is yours and from that point on is the cooperatives. Preston also asked if **signs could be allowed on lots** for home marketing. Sue answered that if the rule is outdated submit a change in writing and the board will review it.

Q: Randy Pratt questioned on page 4 the rule re: **carrying loaded guns in the park** being in conflict with state and federal law. Sue explained that rules must be at least as restrictive as the state and the federal laws but because we are a private community we can also be more restrictive than those laws. This raised a discussion begun by Michael Golder of 10 Chestnut Circle re: whether an individual who has a gun permit has to abide by the park rule. The discussion of this topic will be referred for legal advice.

Q: Linda Stansfield asked if it is ok to prune trees. A: Sue Pirnie responded pruning is allowed but cutting down of trees is not.

A question was asked if fireworks were allowed and Sue responded that is governed by town ordinance.

Q: Judy Stickney of 179 Redwood Road asked why small pools are not allowed? Sue answered our insurance carrier does not allow pools because of the danger it presents and they do not want the liability. At a cost of \$22,000 every 18 months for the filtration media, to fill a pool is not a merited expense.

Other questions: About hot tubs already owned: The board is not seeking to remove any in existence as long as enclosed/covered and not subject to using the community water system to fill it.

What about the Rule under Sites #5 does this address items stored in back yards? The rules committee cannot enter someone's property without notification. If there is something that you see as an individual please call the board and then we can make arrangements to inspect.

Donna Rollins spoke in favor of the added penalty section of the rules with a suggestion of not to allow an extra 10 days after the second notice.

Linda Stansfield 291 Redwood Rd made the motion to accept the rules as amended as indicated in the packets received. Director at Large Gus Pirnie seconded the motion. Motion passed with 22 Yes and 3 No votes. The president indicated that the gun law will be reviewed for legality.

Nominations for Open Board Positions

Nominations for open positions: Donna Rollins for President, Secretary is unfilled, Shirley Baker Stewart for Asst. Secretary, Peter Bartlett for Asst. Treasurer, Randall Pratt for Director At large and Maintenance Director is unfilled.

Election Results

Election results are as nominated above. Two positions remain unfilled.

Drawing

Winner of the drawing for 1 months free rent was Joseph Adorno, 22 Willow Terrace. Congratulations!

Adjournment

Kay Wallace made a motion to adjourn , seconded by Gus Pirnie. Adjourned at 8:12 P.M.

Our Business is Freedom Hill, Our Passion is Community