

The Wentworth Resort Condominium Association (WRCA)
Board Meeting Minutes
Saturday, September 17, 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, Marcel Leveille

Guests: John Bruni, Wayne Infinger

Insurance Renewal Proposal

Wayne Infinger of Cross Insurance was in attendance and presented the Board with three options for the Association's insurance policy renewal including a quotation from our current insurance provider, Vermont Mutual.

Vermont has a good condominium program and we have been with them for 8 years. We received outstanding service from them on our fire loss claim in 2008. However, it may be cost effective to go with another provider at this time.

Wayne recommends two other companies with good condominium programs that offer better insurance than Vermont at this time with lower cost: Philadelphia and Middleoak. He presented a summary sheet with quoted prices from Vermont, Philadelphia, and Middleoak, along with premiums for umbrella liability coverage from a fourth provider, Greenwich. (Vermont, Philadelphia and Middleoak included pricing for umbrella liability but there is no reason we can't have a different provider for that coverage.)

The comparison showed Middleoak to be lowest cost. Vermont Mutual was highest of the three, with Philadelphia approximately in the middle. Since we have been Vermont's customer for eight years, Wayne contacted them to see if they would match the lower quotes to retain us as a customer. After consideration, they declined. Wayne sees no reason to pay a higher premium to stay with them.

Wayne indicated that Middleoak recently paid out a large claim to a development in Lincoln and the board of that association was very happy with their response. Because Middleoak provides superior coverage including guaranteed replacement cost of all buildings (versus blanket coverage with Vermont) and has the lowest premium he recommends going with them. He also indicated that in this economy premiums are likely at their lowest and likely to start rising so we would be prudent to drive our insurance premium down and go with Middleoak.

Wayne recommends increasing our umbrella liability coverage from the current \$5 million. Greenwich can provide us three times the coverage for approximately the same or slightly less premium than Vermont, Philadelphia, and Middleoak quoted. Or we could keep the same coverage at substantial

savings. Greenwich can provide lower cost insurance because they are a consortium of condominium associations nationwide that pool their money and buying power to purchase high end umbrella insurance.

Jack asked if Middleoak was aware of our 2008 fire. They are. Our \$25,000 deductible is attractive to them.

It was noted that Vermont Mutual has settled their arbitration related to our 2008 fire.

Wayne mentioned that if we switched companies there is paper work to be filled out. The board thanked Wayne and he left the meeting at 9:45 A.M.

The Board noted that Wayne worked very hard in obtaining alternate and less expensive insurance quotes for us in a short period of time. We may consider a different agent next year but see no reason to at present time. Wayne's work will enable us to save approximately \$6,000 in insurance premium for the 2012 fiscal year if we switch insurers and go with Middleoak and Greenwich.

The board then unanimously voted to go with Middleoak for our insurance policy renewal and to purchase \$10 million of umbrella liability insurance from Greenwich. Irina will contact Wayne to notify him of our decision and to complete the paperwork.

Management Report

Management was busy with preparing for Irene. Photos and a video of the flood have been circulating and we may show some of them at our annual meeting. The area received 5" of rain – any additional rain would have resulted in the Wildcat breaching upstream of the stone bridge and not downstream as it did. It was not quite a 100 year flood. There was no flooding inside the condominium units and only minor tree damage.

The BOD decided that the savings in going with the lower cost insurance policy will remain in the budget to rebuild our reserves.

Marcel noted that in preparation for Irene they removed furniture from decks at owners' requests. He also noted that because the ground has been saturated with moisture for a while now that there is seepage onto Wentworth Hall Avenue from the drainage ditch at 66. The ditch will have to be cleaned out, culvert cleared, and area re-graded.

John Sevee reported that there was no water damage in the vicinity of the transfer shed as a result of road runoff from Irene.

The owners of 7A Hurlin have requested that a handrail be installed at the stairs from the parking lot to their unit. The owners feel that it is needed for added safety when packages are being carried and noted that a guest has slipped on the stairs in the past. Marcel is looking at options and prices. There are six stairs with approximately 7" risers. Jack and other board members will review 7A Hurlin location with Marcel after the meeting. This request is under further review and no decision has been made yet.

Building 6 Fox View Lane has been painted. The painters are in the process of painting on 13 Hurlin Lane golf course side.

Work has begun to address rot, a sagging door, and a sagging screened porch at 5A Fairview Lane – it appears that an additional support should have been installed when the porch was constructed. Management will install an additional sono-tube support. After 5A is completed they will move on to 3B Fairview to address exterior rot.

New concrete septic covers with recessed handles are being installed at various locations to replace those with protruding rebar handles, which are considered a safety hazard. Some reseeding will be done in conjunction with this work.

Jack asked Irina if the \$16,000 remaining in CAPEX for the fiscal year 2011 budget will be spent. She answered that it will be spent because of the painting, septic covers, and punch list items.

Storm drains have been cleaned out and repaired. Marcel noted that the one at Wentworth Hall Avenue and Joshua Loop Road has been cleaned out and repaired but the contractor was not certain if there is an outlet pipe or of the condition of that pipe if it exists. A bigger basin may be needed. Management will monitor the drain to see how it handles the heavy rains.

The sinkhole in 6 Fox View Lane parking lot will be repaired.

Financial Report:

All owners have paid their dues. A few owners have paid in advance and have credits. Unit 12A Cottage Drive owes us for their portion of the bay window repair.

As discussed earlier, the \$16,000 remaining in CAPEX will go towards painting, septic covers, tree removal and catch basin cleanout/repairs. Scheduled tree removal is almost complete.

Items left over from the 2011 punch list will be added to the new items on the 2012 punch list.

We do not need to transfer money out of our savings to checking. Our cash flow continues to improve with the earlier billing.

August 20, 2011 BOD Minutes:

The minutes of the August 20, 2011 BOD meeting were approved.

Old Business

We are very close on the Management contract renewal. Jack, Blake, and Fritz have been working to resolve. One issue remains – wording as to the scope/relationship between property manager and property maintenance. Compensation and monetary issues have been resolved. Contract will be signed when Fritz returns. Eastern Green knows their contract has been renewed although it won't be in writing until Fritz returns.

Eastern Green and Management are working out a location for the no parking sign at 84 Wentworth Hall Ave.

Jack noted that he was to attend Vermont Mutual and WMO arbitration next week but he was notified he did not have to because they have settled.

Annual Meeting Agenda

We will need to start thinking about the information we would like to present to the members.

The date is December 3 at the Red Fox Pub. Dinner will also be there this year. Irina will contact Paul.

Dinner cost will be borne by the unit owners in attendance.

John Bruni will send the BOD a copy of last year's presentation.

Irene photos/Wildcat video may be included in the presentation.

New Business

The new unit owners of 77A Wentworth Hall Avenue are planning to make substantial renovations to their unit. To protect their investment, they would like the roof replaced as soon as possible. The roof has leaked in the past but has been repaired. Replacement is on the list for fiscal year 2013. They have proposed to pay the estimated \$30,000 for immediate replacement of the entire roof (including 77B) with the Association repaying them by deducting the cost from their Association dues. A question was raised whether it is the entire roof or just the golf course side scheduled for repair. Additional cost to the Association would be any legal document fees. The advantage to the Association would be the early completion of needed work. There is no precedent for this, although there is no objection in principal by the BOD members if the proposed work (i.e. the whole roof or the golf course side only) is scheduled to be done, and the work could be done without slipping the date of other scheduled roof replacements. Contracting and management of the work would remain the responsibility of the Association and the Manager. Timing was discussed. It may not be possible to schedule the work this fall. Further clarification is needed before a decision can be made. Irina will tell the owners to contact Jack for further discussion.

There is also an issue at 77A with snow melt from the area beneath the deck grate that enters the building. Re-grading beneath the deck should be done as soon as possible at Association's cost.

A roof/chimney leak at 17A Wentworth Hall Avenue is also being addressed.

Our roofing contractor Jason Brown remains very competitive based on other quotations obtained. He is scheduled to do 9 Wentworth Hall Avenue and 20 Cottage Drive this fall. Irina will ask him if he has time to do another building for us this fall.

Real Estate Report

Kathleen sent a real estate update. Four 3 bedroom units are on the market, one has dropped in asking price to \$300,000.

Next Meeting

The next meeting is scheduled for October 15, 2011 at the Wentworth at 9:30 AM. Rosemary will take the minutes.

The meeting adjourned at 10:54 am.