

Board of Directors Meeting Minutes

Date: March 17, 2025 Time: 10:00 AM Location: 30 Muirfield Lane Unit 13.

These minutes were approved by the Board via email April 3, 2025.

Board Members Present

Kate Newell Coupe, President, Steve Kelly, Treasurer, Robert Fitzpatrick, Secretary, Cindy White, Director Annie Hoyer, Director (via Zoom)

Management

Nancy Ehlers, Managing Agent, LCMG, L.L.C.

Owners Present

Bob Tuveson, Greg Pitman, Ernie Coupe, Sarah Johnson, Nancy Conklin, Mike Letsky (via Zoom)

I. Call to Order

President Coupe called the meeting to order at 10:03 AM.

II. Approval of Minutes

The minutes of the December 16, 2024, Board meeting were approved via email and are posted on the website.

III. President's Announcements – Kate Newell Coupe

President Coupe reminded all Unit Owners of their responsibility to schedule annual chimney and dryer vent inspections, as required by the Association's insurance carrier.

Proof of inspection must be submitted to Nancy Ehlers at Lincoln Condominium Management Group. Recommended contractors (provided by Cindy White):

Allegiant Properties (Joey): (603) 707-8927

Armstrong: (800) 736-2706

Heritage Home Services: (603) 601-3955

IV. Treasurer's Report – Steve Kelly

In the absence of John Carpenter, Steve Kelly presented a summary of the financials.

The Balance Sheet and Profit & Loss reports were distributed with the Agenda.

Owners were encouraged to use online banking to automate monthly payments.

Financials accepted for filing.

V. Secretary's Report – Robert Fitzpatrick

Work continues on the Declaration and Bylaws revision. Owners interested in reviewing the draft may contact Robert at bob.fitz30@yahoo.com. The draft will be reviewed by legal counsel before being presented for approval at the Annual Meeting.

VI. Managing Agent's Report – Nancy Ehlers

Tree work is nearly complete; one tree remains and will be addressed when conditions permit.

Roof-raking was performed on 12 buildings; those units may require additional insulation. NH Electric Coop is available to inspect roofs upon request.

The snow removal contract with Micah runs through October 31, 2025. Micah has requested a rate increase to \$4,400/month (currently \$3,750).

Bids for grounds maintenance are being gathered:

- Wright Landscaping: \$52,800
- Clements Landscaping: Declined to bid

Micah estimated \$4,500 to improve the Storage/Dump Area, including grading and drainage.

CTA Compliance: Nancy reminded the Board of the need to register under the Corporate Transparency Act.

The property management contract with LCMG was presented.

Motion by Cindy White to approve the contract. Seconded and approved unanimously.

VII. Committee Reports

Color Committee (Annie Hoyer):

Official building colors have been posted on the website. Unit Owners may request alternate door colors with Board approval.

VIII. Old and Ongoing Business

Insurance: A letter from Robert Fitzpatrick was shared outlining renewal terms.

Renewal total: \$19,717 Deductible remains \$25,000 per Unit.

Board may consider increasing the base deductible to save costs and/or request a quote for a standalone D&O policy.

Declaration Article III.3 has been reviewed and aligns with the current insurance structure. (See attached memo for full details.)

Roof Raking and Insulation: The Board discussed whether the cost and responsibility for insulation improvements lies with the Unit Owners or the Association. The consensus was that owners should be encouraged to contact insulation contractors or request energy audits through NH Electric Coop.

IX. New Business

Storage Area Improvements: Gate repairs and improved drainage are under consideration. Additional bids will be reviewed.

Clubhouse Internet: Director Cindy White will contact providers, including Spectrum and fiber-optic companies, for installation quotes. Mini-split heat/AC options were also discussed.

Pool and Tennis Court Repairs: Nancy will seek estimates for pool tile and apron repairs, and tennis court resurfacing.

Community Signage: New signs are needed for the Pool, Tennis Court, and Storage Area. The Board will finalize wording and forward to Nancy.

Corporate Buyouts: The Board discussed adding a Right of First Refusal clause to the revised Declaration to limit corporate buyouts. The matter remains under review.

X. Community Engagement & Events

The Board discussed potential activities to enhance community life:

- Coffee hours in the Clubhouse (July & August)
- Craft sessions (e.g., birdhouses, knitting)
- Summer Cookout after the Annual Meeting
- Appreciation Day for workers

XI. Next Meeting

The next meeting will be the Annual Meeting, scheduled for:

Saturday, June 21, 2025 Clubhouse

Agenda will be distributed at least 21 days prior, per Association bylaws.

XII. Adjournment

Motion to adjourn was made and seconded. The meeting adjourned at 11:28 AM.

Attachments

Attachment A: Financial Reports

Attachment B: Fitzpatrick Insurance & Declaration Memo

Attachment C: Property Management Contract (LCMG)

Attachment D: Draft of Declaration Insurance Revision

Attachment A: Financial Reports

10:15 AM	Highland Colony Homeowners Association	
03/06/25	Balance Sheet	
Accrual Basis	As of February 28, 2025	
		Feb 28, 25
	ASSETS	
	Current Assets	
	Checking/Savings	
	1000 · BNH · Cash · Operating Account	36,614.34
	1120 · BNH · Cash · CD Account	76,534.33
	Total Checking/Savings	113,148.67
	Accounts Receivable	
	11000 · Accounts Receivable	11,664.73
	Total Accounts Receivable	11,664.73
	Other Current Assets	
	1400 · Other Assets	1,375.00
	Total Other Current Assets	1,375.00
	Total Current Assets	126,188.40
	TOTAL ASSETS	126,188.40
	LIABILITIES & EQUITY	
	Liabilities	
	Current Liabilities	
	Accounts Payable	
	20000 · Accounts Payable	225.00
	Total Accounts Payable	225.00
	Total Current Liabilities	225.00
	Total Liabilities	225.00
	Equity	
	3200 · Current Year Income/Loss	4,582.34
	3910 · Retained Earnings	110,191.10
	Net Income	11,189.96
	Total Equity	125,963.40
	TOTAL LIABILITIES & EQUITY	126,188.40

Highland Colony Homeowner Association



10:14 AM

03/06/25

Accrual Basis

Highland Colony Homeowners Association Profit & Loss Detail July 2024 through February 2025

Type	Date	Num	Name	Memo	Clr	Split	Amount	Balance
Expense								
5000 · Management Fees								
Bill	07/01/2024	6015	LCMG, LLC	FY 24/25 - Q1...		20000 · Accou...	1,375.00	1,375.00
General Journal	08/01/2024	Mgmt ...				1400 · Other A...	1,375.00	2,750.00
General Journal	09/01/2024	Mgmt ...				1400 · Other A...	1,375.00	4,125.00
Bill	10/01/2024	6253	LCMG, LLC	FY 24/25 - 10/...		20000 · Accou...	1,375.00	5,500.00
General Journal	11/01/2024	Mgmt ...				1400 · Other A...	1,375.00	6,875.00
General Journal	12/01/2024	Mgmt ...				1400 · Other A...	1,375.00	8,250.00
Bill	01/02/2025	6485	LCMG, LLC	FY 24/25 - 1/1...		20000 · Accou...	1,375.00	9,625.00
General Journal	02/01/2025	Mgmt ...				1400 · Other A...	1,375.00	11,000.00
Total 5000 · Management Fees							11,000.00	11,000.00
5050 · Insurance								
Bill	07/09/2024	BP110...	Vermont Mutual Insu...	Policy BP110...		20000 · Accou...	1,694.90	1,694.90
Bill	08/13/2024	CU11...	Vermont Mutual Insu...	Policy BP110...		20000 · Accou...	337.50	2,032.40
Bill	08/14/2024	BP110...	Vermont Mutual Insu...	Policy BP110...		20000 · Accou...	1,694.90	3,727.30
Bill	09/20/2024	BP110...	Vermont Mutual Insu...	Policy BP110...		20000 · Accou...	1,694.90	5,422.20
Bill	10/28/2024	BP110...	Vermont Mutual Insu...	Policy BP110...		20000 · Accou...	1,694.90	7,117.10
Bill	11/12/2024	CU11...	Vermont Mutual Insu...	Policy BP110...		20000 · Accou...	337.50	7,454.60
Bill	12/02/2024	BP110...	Vermont Mutual Insu...	Policy BP110...		20000 · Accou...	1,694.90	9,149.50
Bill	01/07/2025	BP110...	Vermont Mutual Insu...	Policy BP110...		20000 · Accou...	1,694.90	10,844.40
Total 5050 · Insurance							10,844.40	10,844.40
5100 · Snow Removal								
Bill	11/01/2024	7599	Micah's Property Ma...	October 24 - ...		20000 · Accou...	3,750.00	3,750.00
Bill	12/01/2024	7634	Micah's Property Ma...	November 24 ...		20000 · Accou...	3,750.00	7,500.00
Bill	12/31/2024	6516	LCMG, LLC	12/15 Set up ...		20000 · Accou...	766.43	8,266.43
Bill	01/01/2025	7650	Micah's Property Ma...	December 24 ...		20000 · Accou...	3,750.00	12,016.43
Bill	01/31/2025	6558	LCMG, LLC	1/10 Fill salt b...		20000 · Accou...	40.00	12,056.43
Bill	02/01/2025	7706	Micah's Property Ma...	January 25 - ...		20000 · Accou...	3,750.00	15,806.43
Total 5100 · Snow Removal							15,806.43	15,806.43
5150 · Painting								
Bill	07/31/2024	6120	LCMG, LLC	Paint from SW		20000 · Accou...	94.38	94.38
Bill	11/30/2024	6394	LCMG, LLC	2.5 hours to p...		20000 · Accou...	100.00	194.38
Bill	11/30/2024	6394	LCMG, LLC	Exterior paint fr...		20000 · Accou...	78.49	272.87
Bill	11/30/2024	6394	LCMG, LLC	1 hour to orle...		20000 · Accou...	40.00	312.87
Total 5150 · Painting							312.87	312.87
5200 · Trash Removal								
Bill	07/01/2024	34328	Todd Randlett Truck...	Weekly Trash...		20000 · Accou...	225.00	225.00
Bill	07/31/2024	6120	LCMG, LLC	Remove and ...		20000 · Accou...	85.00	310.00
Bill	08/01/2024	34702	Todd Randlett Truck...	Weekly Trash...		20000 · Accou...	225.00	535.00
Bill	09/01/2024	35061	Todd Randlett Truck...	Weekly Trash...		20000 · Accou...	225.00	760.00
Bill	10/01/2024	35559	Todd Randlett Truck...	Weekly Trash...		20000 · Accou...	225.00	985.00
Bill	11/01/2024	35866	Todd Randlett Truck...	Weekly Trash...		20000 · Accou...	225.00	1,210.00
Bill	12/01/2024	36266	Todd Randlett Truck...	Weekly Trash...		20000 · Accou...	225.00	1,435.00
Bill	01/01/2025	36693	Todd Randlett Truck...	Weekly Trash...		20000 · Accou...	225.00	1,660.00
Bill	02/01/2025	36939	Todd Randlett Truck...	Weekly Trash...		20000 · Accou...	225.00	1,885.00
Total 5200 · Trash Removal							1,885.00	1,885.00
5250 · Electricity								
Bill	07/26/2024	07242...	NH COOP - PUMP ...	Higland Links ...		20000 · Accou...	35.94	35.94
Bill	07/26/2024	07242...	NH COOP - PUMP ...	Higland Links ...		20000 · Accou...	35.76	71.70
Bill	07/26/2024	07242...	NH COOP - MT PR...	Higland Links ...		20000 · Accou...	194.10	265.80
Bill	07/26/2024	07232...	NH COOP - WELL 8...	Higland Links ...		20000 · Accou...	151.55	417.35
Bill	08/28/2024	08222...	NH COOP - PUMP ...	Higland Links ...		20000 · Accou...	36.00	453.35
Bill	08/28/2024	08222...	NH COOP - PUMP ...	Higland Links ...		20000 · Accou...	36.36	489.71
Bill	08/28/2024	08222...	NH COOP - WELL 8...	Higland Links ...		20000 · Accou...	142.76	632.47
Bill	08/28/2024	08222...	NH COOP - MT PR...	Higland Links ...		20000 · Accou...	185.87	818.34
Bill	09/26/2024	09242...	NH COOP - PUMP ...	Higland Links ...		20000 · Accou...	35.83	854.17
Bill	09/26/2024	09242...	NH COOP - PUMP ...	Higland Links ...		20000 · Accou...	35.64	889.81
Bill	09/26/2024	09242...	NH COOP - WELL 8...	Higland Links ...		20000 · Accou...	147.45	1,037.26
Bill	09/26/2024	09242...	NH COOP - MT PR...	Higland Links ...		20000 · Accou...	171.31	1,208.57
Bill	10/29/2024	10222...	NH COOP - PUMP ...	Higland Links ...		20000 · Accou...	35.50	1,244.07
Bill	10/29/2024	10222...	NH COOP - PUMP ...	Higland Links ...		20000 · Accou...	35.66	1,279.73
Bill	10/29/2024	10222...	NH COOP - WELL 8...	Higland Links ...		20000 · Accou...	145.60	1,425.33
Bill	10/29/2024	10222...	NH COOP - MT PR...	Higland Links ...		20000 · Accou...	38.17	1,463.50
Bill	11/27/2024	11222...	NH COOP - PUMP ...	Higland Links ...		20000 · Accou...	35.83	1,499.33
Bill	11/27/2024	11222...	NH COOP - PUMP ...	Higland Links ...		20000 · Accou...	36.34	1,535.67
Bill	11/27/2024	11222...	NH COOP - WELL 8...	Higland Links ...		20000 · Accou...	181.10	1,716.77
Bill	11/27/2024	11222...	NH COOP - MT PR...	Higland Links ...		20000 · Accou...	37.18	1,753.95
Bill	12/27/2024	12242...	NH COOP - MT PR...	Higland Links ...		20000 · Accou...	40.02	1,793.97
Bill	12/27/2024	12242...	NH COOP - PUMP ...	Higland Links ...		20000 · Accou...	36.68	1,830.65
Bill	12/27/2024	12242...	NH COOP - PUMP ...	Higland Links ...		20000 · Accou...	36.17	1,866.82

Highland Colony Homeowner Association



10:14 AM	Highland Colony Homeowners Association									
03/06/25	Profit & Loss Detail									
Accrual Basis	July 2024 through February 2025									
	Type	Date	Num	Name	Memo	Clr	Split	Amount	Balance	
Bill		12/27/2024	12242...	NH COOP - WELL 8...	Highland Links ...		20000 - Accou...	225.49	2,092.31	
Bill		01/28/2025	01242...	NH COOP - MT PR...	Highland Links ...		20000 - Accou...	39.81	2,132.12	
Bill		01/28/2025	01242...	NH COOP - PUMP ...	Highland Links ...		20000 - Accou...	36.38	2,168.50	
Bill		01/28/2025	01242...	NH COOP - PUMP ...	Highland Links ...		20000 - Accou...	35.86	2,204.36	
Bill		01/28/2025	01242...	NH COOP - WELL 8...	Highland Links ...		20000 - Accou...	243.82	2,448.18	
Total 5250 - Electricity								2,448.18	2,448.18	
5300 - Maintenance										
Bill	5307 - Grounds Clean-up	08/31/2024	6281	LCMG, LLC	8/16 trim tenni...		20000 - Accou...	100.00	100.00	
Total 5307 - Grounds Clean-up								100.00	100.00	
5311 - Brush Removal										
Bill		09/01/2024	7511	Micah's Property Ma...	August 24 - M...		20000 - Accou...	2,200.00	2,200.00	
Total 5311 - Brush Removal								2,200.00	2,200.00	
5312 - Tree Removal										
Bill		12/03/2024	1517	Aerial Tree Service	Tree Removal...		20000 - Accou...	23,500.00	23,500.00	
Total 5312 - Tree Removal								23,500.00	23,500.00	
5315 - Snow Ramps and Sand Barrels										
Bill		11/12/2024	6356	LCMG, LLC	11/5 repair/re...		20000 - Accou...	130.00	130.00	
Bill		11/30/2024	6394	LCMG, LLC	9.5 hours to ...		20000 - Accou...	380.00	510.00	
Total 5315 - Snow Ramps and Sand Barrels								510.00	510.00	
5512 - Pool Fence Repair										
Bill		07/31/2024	6120	LCMG, LLC	Repair chain li...		20000 - Accou...	440.00	440.00	
Bill		07/31/2024	6120	LCMG, LLC	Cable ties fro...		20000 - Accou...	23.99	463.99	
Total 5512 - Pool Fence Repair								463.99	463.99	
5520 - Siding/Deck Repair & Painting										
Check		07/26/2024	2429	Coupe, Sam	Paint for prop...		1000 - BNH - ...	70.64	70.64	
Bill		09/14/2024	18-354	Ogden Construction	G. Pittman - ...		20000 - Accou...	473.22	543.86	
Bill		09/16/2024	00001	Mad River Painting	Rot repair car...		20000 - Accou...	150.00	693.86	
Bill		09/18/2024	00001...	Mad River Painting	Rot repair car...		20000 - Accou...	150.00	843.86	
Total 5520 - Siding/Deck Repair & Painting								843.86	843.86	
5528 - Clubhouse Maintenance										
Bill		07/26/2024	Quote ...	Laurent Door Systems	Remove and r...		20000 - Accou...	2,108.22	2,108.22	
Bill		09/30/2024	6282	LCMG, LLC	9/24 meet gar...		20000 - Accou...	40.00	2,148.22	
Bill		01/31/2025	6558	LCMG, LLC	1/23 - Check ...		20000 - Accou...	20.00	2,168.22	
Total 5528 - Clubhouse Maintenance								2,168.22	2,168.22	
5573 - Septic Pumping & Repairs										
Bill		10/31/2024	6355	LCMG, LLC	10/30 locle se...		20000 - Accou...	120.00	120.00	
Bill		11/05/2024	13989	DJ's Septic Pumpin...			20000 - Accou...	3,968.75	4,088.75	
Bill		11/12/2024	6356	LCMG, LLC	11/5 work wit...		20000 - Accou...	430.00	4,518.75	
Bill		01/15/2025	14180	DJ's Septic Pumpin...	Unit 23-4 clea...		20000 - Accou...	1,005.00	5,523.75	
Bill		01/31/2025	6558	LCMG, LLC	1/14-15 and 1...		20000 - Accou...	272.97	5,796.72	
Total 5573 - Septic Pumping & Repairs								5,796.72	5,796.72	
Total 5300 - Maintenance								35,582.79	35,582.79	
5700 - Lawn Care (Contract)										
Bill		07/01/2024	7438	Micah's Property Ma...	June 24 - Mo...		20000 - Accou...	3,750.00	3,750.00	
Bill		08/01/2024	7438	Micah's Property Ma...	July 24 - Mow...		20000 - Accou...	3,750.00	7,500.00	
Bill		09/01/2024	7511	Micah's Property Ma...	August 24 - M...		20000 - Accou...	3,750.00	11,250.00	
Bill		10/01/2024	7549	Micah's Property Ma...	September 24...		20000 - Accou...	3,750.00	15,000.00	
Total 5700 - Lawn Care (Contract)								15,000.00	15,000.00	
6200 - Open Common Area Maintenance										
6205 - Open Natural Area Maintenance										
Bill		07/17/2024	Summ...	Robert Coursey	Highland Colo...		20000 - Accou...	750.00	750.00	
Bill		10/12/2024	Fall 20...	Robert Coursey	Highland Colo...		20000 - Accou...	750.00	1,500.00	
Total 6205 - Open Natural Area Maintenance								1,500.00	1,500.00	
Total 6200 - Open Common Area Maintenance								1,500.00	1,500.00	
Page 2										



10:14 AM

03/06/25

Accrual Basis

Highland Colony Homeowners Association

Profit & Loss Detail

July 2024 through February 2025

Type	Date	Num	Name	Memo	Clr	Split	Amount	Balance
6300 - Pool Operations								
6305 - Pool Daily Maintenance								
Bill	07/31/2024	6120	LCMG, LLC	July Pool Mai...		20000 - Accou...	1,240.00	1,240.00
Bill	08/31/2024	6281	LCMG, LLC	Daily cleaning...		20000 - Accou...	1,240.00	2,480.00
Bill	09/30/2024	6282	LCMG, LLC	9/1 - 9/15		20000 - Accou...	600.00	3,080.00
Total 6305 - Pool Daily Maintenance							3,080.00	3,080.00
6310 - Pool Open/Close								
Bill	09/18/2024	PoolCl...	Mitchells Pool Reno...	Pool Opening		20000 - Accou...	650.00	650.00
Bill	09/30/2024	6282	LCMG, LLC	9/18 take out ...		20000 - Accou...	110.00	760.00
Bill	10/31/2024	6355	LCMG, LLC	10/17 winteriz...		20000 - Accou...	130.00	890.00
Total 6310 - Pool Open/Close							890.00	890.00
6320 - Pool Repair								
Check	07/17/2024	WCW...	Ely, Hiram	Two umbrella...		1000 - BNH - ...	79.88	79.88
Bill	07/31/2024	6120	LCMG, LLC	Pool shed, de...		20000 - Accou...	1,408.76	1,488.64
Total 6320 - Pool Repair							1,488.64	1,488.64
Total 6300 - Pool Operations							5,458.64	5,458.64
6400 - Water System								
6410 - Water Testing								
Bill	07/11/2024	200647	NH Public Health La...	Lab ID B4045...		20000 - Accou...	15.00	15.00
Bill	09/17/2024	202875	NH Public Health La...	Lab ID's B407...		20000 - Accou...	150.00	165.00
Bill	09/19/2024	653	Mom & Pop Propert...	Water System...		20000 - Accou...	800.00	965.00
Bill	10/14/2024	203441	NH Public Health La...	Lab ID's B407...		20000 - Accou...	15.00	980.00
Bill	01/01/2025	666	Mom & Pop Propert...	Water System...		20000 - Accou...	800.00	1,780.00
Bill	01/06/2025	204527	NH Public Health La...	Lab ID's B500...		20000 - Accou...	15.00	1,795.00
Total 6410 - Water Testing							1,795.00	1,795.00
Total 6400 - Water System							1,795.00	1,795.00
7500 - Miscellaneous								
Check	07/17/2024	WCW...	Hoyer, Robert	Reimburseme...		1000 - BNH - ...	37.51	37.51
Bill	01/31/2025	6558	LCMG, LLC	1/23 - Replac...		20000 - Accou...	84.75	122.26
Total 7500 - Miscellaneous							122.26	122.26
7600 - Administration and Taxes								
7650 - Legal and Professional								
Bill	07/07/2024	4913	Seven Rivers Law O...	General Matte...		20000 - Accou...	112.50	112.50
Total 7650 - Legal and Professional							112.50	112.50
7600 - Administration and Taxes - Other								
Bill	01/02/2025	USPS...	US Postal Service	USPS Box Fe...		20000 - Accou...	400.00	400.00
Total 7600 - Administration and Taxes - Other							400.00	400.00
Total 7600 - Administration and Taxes							512.50	512.50
8000 - Reserves								
8015 - Rot Repair								
Bill	08/08/2024	18-347	Ogden Construction	Fairway Drive ...		20000 - Accou...	8,009.04	8,009.04
Bill	08/08/2024	18-348	Ogden Construction	13-24 Muirfiel...		20000 - Accou...	10,055.32	18,064.36
Bill	08/23/2024	18-349	Ogden Construction	5 Springer La...		20000 - Accou...	7,873.58	25,937.94
Bill	08/27/2024	18-351	Ogden Construction	Highview Con...		20000 - Accou...	2,109.82	28,047.76
Bill	09/14/2024	18-355	Ogden Construction	Troon Unit 3-...		20000 - Accou...	4,511.53	32,559.29
Total 8015 - Rot Repair							32,559.29	32,559.29
8030 - Painting								
Bill	09/16/2024	00001...	Mad River Painting	Pressure Was...		20000 - Accou...	1,545.00	1,545.00
Bill	09/16/2024	00001...	Mad River Painting	Exterior prep ...		20000 - Accou...	9,950.00	11,495.00
Bill	09/18/2024	00001...	Mad River Painting	Pressure Was...		20000 - Accou...	1,248.00	12,743.00
Bill	09/18/2024	00001...	Mad River Painting	Exterior prep ...		20000 - Accou...	6,240.00	18,983.00
Bill	09/18/2024	00001...	Mad River Painting	Pressure Was...		20000 - Accou...	1,248.00	20,231.00
Bill	09/18/2024	00001...	Mad River Painting	Exterior prep ...		20000 - Accou...	4,992.00	25,223.00
Total 8030 - Painting							25,223.00	25,223.00

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10:10 AM	Highland Colony Homeowners Association					
03/05/25	Profit & Loss Budget Performance					
Accrual Basis	July 2024 through February 2025					
	Jul '24 - Feb 25	Budget	Jul '24 - Feb 25	YTD Budget	Annual Budget	
Income						
4010 · Dues Assessment Income	210,442.50	210,442.50	210,442.50	210,442.50	280,590.00	
4510 · CD/MMA Interest Income	3,104.60	2,333.33	3,104.60	2,333.33	3,500.00	
Total Income	213,547.10	212,775.83	213,547.10	212,775.83	284,090.00	
Gross Profit	213,547.10	212,775.83	213,547.10	212,775.83	284,090.00	
Expense						
5000 · Management Fees	11,000.00	11,000.00	11,000.00	11,000.00	16,500.00	
5050 · Insurance	10,844.40	12,000.00	10,844.40	12,000.00	18,000.00	
5100 · Snow Removal	15,806.43	15,000.00	15,806.43	15,000.00	22,500.00	
5150 · Painting	312.87	8,000.00	312.87	8,000.00	8,000.00	
5200 · Trash Removal	1,885.00	2,000.00	1,885.00	2,000.00	3,000.00	
5250 · Electricity	2,448.18	3,333.33	2,448.18	3,333.33	5,000.00	
5300 · Maintenance						
5305 · Contract Grounds	0.00	0.00	0.00	0.00	0.00	
5307 · Grounds Clean-up	100.00	5,000.00	100.00	5,000.00	5,000.00	
5311 · Brush Removal	2,200.00		2,200.00			
5312 · Tree Removal	23,500.00		23,500.00			
5315 · Snow Ramps and Sand Barrels	510.00		510.00			
5512 · Pool Fence Repair	463.99		463.99			
5520 · Siding/Deck Repair & Painting	843.86	0.00	843.86	0.00	0.00	
5528 · Clubhouse Maintenance	2,168.22		2,168.22			
5573 · Septic Pumping & Repairs	5,796.72	5,000.00	5,796.72	5,000.00	5,000.00	
5300 · Maintenance - Other	0.00	7,626.67	0.00	7,626.67	11,440.00	
Total 5300 · Maintenance	35,582.79	17,626.67	35,582.79	17,626.67	21,440.00	
5700 · Lawn Care (Contract)	15,000.00	15,000.00	15,000.00	15,000.00	22,500.00	
6200 · Open Common Area Maintenance						
6205 · Open Natural Area Maintenance	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	
6200 · Open Common Area Maintenance - Other	0.00	0.00	0.00	0.00	0.00	
Total 6200 · Open Common Area Maintenance	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	
6300 · Pool Operations						
6305 · Pool Daily Maintenance	3,080.00		3,080.00			
6310 · Pool Open/Close	890.00		890.00			
6320 · Pool Repair	1,488.64		1,488.64			
6300 · Pool Operations - Other	0.00	4,666.67	0.00	4,666.67	7,000.00	
Total 6300 · Pool Operations	5,458.64	4,666.67	5,458.64	4,666.67	7,000.00	
6400 · Water System						
6410 · Water Testing	1,795.00		1,795.00			
6400 · Water System - Other	0.00	3,666.67	0.00	3,666.67	5,500.00	
Total 6400 · Water System	1,795.00	3,666.67	1,795.00	3,666.67	5,500.00	
7500 · Miscellaneous						
7550 · Reserve Allocation/Contribution	0.00	112,500.00	0.00	112,500.00	150,000.00	
7500 · Miscellaneous - Other	122.26	266.67	122.26	266.67	400.00	
Total 7500 · Miscellaneous	122.26	112,766.67	122.26	112,766.67	150,400.00	
7600 · Administration and Taxes						
7650 · Legal and Professional	112.50	1,333.33	112.50	1,333.33	2,000.00	
7600 · Administration and Taxes - Other	400.00	333.33	400.00	333.33	500.00	
Total 7600 · Administration and Taxes	512.50	1,666.66	512.50	1,666.66	2,500.00	
7700 · Website Hosting	0.00	250.00	0.00	250.00	250.00	
8000 · Reserves						
8015 · Ro' Repair	32,559.29		32,559.29			
8030 · Painting	25,223.00		25,223.00			
8040 · Roof Replacement	42,306.78		42,306.78			
Total 8000 · Reserves	100,089.07		100,089.07			
Total Expense	202,357.14	208,476.67	202,357.14	208,476.67	284,090.00	
Net income	11,189.96	4,299.16	11,189.96	4,299.16	0.00	

Attachment B: Insurance & Declaration Memo

March 23, 2025

To: Board of Directors

From: Bob Fitzpatrick, Secretary

Re: 2025–2026 Insurance Renewal & Declaration Alignment

Dear Board Members,

I wanted to share a brief update regarding the renewal of our condominium insurance package and how it aligns with the revision Declaration (attached) we've been working on.

David Ficaro and Randy Eifert at Melcher & Prescott Insurance provided the 2025–2026 renewal summary (attached), which confirms continued coverage through Vermont Mutual for the following policies:

- **Businessowners Policy** (Property, Equipment Breakdown, Liability, Crime, and D&O)
- **Umbrella Liability Policy**

Total renewal premium: **\$19,717**

(Note: The policy already includes a \$25,000 deductible for covered causes of loss affecting individual Units.)

There is also an option to raise the **base deductible** from \$10,000 to \$25,000, which would reduce the overall premium by **\$765**. This change would primarily affect losses involving Common Areas or shared systems, and would not alter the existing \$25,000 per-Unit deductible. I have no idea if this is something we should consider.

❖ **Declaration Update**

The new **draft** Declaration (Article III.3: Insurance) has been reviewed for consistency with our coverage, and it accurately reflects our current insurance structure. It includes:

- “**All-In**” master property coverage
- Equipment breakdown, water damage, and ordinance/law endorsements
- Umbrella liability
- Directors & Officers (D&O) liability
- Fidelity/crime bond coverage
- Workers' compensation and third-party vendor requirements
- Clear guidance on **Unit Owner HO-6 policies**
- Assignment of responsibility for the master policy deductible

This puts us in a strong position to support future claims handling, compliance, and communication with Unit Owners.

Attachment B, continued

❖ **D&O Insurance – Do We Want Additional Coverage?**

While our current package includes **\$1 million in Directors & Officers (D&O) coverage**, Randy mentioned the option of adding a **standalone D&O policy** through Cincinnati Insurance. This may provide broader protection or enhanced legal defense coverage, depending on the terms.

Would the Board like to request a quote for comparison before renewal?

✓ **Suggested Action Items:**

1. **Review the renewal package** (attached).
2. **Vote on whether to:**
 - Approve the renewal as-is
 - Increase the base deductible to \$25,000 (saves \$765)
 - Request a quote for standalone D&O coverage

Let me know if you have questions, or if I have something wrong here. We can place this on the agenda for our next Board meeting. I think Nancy has just done this for us in the past

Best regards,
RFitz
(603) 254-6636

❧ LINCOLN CONDOMINIUM ❧

MANAGEMENT GROUP

PO Box 37 ~ Campton, NH 03223

MANAGEMENT PROPOSAL

For

HIGHLAND COLONY

HOMEOWNERS ASSOCIATION

3/10/2025

❧ **LINCOLN CONDOMINIUM MANAGEMENT GROUP, LLC** ❧

1294 NH Route 175, PO Box 37, Campton, NH 03223 · 603-960-9061

HIGHLAND COLONY HOMEOWNERS ASSOCIATION

MANAGEMENT AGREEMENT

Association Management Agreement (this “Agreement”), made and effective as of the 1st day of January ,2025 between the Board of Directors of **Highland Colony Homeowners Association** (“Association”) on behalf of the Owners, located in Holderness, New Hampshire (hereinafter referred to as “**Board**”) and **Lincoln Condominium Management Group, LLC**, located in Campton, New Hampshire (hereinafter referred to as “**the Agent**”).

WITNESSETH:

In consideration of the mutual terms, covenants and considerations set forth herein below, **Highland Colony Homeowners Association** hereby appoints **Lincoln Condominium Management Group, LLC** as its Agent, and Agent hereby accepts that appointment in the mutual agreement as to the following:

Whereas, under the provisions of the purchase and sale contract with the Owner of each unit within the Association, the Declaration of Condominium ownership, and Bylaws required under the provisions of the New Hampshire Condominium Act, the Owners have delegated the authority to manage, the Association to the Board; and

Whereas, the Board, on behalf of the Owners, desires to employ the Agent to manage the Association, and the Agent desires to be employed to manage the Association;

Now, therefore, in consideration of the mutual terms, covenants, and conditions set forth herein below and the General Terms and Conditions attached hereto as Exhibit A, the Board hereby appoints Agent as its limited managing Agent-in-Fact under the terms of this Agreement, and Agent hereby accepts that appointment as follows:

CONTRACT DOCUMENTS

The Contract Documents consist of this Agreement, the General Terms and Conditions, the Declaration and Bylaws of **Highland Colony Homeowners Association**, (the “**Association Instruments**”), and the Rules and Regulations and Board Resolutions adopted by the Association and/or the Board from time to time, including all modifications, amendments and changes issued subsequent to the execution of this Agreement; provided, however, that changes in any such documents to the date hereof shall have the concurrence of the Agent to the degree that such changes materially alter its responsibility or rights under this Agreement.

AGENT ASSISTANT

The Agent shall utilize its represented experience and knowledge to assist the Board in the management, supervision, control and administration of the said Association which contains 34 individually owned units, plus amenities.

AGENT DUTIES

The Agent agrees to furnish its best skill and judgment and to cooperate in furthering the interests of the Association. Agent agrees to furnish those services, and to

assist the Board as requested with those matters, described in the General Term and Conditions attached hereto, including, without limitation, financial management, executing Major Maintenance Reserve funding, accounting, bookkeeping collections and budgeting, property maintenance, contract management, and general association administration.

LIAISON WITH THE BOARD

To facilitate communications with the Board and the performance of the Agent's duties hereunder, the Agent will designate Nancy Ehlers (or her designee) to be the primary contact for the Board with the Agent. The Board may at all times conclusively rely, without further investigation or assurance, on the authority of the Primary Agent to act for and bind the Agent.

STATUS OF AGENT

In performing services pursuant to this Agreement, the Agent (including its officers, directors, agents, employees and subcontractors) is at all times acting as, and shall in all cases be deemed to be, an Independent Contractor and not an employee of the Association.

COMPENSATION

For all services rendered by the Agent to the Association pursuant to this Agreement, the Agent shall be compensated as follows:

- Annual Management Fee; Year 1 at \$16,500.00, year 2 at \$20,000.00.
- Owner related labor - \$55/hour for maintenance personnel.
- Association related labor - \$45/hour for maintenance personnel.

TERMS

The Initial Term of this Agreement shall be for a period of two (2) years commencing the **First** day of **January, 2025** and expiring on the **Last** day of **December, 2026**. Thereafter, this Agreement shall be automatically renewed with mutual consent for the consecutive additional one (1) year terms, unless:

- (a) At least ninety (90) days prior to the conclusion of the Initial Term or any subsequent renewal term, written notice of termination effective at the conclusion of the current term is provided by the Agent to the Board; or
- (b) At any time during the Initial Term or any renewal term, the Board provides the Agent with written Notice of Termination, which the Board may issue at any time, with or without cause, designating a certain Termination, unless such Notice of Termination is based on a material breach of this Agreement by the Agent, in which case the Board may designate an earlier Termination Date, including an immediate termination. If the Board Terminates the Agent during the first six (6) months of the initial term of this contract, the Association shall pay Agent it's fees equal to three (3) months to compensate for Lincoln Condominium Management Group's set up and startup cost.

MISCELLANEOUS CONDITIONS

Agent is not and shall never be liable to any creditor of Board or to any claimant against the property of Board. Nothing contained in the Agreement shall constitute or be construed to be or create a partnership or joint venture between the Board and the Agent. This Agreement shall be binding upon the parties hereto, their heirs, legal representatives, successors and assigns.

Agent is giving no authority or responsibility for maintenance or repairs within individual dwelling units. Such maintenance and repairs shall be the sole responsibility of the owners individually.

Agent shall not be held responsible for any judgment, claim or defense cost arising from performance of Agent's duties, other than in cases of gross negligence on part of the Agent under the terms of the contract.

Agent shall not be held liable for any error of judgment or any mistake of fact or law, or for anything she may do or refrain from doing hereunder, except in cases of willful misconduct or gross negligence.

Any notice or other communication required or permitted hereunder shall be in writing and shall be deemed delivered upon mailing by certified or registered mail, postage prepaid, return receipt requested, or by recognized overnight express mail service.

If to the Association: **Highland Colony Homeowners Association**

Kate Newell Coupe

Troon Terrace

Holderness, NH 03245

If to the Agent: **Lincoln Condominium Management Group**

Attn: Nancy Ehlers

PO Box 37

Campton, NH 03223

This Agreement shall be governed exclusively by the laws of the State of New Hampshire, as the same exist as of the date of this Agreement.

This Agreement may be amended, changed, modified, altered, renewed, extended or terminated only with the written consent of the authorized representatives of the parties hereto.

In Witness Whereof, the parties hereto have executed this Association Management Agreement as of the day and date first above written.

LINCOLN CONDOMINIUM MANAGEMENT GROUP, LLC:

Agent: Nancy Ehlers

Date

Witness

Date

- AND -

Highland Colony Homeowners Association:

By:

Its: President, Duly Authorized

Date

Witness

Date

❧ LINCOLN CONDOMINIUM MANAGEMENT GROUP, LLC ❧

1294 NH Route 175, PO Box 37, Campton, NH 03223 • 603-960-9061

GENERAL TERMS AND CONDITIONS

DEFINITIONS

To the extent not inconsistent with the 2016 Condominium Act, unless the content shall plainly require otherwise, the terms used in this Agreement shall have the same

meaning as defined in the 2016 Condominium Act, or if not defined therein, in the Association Instruments.

LIABILITY OF AGENT

The Agent shall be liable to the Association and the Board for, and shall indemnify, defend and hold the Association and the Board harmless from, any loss or damage occasioned by the Agent's own negligence, misconduct or failure to comply with obligations hereunder, or the negligence or misconduct of the Agent's officers, directors, agents, employees or subcontractors. The Agent shall not be liable for, and the Association agrees to indemnify and hold harmless Agent from and against:

- (a) Any and all liability, loss, costs and expenses, including reasonable attorneys' fees, incurred or sustained by the Agent on account of any injury to person or property in or about the Association from any cause whatsoever, unless such injury shall have been occasioned in whole or in part by the negligence or misconduct of the Agent or its failure to comply with its obligations hereunder, or the negligence or misconduct of the Agent's officers, directors, agents, employees or subcontractors or covered by insurance such as workman's compensation and general and auto liability; and
- (b) Any and all liability, damages, penalties, costs and expenses (including reasonable attorneys' fees) incurred or sustained by the Agent on account of any property performed by the Agent pursuant to the written instructions of the Board.

INSURANCE

During the term of this Agreement, the Agent shall obtain from insurers reasonably acceptable to the Board and licensed to do business in the State of New Hampshire, maintain and pay the full premium cost of (a) all such policies insuring the Agent of general liability insurance, automobile insurance, workers' compensation insurance and professional liability.

ROLE OF AGENT

The Agent fully accepts that its function is to assist the Board in the operation of the Association and the administration of the Association. Notwithstanding the express authority given to the Agent in this Agreement, it is understood and agreed that the Agent shall at all times confer fully and freely with the Board, and with any person or firm hired by the Board in the conduct of the annual audit or other review.

FINANCIAL MANAGEMENT

The Agent shall assist and/or advise the Board in all matters relating to income from any source and expenditures of any nature including, but not limited to, the following matters:

COLLECTIONS

The Agent shall use its best efforts to collect all general and special assessments as they become due and payable each month from all unit owners and all monies due from any source which are obligated to, and for the benefit of, the Association. The Board hereby authorizes the Agent, as its Agent-in-Fact, to request, demand, collect, receive, and receipt for any and all charges, assessments, or rents which may at any time become due by way of legal process through an Attorney hired by the Board. Legal fees incurred by the Agent in the collection of delinquent monies shall be reimbursable expenses by the Association to the Agent.

As a standard practice, the Agent will furnish the Board on a monthly basis with an itemized list of all delinquency, a Profit and Loss Statement and Balance Sheet.

DEPOSITS

The Agent shall deposit all receipts from whatever source, including assessments, in a financial institution or institutions insured by an agency of the Federal government, in an

interest-bearing (whenever possible) account or accounts established by the Agent with the approval of the Board and in trust for the Association, maintained in a manner to indicate the custodial nature thereof, and not commingled with the funds of the Agent or any third party. The Agent shall have authority to disburse funds from funds as provided in the section *Disbursements* below or otherwise authorized by valid resolution of the Board. The Board may direct the Agent to establish separate deposit accounts for special assessment or any other category of funds.

An Officer, President or Treasurer, of the Association shall be a signatory on any account along with the Management Company.

DISBURSEMENTS

From the funds collected and deposited in the Association account(s) established pursuant to the section *Deposits* above, the Agent will cause to be disbursed regularly and punctually: (a) compensation to independent contractors hired pursuant to the authority herein contained; (b) any taxes payable; (c) fire and other insurance premiums; (d) the amounts specified in any approved operation budget for allocation to any reserve fund for replacements or to any other reserve accounts and (e) sums otherwise due and payable as operating expenses authorized to be incurred under the terms of this Agreement or otherwise payable in satisfaction of liabilities and obligations of the Association provided for in the approved budget, including the Agent's management fee. After disbursement in the order herein specified, any balance remaining in an Association account may be disbursed or transferred from time to time, as directed by the Board. Any projected or actual deficit of funds, and any and all discrepancies in the books of the Association, shall be immediately reported to the Board.

BOOKS AND RECORDS

The Agent shall maintain a record of all income and expenses, assets, and liabilities, utilizing the accrual method of accounting and generally accepted accounting principles. Quarterly financial statements will be provided quarterly and will include a profit & loss, a balance sheet, an accounts receivable list and an accounts paid list.

GENERAL ADMINISTRATION

The Agent shall assist and/or advise the Board in all matters of administration, including but not limited to the following:

- (a) Maintain a file containing papers related to administration and ownership and to update the file as circumstances warrant. Such file shall include a roster of the then current Owners of record and their tenants with cars and plates, among other data necessary to properly administer the Association's affairs.
- (b) Advise the Board in, or initiate itself, general correspondence dealing with business matters of the Association between government officials, independent contractors and other entities with which the Association or its representative may have a business relationship thereof.
- (c) Assist the Board of Directors in the administration of provisions of the association bylaws and the policies, rules and regulations contained in Board Resolutions and the promulgated rules. Also, assist the Board in drafting resolutions, rules and regulations, and amendments as needed
- (d) Cause the Primary Agent Representative, or her designated representative, to attend all Board meetings during the year, as scheduled by the Board of Directors as well as the Annual Meeting. The Agent shall assist the Secretary of the Association in the preparation of the minutes of the Association and assuring they are kept current and maintained in an accurate and businesslike manner.
- (e) Except for the payment of the insurance premiums, utility bills, and except as herein elsewhere provided, and except as specifically authorized to any approved operating budget, approved capital reserve project or plan of operation approved by the Board of Directors, for any one item or repair or replacement, the expenses incurred shall not exceed the sum of One Thousand Dollars (\$1000) unless specifically authorized by the Board of Directors; provided, however, that emergency repairs involving possible danger to life or property, or immediately necessary for the preservation and safety of the Association or for the safety of the unit Owners, or required to avoid the suspension of any necessary services to the Association, may be made by the Agent irrespective of the cost limitation imposed by this Paragraph. Notwithstanding this authority as to emergency repair, it is understood and agreed that the Agent will confer immediately with the Board of Directors or in the case of emergency situations the President alone if necessary, regarding every such expenditure. If not possible to confer with the Board, then an email

must be sent with the amount spent within 24 hours of the occurrence of such emergency.

- (f) Report to the Board on any actual and/or anticipated violation of the Association Instruments, Rules and Regulations or Board Resolution, which comes to Agent's attention, and takes action(s) authorized by the Board of Directors.
- (g) Arrange for the proper organization of meetings of the Association, including preparation of reports, selection of materials and procedures and securing necessary personnel, and shall assist the Board in securing good attendance.
- (h) All stationery and organization costs for the Director's meetings, the annual Owner's meeting, the mailing of the annual meeting minutes and allowance for one (1) special notice mailing shall be at the expense of the Association. Notices sent by certified or registered mail shall be at the Association's expense. The Agent will be available for additional services in excess of the above. However, these shall be at a rate mutually agreed upon between the Board and the Agent at the time work is authorized.

PROPERTY MANAGEMENT

The Agent shall assist and/or the Board and/or employees, contractors and vendors of the Association on all matters related to the maintenance of the Association; specifically, the Agent shall cause the common and limited areas of the Association to be maintained according to standards established by state and/or local law, the Association Instruments, and the Board. The standards and actions related thereto shall include but not be limited to the following:

- (a) Consistent with the provisions of *Employment and Contracting Policies* below, develop and maintain comprehensive procurement procedures including, but not limited to, the creation of standard specifications for competitive bids in matters of a recurring nature, and maintaining a list of qualified contractors and vendors. In meeting the obligation, the Agent will at all times use its best efforts to obtain the lowest cost of labor and materials consistent with reasonable standards of quality workmanship and materials.
- (b) Supervise the operations of all contractors who perform work for the Association in the Association.

- (c) Determine the qualification of contractors and their adherence to the Association's requirements and standards regarding bonding, insurance, materials, workmanship, and warranties, and reviewing work of Association personnel or contractors and enforcing the conditions of those contracts.
- (d) Inspect the cleanliness and working conditions of all common buildings and common grounds. A reasonable schedule of inspections will be established by agreement between the Agent and the Board or its designee. These inspections shall take place weekly and follow an agreed upon checklist developed mutually by Agent and the Board.

Additionally, upon each incidence of snowfall, Agent will reasonably perform inspection of snow removal and if necessary, communicate with contractor. Also, after a major storm we will inspect the property/site.

- (e) Pool: To be opened/closed and maintained by pool contractor and billed to the Association. Some pool service may be provided by Agent as agreed upon.
- (f) Normal business hours will be Monday through Friday from 9:00 a.m. to 5:00 p.m.; however, the Agent maintains a 24 hour, 7 days a week emergency telephone number.

EMPLOYMENT AND CONTRACTING POLICIES

ADMINISTRATION OF CONTRACTORS

- (a) Except as approved by the Board, or permitted herein, contractors shall be selected pursuant to competitive bidding procedures and written specifications, the terms and conditions of which shall be acceptable to the Board. With respect to the retention and hiring of contractors, the Agent shall use its best efforts to obtain at least three (3) bids for every project. The Agent shall submit a recommendation to the Board containing its evaluation of the bid and its adherence to the specifications, information on the past experience and such other information as may be deemed helpful to the Board.
- (b) After selection by the Board of Directors, the Agent shall oversee the activities of the contractor including, but not limited to the receiving of certificates of insurance, copies of bonds, manufacturer's warranties, levels of service, fulfillment of contractual agreements, scheduling and coordination of work, timeliness and quality of work. The Agent also shall fully cooperate with consultants that may be retained by the Board to accomplish specialized

functions for the Association in the area of law, public accounting, or other areas.

- (c) The Agent is authorized to supervise contractors hired for maintenance and operation of the association. The compensation of all contracts shall be responsibility of the Association.
- (d) Nothing set forth herein shall be deemed to bestow on the Agent an exclusive right to perform any type of services on behalf of the Board or the Association, and the Board reserves the right, from time to time and in its sole discretion, to directly contract with third parties for the provision of goods to be provided and/or services to be rendered to the Association.

BUDGETS

ANNUAL BUDGET

The Annual Budget as established by the Board shall serve as the supporting document for the schedule of assessments of the unit Owners for the new fiscal year. The Annual Budget shall also constitute the major control under which the Agent shall operate. The Agent will report all known budget deviations to the Board monthly.

BUDGET PREPARATION

The Agent shall assist the Board, in the preparation of the operating and capital budgets of the Association, including but not limited to the following:

- (a) Approximately sixty (60) days before the start of the fiscal year, the Agent shall submit to the Board a proposed budget for the ensuing fiscal year. This proposed budget shall include an analysis of repair and maintenance needs, operating expenses, and any capital improvements anticipated for that period. The said analysis shall include a comparison with prior year(s) costs by budget category. Major Maintenance Reserve (MMR) fund requirements shall also be included in the proposed budget. During the budget review period, the Agent shall promptly reply to inquiries from the Board, on the matters concerning the proposed budget.

- (b) On a quarterly basis, the Agent shall provide the Board with year-to-date summaries of assessments, expenses, and budget deviations. The Agent will maintain an up-to-date record of budget expenditures, and promptly notify the Board if it is reasonably foreseeable that any budget category will be exceeded in the remaining period covered by the annual budget.
- (c) Except in case of emergency or as specifically authorized in writing by the Board, the Agent shall at all times limit expenditures to or under the amount specified in the budget for such expenditures to or under the amount specified in the budget for such expenditure.

BOOKS, RECORDS, INSPECTIONS AND AUDIT

BOOKS AND RECORDS

- (a) The Agent shall maintain a comprehensive system of office records, books, and accounts in a manner satisfactory to the Board and/or as set forth in this Agreement. The Agent will maintain copies of all records; provided, however, they shall be deemed to remain the property of the Association;
- (b) The Agent will compile and submit financial information to the tax accountant to complete yearly federal taxes. Tax return fee will be paid by the Association;
- (c) The Agent shall maintain Association registration with State Attorney General Office;
- (d) Agent shall create and maintain a procedure to track progress on work orders and details of corrective actions taken to resolve unit owner complaints.

INSPECTION

All office records, books, and accounts maintained either at the Association's offices or in Agent's offices shall be made available for inspection by the Board upon reasonable notice, during normal business hours.

AUDIT

The Agent shall cooperate fully with any independent, public accountant, or other consultant hired by the Board in the conduct of any audit including making all records, books, and accounts available for their inspection and review, and provide explanations of the accounting procedures used as necessary to complete the audit. Audit participation will be billed at an additional hourly fee.

INSURANCE

When authorized by the Board of Directors, the Agent shall cause to be placed and kept in force all forms of insurance to protect the Association, the Agent, the unit Owners, and mortgages holding mortgages covering condominium units as their respective interest may appear (or as required by law or the Association Instruments) including, but not limited to public liability insurance, equipment insurance, fire and extended coverage insurance, and burglary and theft insurance.

All the various types of insurance coverage required shall be placed with such companies, in such amounts, and with such beneficial intent appearing therein as shall be directed by the Board. Agent will be fully insured and will name the Highland Colony Homeowners Association as co-insured.

The Agent shall promptly investigate and make full written reports as to all accidents and claims for damage relating to personal injury in the common elements or management, operation, maintenance, and welfare, of the Association property, and shall cooperate and promptly make any and all reports by an insurance company in connection therewith. The Agent shall also be responsible for the timely filing of all reports and documents required by law or regulation relating to any work performed on behalf of the Association.

TERMINATION

After receipt of a Notice of Termination, the Agent shall stop such work under the Agreement on the Termination Date set forth in the Notice of Termination and to the extent specified in the Notice of Termination. The Agent shall place no further order with subcontractors for materials, service, or facilities, except as may be necessary for the completion of such portion of the work under the Agreement as is not terminated. The Agent shall terminate all orders and subcontractors to the extent that they related to the performance of work terminated by the Notice of Termination and complete performance of such part of the work as shall not have been terminated by the Notice of Termination. All records of the Association must be delivered to the Association or its designated Agent within 15 days of the Notice of Termination.

REPORTS AND FILINGS

STATUS REPORT

The Agent shall prepare a Status Report and present the same at regular meetings. The report shall normally contain the following information:

- (a) Status of Maintenance: Site inspection reports, progress of subcontract and/or employee repair and maintenance work, emerging problems with grounds and buildings, and recommendations for future action.
- (b) Status of Finances (unless performed by the Treasurer of the Board of Directors): balance sheet, income statement, statement of delinquent accounts, quarterly budget projections by category through the end of the calendar year, and other reports on specific projects as the Board may request.

ANNUAL STATUS

The Agent shall prepare an annual status report containing summaries of maintenance, financial administrative and other matters in such a form and details as to enable it to be used by the President of the Association in the preparation of the annual statement of the Association and by the independent accountant in the conduct an audit.

The cost for an audit to be performed by an outside public or certified public accountant shall be the responsibility of the Association.

MISCELLANEOUS

CONFLICT OF INTEREST

The Agent shall not accept from any party providing goods and services to the Association, including vendors, independent contractors and subcontractors, any remuneration or consideration for or inducement to the Agent for using the party's goods or retaining their services on behalf of the Association, all such benefits (including without limitation, discount, rebates and reductions in pricing) being rightly due the Association.

The Agent may bid and perform services as approved by the Board as a vendor, this payment is as a contract vendor for specific approved services and does not constitute a conflict of interest under the section. Approval of this invoice for services must, be submitted to the Board prior to disbursement of funds.

NO ASSIGNMENT

The Agent shall not be permitted to assign this Agreement or any of its duties and obligations hereunder, in whole or in part, without the prior written approval of the Board. Failure to secure prior approval shall be just cause for termination of this Agreement.

Attachment D: Draft of Declaration Insurance Revision

Article III.3: Insurance

III.3-100: Association Responsibility:

The Board of Directors shall obtain and maintain the following insurance as required by **RSA 356-B:43**:

A master casualty policy affording fire and extended coverage in an amount equal to the full replacement value of the structures within the condominium, or of such structures that in whole or in part comprise portions of the common areas.

A master liability policy, in an amount specified by the condominium instruments, covering the unit owners' association, the board of directors, the managing agent, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the condominium, and all unit owners and other persons entitled to occupy any unit or other portion of the condominium.

Such other policies as may be required by the condominium instruments, including, without limitation, workers' compensation insurance, liability insurance on motor vehicles owned by the association, and specialized policies covering lands or improvements in which the unit owners' association has or shares ownership or other rights.

III.3-200: Fire and Property Insurance Coverage

The Board shall obtain fire and extended casualty insurance, including fire, smoke damage, vandalism, malicious mischief, water damage from plumbing systems, sewer backup, equipment breakdown, debris removal, and ordinance or law endorsements. The policy shall insure all Condominium buildings, including interior building components typically deemed part of the structure for insurance purposes, such as heating and service machinery, interior walls, finished surfaces, cabinets.

The Board shall secure full replacement value coverage to ensure adequate rebuilding costs without depreciation, with consideration of guaranteed replacement cost if available.

III.3-300: Liability and Risk Management Coverage

The Association shall maintain public liability insurance covering the Association, Board members, the Managing Agent (if any), management, agents, employees, and occupants.

Key provisions include:

- Minimum Limits: \$1,000,000 per occurrence and \$2,000,000 aggregate.
- Periodic Adjustments:
- Cross-Liability Coverage: Ensures claims by one insured party against another are covered.

- Umbrella Coverage: The Board may obtain excess liability coverage for additional protection.
- Exclusions: This policy shall not cover individual liability for negligence within a Unit or exclusive Limited Common Areas.

III.3-400: Directors and Officers (D&O) Liability Insurance

The Board shall obtain D&O liability insurance to protect directors, officers, and committee members from claims related to governance activities.

III.3-500: Master Insurance Policy Deductible Responsibility

In the event of an insurance loss where the Association's master policy deductible applies, the affected Owners and/or Units shall be responsible for the deductible.

1. Default Allocation: The deductible shall be allocated pro-rata based on ownership interest unless the Board determines an alternative method is necessary.
2. Owner Insurance Responsibility:
 - Unit Owners must ensure their HO6 policy covers the Association's master policy deductible to avoid personal liability.
 - Owners who do not maintain HO6 coverage assume full personal responsibility for their share of any applicable master policy deductible. The Board shall not be responsible for financial hardship resulting from an Owner's lack of coverage.
3. Deductible Payment Procedures:
 - Owners assessed for all or part of the deductible must pay or transfer funds from their unit insurance settlement to the Association within 30 Days of the billing invoice or notice.
 - At the Board's discretion, deductible contributions may be deducted from insurance proceeds payable to the Unit Owner by the insurer or the Board.
 - Owners should seek reimbursement for any portion of the master deductible from their individual Unit insurance policies.
 - Unpaid deductible Assessments shall be collectible under the provisions of RSA 356-B:45.

III.3-600: Unit Owner Insurance Responsibilities

The Board strongly recommends that all Unit Owners obtain an HO6 condominium insurance policy, which should provide:

- Personal Property Coverage for belongings within the Unit and Limited Common Areas.
- Interior Improvements & Upgrades protection for unit modifications exceeding \$10,000.
- Loss Assessment Coverage for deductible costs imposed by the Association.
- Loss of Use Coverage for temporary relocation expenses.

- Personal Liability Coverage for bodily injury or property damage occurring inside the Unit.
 - Master Policy Deductible Coverage to cover the Association's master policy deductible.
- Unit Owners who do not maintain an HO6 policy with deductible coverage assume full financial responsibility for their share of any applicable master policy deductible.

III.3-700: Renters Insurance for Leased Units

The Board may require Unit Owners who lease their Units to obtain proof of renters insurance from their tenants as part of lease approval requirements. If required, renters insurance should include:

- Personal liability
- Property damage
- Loss of use

Failure to comply with renters insurance requirements shall be addressed through Board policies and enforcement mechanisms outlined in the Bylaws.

III.3-800: Workers' Compensation Insurance

The Association shall obtain and maintain Workers' Compensation Insurance as required by law for any employees it hires. If the Association contracts with a Managing Agent or third-party service providers, it shall require proof of Workers' Compensation coverage from such entities to ensure compliance with applicable laws.

III.3-900: Insurance Policy Conditions and Waivers

The Board shall make every effort to ensure that all insurance policies obtained under this Article include:

- Waiver of Subrogation – Policies shall contain waivers of subrogation by the insurer for claims against the Association, its employees, Board members, Unit Owners, and resident family members, except in cases of arson or fraud.
- Notice of Cancellation – Insurers must provide at least 10 Days' written notice before policy cancellation or modification.
- No Contribution with Individual Policies – The insurance maintained by the Association shall be primary to any insurance carried by Unit Owners or their mortgagees. No Unit Owner policy shall be considered contributory to, or offset against, the Association's policy.

III.3-1000: Unit Improvements & Owner Insurance Responsibility

Unit Owners are responsible for insuring any improvements or alterations to their Unit. Owners should consult their **HO6 insurance provider** regarding coverage for improvements.