

ome people don't have two doors, just an outer door... anyway, have a good night everyone... Jovanna

Base Hill Co Operative, Inc.
Annual Membership Meeting
January 29, 2009

President, Terry Connors, Vice President, Patti Monroe, Treasurer, Greg Sears, Operational Manger, Carl Cormier, Assistant Treasurer, Ed Lindgren and Assistant Secretary, Jovanna Lindgren were all present. Patrick Pinkson-Burke, Representative from the NH Community Loan Fund was also present.

****(Please note that when a particular person's name is mentioned, their last name will be used the first time, and then, there after any reference to that person will use their first name, assuming they are the same person whose full name had already been mentioned.)
See attached list of names for members present. There were sixteen voting households present; the quorum was met for the meeting.

Location: Monadnock Covenant Church, Base Hill Road/Route 9 West, Keene, NH.

Meeting was called to order at 7:05 PM.

***First item on the agenda was to go over the budget for the coming year, 2009.
(See attached hand out).

Yvon Brulotte asked if the \$4500 that was set aside for the water utility would cover the expenses the co op incurs, plus what the co op already owes the City of Keene.

Terry Connors responded that the amount was based on \$1100 per month plus 30% interest for paying the balance on the bill.

Howard Minch asked about the figure for the Maintenance
Terry responded that that figure was based on keeping the park in code and any extra work that might be necessary.

Gerry Merrill asked if that did include the mowing and summer maintenance as well.
The answer is yes.

Howard asked if there were flexibility in the budget to move money around with in the co op's accounts.
There is a requirement for surplus in the budget which is required by Ocean National Bank of \$13,000 for "wobble room".

Ed Lindgren mentioned that garbage removal's rates had gone up. Yvon (recent past treasurer) mentioned that those rates had gone up in October of 2008.

Greg Sears mentioned that other than that, our creditors had not mentioned any other increases that he was aware of.

Donna Hallowell asked if there would still be monthly statements sent out to members to show their payments of rent and any balances for membership fee. (Only refers to members that were here before the co op was formed, a monthly payment on their membership fee is required). She said that she found it very helpful to have. Also, when she was treasurer, she found that D'Alessio's (our accounting firm) had very good records that were kept up.

Yvon said that when he was treasurer he made sure that everyone, especially members that owed back rent, got their statements.

Terry interjected that this was a new board and they were going to have to get into a routine with everything. Greg also said that the board was new and that there would have to be some time to allow them to get up to speed with systems of running the co op.

He had statements with him through the end of December for members that wanted them; they could see him after the meeting.

There was a question on deciding what steps of action to take against members that were not paying their rent. Also there was a question if statements should be sent out monthly or quarterly.

Donna stated that from her past experience, after the rent being late 30 days a notice was sent to that member. If there was no response, the next step was legal action to start proceedings on an eviction of that delinquent member.

As to the office supplies heading in the budget, Howard suggested buying "forever stamps" to keep costs down, Terry said that those were the type of stamps already being bought.

Nancy Cavanaugh asked how the rent increase amount of \$5.00 was determined. And also, if the rent would be going up again soon after this increase.

Terry said that "as far as he could see for now" there would be no other increase. And also the figure was determined by a 1.1% service ratio.

Yvon asked what we owe to the City of Keene for water and sewer. Terry answered the amount is approximately \$38,000.

Pia Walsh asked why this amount had gone up so drastically. It was answered that the water rates in Keene had gone up again this previous year another 30%.

Yvon had said that when he left the amount for the bill was lower. Pia asked why it had increased since then, was the bill not getting paid?

Howard mentioned that the rates were due to go up again this year.

Greg said the budget had allowed for paying down the previous bill.

Patrick Pinkson-Burke said that the co op may be able to apply for help with this; it would be something for the Board to look into.

Pia asked if the \$5 a month increase in rent was motivated to cover the cost of Richard Offner's rent. (The member whose home was lost due to fire in November of 2008)

The answer was no. The budget takes into account the co op having two empty lots with no rent coming in. Some rent loss is accounted for in the budget. It is a common thing that is worked in to all co operative budgets.

Pia mentioned that Erica Descoteaux of 35 Schult Street had moved out of her home.

Patrick said that there is a 2-4% loss accounted for usually in co operatives' budgets. The Base Hill Co Op's rent loss rate is 3.6% built into the budget, even if everyone is paying.

After this discussion a motion was made by Frank Grimes to accept the budget as written and understood. Howard seconded the motion. All voted in favor with none that were opposed. Terry announced the motion to accept the budget was carried.

The rent increase would take effect 60 days after written notice was received by all members. Tentative month would be May of 2009, assuming the notices were handed out by March 1, 2009.

***Second topic on the agenda was reviewing last year's budget.

Greg said that the last month (December of 2008) he had to wait until the statements were made available for him to get all the information that was needed to put in his review. He had just gone to D'Alessio's that day to obtain them.

He said that there was a gap between the end of Yvon's term as treasurer and the projected budget and the beginning of his term. Yvon said that he would receive sheets with balances and other information every week from D'Alessio's and asked if Greg had been receiving them.

Greg said he goes to D'Alessio's at least two, if not three times a week. As of January 27, 2009 the amount in the co op's working checking account was \$28,132.02. Yvon mentioned that the mortgage payment to the bank was on the 5th of the month and would take out \$11,000.00 from that account. As for the reserve account, the current balance is \$37,286.13. An amount of \$833.00 goes into the reserve account every month.

Yvon mentioned that the representative from Ocean National Bank had said that the co op could not obtain financial help for any reason until the reserve account was at \$50,000.00.

*****Next on the agenda was a motion to make an amendment to the by-laws of the co op. Last year an amendment was added that stated that two members of the same household could not serve on the board at the same time. This was considered to be a conflict of interest. As of October of 2008, there were no volunteers to take the position of Secretary from Cindy Connors. She agreed to remain on as acting secretary until a replacement was found. In the meantime, Terry Connors, her husband, had become president. Cindy was willing to be secretary, however, with Terry as president this was in conflict with the aforementioned amendment to the by-laws.

The motion to amend the by-laws was: There still would be in effect the by-law of no two people in the same household can hold office on the board at the same time, but modified to say UNLESS: there are absolutely no willing members to volunteer their time, and the board is in need of filling that position and the only person willing to take the position lives in the same household. The by-law that states no two people in the same household can sign checks for the co op would still be in effect.

Nancy stated that the co op should not change by-laws just to suit situation at the moment.

Patrick pointed out that as a new organization, we were growing and a work in progress, trying to find out what works for the co op and handling situations that had not come up yet. He compared it to the U.S. Constitution, a living document that had changed throughout this country's history in order to build a stronger community and to alleviate inner problems.

Terry pointed out that we were not going to change the by-law, just modify it and add a clause that would account for an emergency, like the situation that the co op was in at the moment.

Donna agreed, saying that it was expected, with the co op being new, it was still struggling to work out unanticipated situations.

At this time, it was discussed about trying to develop committees to have more people in the co op to step forward and volunteer their time and become involved.

Ed agreed, the alternative would be to have no secretary fill the position if no one else was nominated. If the membership did not agree to this modification, all they would have to do is to nominate someone for the position, or raise their hand to vote against the amendment.

Donna made the motion to accept the modification to the by-law as discussed: to allow a member from the same household to be on the board and fill a position if they were the only one that volunteered at that time. The household would still have one vote at membership meetings and both people could not sign checks for the co op

Pia seconded the motion.

At that point Terry asked if anyone wanted to nominate someone for the secretary's position. Donna nominated Nancy Cavanaugh, Jessie Hallowell seconded the motion. Nancy accepted.

At this time, Ed made a motion for the assistant secretary to cast one ballot.

Jovanna Lindgren did. Nancy was voted in as secretary.

Terry asked if there was any other business anyone would like to discuss.

Yvon asked if the co op had had its financial review/audit for the year. Since the co op had changed its fiscal year from September to January. He mentioned the Ocean National Bank representative; Janet Brewer had mentioned this to him.

Patrick mentioned that Greg, as treasurer, should be getting some paperwork sent to him to let him know what he must do for this requirement.

Donna said that the co op was established two years ago in February of 2007, and we should be having an audit by now.

There is \$1000.00 accounted for in the budget for a financial review. An audit would cost about \$3-5,000.00. (Per Patrick).

Yvon also asked how much was owed in back rent from co op members. Greg said the amount was roughly \$4-5,000.00 owed the co op. And he was not prepared to discuss the details further at that time.

There is a confidentiality issue.

Donna stated that there should be firm steps in place for this situation, as it is against the rules/by-laws

to not pay rent.

Ed said that as he remembered them, from the by-laws:

First, after 30 days late on rent, a notice should be sent out to the delinquent member.

Second: If no response, after 15 days a certified letter should be sent.

Third: The Sherriff should serve an eviction notice.

Donna asked what steps were being taken now against the offenders that owe back rent.

Terry said that lawyers and the eviction process had been delayed due to the changing of the board.

Pia said that the members would be reassured that the board/co op was moving ahead with proceedings? She stated that “everyone knows who those people are but won’t say”.

The topic was dropped.

Nancy asked if she could fix the typos she had found in the co op’s documents without voting on the changes. This seemed to be acceptable to Terry.

Carl Cormier mentioned that at the last membership meeting tree work had been discussed. He said that he had a verbal agreement with a business, and would get a written one. The estimate was \$1100-1200.00 for what needed to be done. There was one tree that had to be removed, six others that needed their limbs trimmed, and more trees that were questionable by the power lines. This will be done within the time frame of the next three weeks.

He also mentioned that the first pole on the corner of the entrance was the city’s responsibility and all utility poles after that, the co op’s responsibility.

At this time, Howard brought up the idea of digging artesian wells in the co op. Doing research on this, asking Cushing & Sons, he found that it would cost \$10 a foot to dig and it would run 100 gallons of water per minute.

It was thought that the City of Keene would not agree to this. It was mentioned that for the money owed for water to the City, there could be two wells dug.

This was something that the co op would look into for the future.

Carl questioned how many homes that the well could support realistically with the co op’s water usage. He also asked about the septic system, and that was still under the City of Keene. Howard said we would still have to pay and use the same septic system, but not pay for the water used.

Patrick mentioned that to have its own septic system, it would have to be state certified and as a treatment facility and tested, at the cost of the co op.

At this time, Ed mentioned that he would like to see an ad hoc committee formed to investigate alternative sources/resolutions to the water usage in the co op.

Terry suggested that Howard head that committee as he was already investigating this problem and had been doing his own research on it.

Pia Walsh asked if the pipes in the co op would have to be redone.

Howard said that his idea to check on where a leak might be coming from was to have the members leave their homes for a few minutes for the committee to turn off the water to check each individual

home.

Carl thought there would be a problem and valves would have to be replaced.

It was agreed upon an ad hoc committee for this issue should be formed.

Donna asked about committees. What were they and what members were in them.

Terry answered that there was a grievance committee, the vice president, Patti, being the chairperson, with Howard Minch and Cindy Connors as members. There was a need for members to join the Finance, Maintenance, Social and Membership committees.

Donna volunteered to head the Social committee.

Patrick offered his services to help form and set up the committees.

Patti asked what board members oversaw which committees.

Patrick said the secretary oversees the Membership committee, the vice president oversees the Grievance committee, the Operations Manager oversees the Maintenance committee and the Treasurer oversees the finance committee, traditionally.

Donna asked if Nancy would oversee the social committee as well.

Pia asked when, where and what time monthly board meetings take place.

It has not been consistent, but meetings are posted three days before the meeting is held on the boards by the mailboxes.

Ed made a motion to adjourn the meeting.

Carl seconded that.

Meeting adjourned at 8:20PM.