**KARYL COURT CONDOMINIUM ASSOCIATION**

**PO Box 133**

**Plymouth, NH 03264**

**2023 President/Treasurer’s Report (October 2023)**

**PRESIDENT’S REPORT:**

2023 has proven to be yet another productive year of continuous improvement for the KCCA. Our property continues to be enhanced and we are progressing nicely in the direction of making our small community a comfortable and inviting place in which to both live and own.

Our storage shed was installed, and has been in use, since the Spring of 2023. The property boundary issue which has consumed much of the Board’s efforts over the last couple of years has been settled. We have conclusively determined that our neighbor at 40 Beech Street has encroached on our property with his black chain link fence. The encroachment runs from a millimeter about three posts back from Beech Street to almost 6’ at the river. Whereas our Boundary Plan has been recorded in the Grafton County Registry of Deeds, we have been advised by our lawyer to “cut down the fence where it encroaches onto our property line”. Our lawyer suggests that we have him onsite when this is to be done, so we will coordinate and schedule this for an appropriate time when he can be present. At this point, that is likely to be in the Spring of 2024.

Whereas all new water lines have been installed on the 3rd and 4th floors, we can now proceed with the boxing in of any remaining exposed PEX lines which still may be visible on the 3rd+4th floors, patching of the walls and initiation of the re-painting of the walls thereupon. Sequencing of the paint job with the replacement of the hallway windows will have to be considered, from a budgetary priority perspective.

As President, I have also spend a good amount of time this year in researching our #1 priority item from last year, the covering of the back stairs and porch stoop with a canvas awning. After contacting several canvas companies, the only one that I could get out here to look at the job refused to even give us an estimate. His exact words were “as both an awning guy and a contractor, I don’t feel comfortable with this job” and suggested that we build a roofed wooden structure instead of an awning. He also suggested that the Town would likely require structural engineering report validating that whatever structure we built over the stairs and the porch was capable of supporting the heavy snow load in our area, adding significant costs to this project. At this point, I still have one other awning company out of Concord that is willing to look at this project, and will update the Association accordingly.

Priority queue for capital repairs remains as follows:

1. Awning/covering for back stairs and porch
2. Replacement of four hallway windows
3. Boxing PEX and painting 3rd and 4th floors.
4. Driveway patching, repair and blacktop sealing

This is the year that we must vote to approve Board members. Norm Hebert has been self-nominated to a three year term as President/Treasurer and Patricia Hebert (EL-Winter Street Trust) has self-nominated for a three year term as VP. No other owners have stepped up to nominate themselves for the third Board position (Secretary). Additional nominees will have the ability to step forward before the VOTE.

Another ongoing issue remains the “storage cubbies” down in the laundry room. Our foundational documents (Declaration and By-Laws) say nothing about the cubbies, their use or ownership and the Board is unsure as to when they were actually built. The problem is that there are only 12 cubbies for 15 units. The Board is suggesting that the cubbies be rented out on an annual basis (first option to Owners, second option to Tenants), beginning on 01-January 2024, for the sum of $250/year, payable in ADVANCE, on a first-come, first-served basis. If cubbies are available, there will be no prohibition from Owners/Tenants renting more than one cubby. It must be acknowledged by all prospective “cubby renters” that the KCCA assumes no liability for use, misuse or theft from the cubbies, if any party decides to rent them.

Another item that I spent some research time on was the potential installation of solar panels to reduce our monthly electric bill. The USDA’s “Rural Energy for America” program (REAP) appeared to provide a combination of grants and low interest loans for such purposes. After a considerable time investment, it was determined that such grants/loans were only available to businesses and agricultural producers in our County, and that a HOA like ours does not qualify (even if we were to incorporate as a non-profit Corporation, as our attorney tells us we would have had the right to do). [See email chain attached to this report].

**TREASURERS REPORT:**

On a positive fiscal note, I am happy to inform everyone that all owners, except for two, are current and paid up with their dues, and that the one owner that had been over $13K in arrears has worked that balance down to under $3K, and are on track to become current in the next 30 months or less. The owners of Unit 3C remain our last “problem child”. Whereas they live in Massachusetts, pursuing the $33K+ that they owe us has been nothing short of exasperating. One of the owners has died, the remaining owner appears to have transferred his interest to his son, they have moved at least two times and they are constantly ducking service by the Constable. Our liens on this unit are second to only the first mortgage, which, according to our calculations, is likely down to under $30K, so our $33K+ of liens are very secure, given the equity of the owners.

The number one fiscal priority from last year, the setting up of an investable Capital Reserves account has been completed. We have purchased a ladder of CD’s from Service Credit Union, with durations of between 12-60 months with rates ranging between 5.15% and 3.5%. These investments are currently earning the KCCA approximately $300/month.

Lastly, as a final reminder, our insurance company has mandated that all existing Federal Pacific Corp (FPC) “Stab-Lock” circuit breaker sub-panels located in each unit be replaced by the Summer of 2024. This will be the responsibility of each unit owner. At this point, it is the understanding of the Board that all but three of these panels have been replaced. All owners are requested to supply two photos of your current subpanel (one with the door closed and one with it open) to me by email at your earliest convenience, so that I can submit them to the Insurance Company when our policy comes up for renewal in July of 2024.

My goal, as President and Treasurer over the past year, was to continuously look for ways to improve our community, while, at the same time, being fiscally responsible with spending. We now have several additional income streams (Capital Reserves interest, laundry Income, potential cubby rental) which will help keep our dues down. With that said, we have had requests by Owners to step up the pace of repairs/capital improvements, moving forward. With all this being said, I am proud to report that monthly dues have not increased in the past eight years, but we may have come to the end of our revenue optimizing activities, and that a dues increase of $25/month may well be necessary come 2025. We have made a lot of progress in the past year and I am confident that, with the cooperation and support of all owners, this progress will continue throughout the upcoming year.

Respectfully submitted,

Norm Hebert, President and Treasurer

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