



Minutes of the Quarterly Meeting of the Board of Directors, Friday, March 10, 2023

10:00 AM | *Meeting called by* Gregg Pitman
Held at 30 Muirfield Ln, Unit 13 (Fitzpatrick)

The Board of Directors reviewed these minutes on September 21, 2023, via email (as authorized by RSA 356-B:37 and in accordance with *Roberts Rules of Order Newly Revised*, 48:12]. There being no corrections, the minutes were approved by President Coupe.

Board Members

Gregg Pitman, Pres., 3 Muirfield Ln. Unit 27
Bob Fleck, Treas., 10 Highland View Ln. Unit 32
Bob Fitzpatrick, Sec., 30 Muirfield Ln. Unit 13
Kate Coupe, 9 Troon Terrace Unit 17
Jan Panagoulis, 43 Wedgewood Dr. Unit 1 (excused)

Management (Lincoln Condominium Management Group, LLC) (603) 960-9061

Nancy Ehlers, Owner
John Carpenter, C.P.A.A

Association Members

Paul Beck, 31 Muirfield Ln. Unit 14
Judith Gooch, 13 Muirfield Ln. Unit 23
Ron Snyder, 6 Highland View Ln. Unit 30
Bob Tuveson, 4 Highland View Ln. Unit 29
Cindy White, 18 Fairway Dr. Unit 8

Guest

Jack Evans, State Certified Water Contract Service Provider, 107 Hardhack Rd. Holderness, NH

Agenda

Welcome and Call to Order

Gregg Pitman

-
- The meeting was called to order at 10:07 AM

Agenda Adjustment

- Gregg requested that we allow our guest, Jack Evans, to give his analysis and report of our water situation as the first order of business to avoid unnecessarily detaining him throughout our meeting. This item is moved here from "New Business."
- **The Dirty Water Problem:** Some units have been experiencing a "dirty water" problem for years which has worsened recently. The water in some units is visibly discolored. This discoloration can be evidenced by residue accumulating in water filters, turning them from white to quite nearly black in a matter of weeks or less. This discoloration is contrary to the expectation that a filter would be effective for several months or more. (See fig. 1 below)

Jack Evans, our *local state certified water contract service provider*, was asked to investigate, report findings, and make recommendations.

Mr. Evans reassured the group that **the quality of the water coming from the wells is "very clean" and safe.** He reported that **both wells tested clean for bacteria.** Mr. Evans also informed the group that the quantity of water being realized, *28 gallons per minute*, is "very good." However, he reported that *while the quality of our water is clean and safe*, the presence of iron in these isolated cases should be considered unacceptable.

Mr. Evans' testing revealed the output from **well number 1 registers 0.22 milligrams per liter for iron**, and the output from **well number 2 registers 0.28 milligrams per liter for iron**. Readings exceeding 0.3 milligrams of iron per liter are considered objectionable. Disturbingly, Mr. Evans informed us that the iron level in the problem units is as high as 89.6 milligrams per liter—about 300 times higher than the amount generally considered acceptable. [The State of NH [environmental fact sheet](#).]

Judging from which units are affected, the trouble appears to be occurring in the water line somewhere before it reaches Troon Terrace. The current guess is that there may be a leak or some other problem in a pipe. However, locating the problem will not be possible until warmer weather allows for digging if that is necessary. We won't know for sure without further investigation.

The bottom line is that we must find the cause of the problem. The plan as of now is to follow Jack Evans advice to keep track of the wells' gallons per minute output. We will determine if it's necessary to contact the state Department of Environmental Services for expert intervention. Mr. Evans advised us that the state would be likely to "want a tank check" which can be "expensive" and may limit access to water for a few days. Our property manager, Nancy Ehlers recommends looking for the leak sometime this month as a first step. Ron Snyder suggests putting a meter on the distribution side. Finally, Ms. Ehlers asked Jack Evans to get a quote from the state regarding possible remediation.

- The board requested that minutes include the names of association members in attendance.
 - Bob Fleck motioned to approve the minutes with the recommended addition.
 - Kate Coupe seconded the motion.

- 4 Ayes / 0 Noes
The minutes were accepted as amended. (*Attachment A: Approved Minutes of the 12/12/2022 BOD Meeting*)

Report of the President

Greg Pitman

- **Transitions** were the key activities since our last board meeting.
 - We have moved our grounds maintenance contract from *Three Lakes Landscaping* to *Micah's Property Maintenance*, 143 Peppercorn Rd., Ashland, NH.
 - We have moved our condominium management from *Moriarty Management Co.*, Campton, NH (MMC) to the *Lincoln Condominium Management Group, LLC*, Campton, NH (LCMG). (See "Management Report" below)
- **Problems** persist from our association with *Moriarty Management Company* (MMC) since ownership of that company changed hands. [Note: *Moriarty Management Company* is now a part of [Advantage Property Management](#) headquartered in Amesbury, Massachusetts.]
 - There was a surprise \$20,000 invoice from *P.R.E.P. Contractors, LLC*, Plymouth, NH. This was \$5,000 more than authorized or budgeted. Whether through indifference, incompetence, or negligence, MMC failed to monitor either PREP's work or their expenditures. President Pitman contacted both MMC and the Highland board members about the overspending. MMC denied any responsibility and shifted the blame to LCMG. Gregg requested a detailed list identifying what work had been done and on which units. The resulting list failed to provide sufficient information. Ultimately, in part due to the cold weather, the work that PREP had begun was not finished. Painting, for example, has been left undone. After much discussion, Nancy Ehlers (LCMG) suggested we pay the \$20,000 for the work done. And, while we still need to try to reconcile PREP's work with our continuing needs, the board agreed to cease arguing about responsibility and move on. We've amply noted our dissatisfaction with MMC and PREP, and we now contract with different agents.
- **Failure of our Spillway Dam**
 - Members will recall the extreme rains that fell the days before Christmas, 2022. This caused a dramatic dam failure on Christmas Eve. (See fig. 2) Last year, repair of the dam had been organized by Ron Snyder and executed by Frank Tilton of Pike Industries, Belmont, NH. As the dam's Christmas Eve failure constituted an emergency requiring immediate action, Pres. Pitman authorized Ron Snyder to oversee the reconstruction just as he had arranged for it the previous repair. Ron Snyder reported that due to the state's involvement with last year's repair, our request to use larger stone to mitigate future problems wasn't allowed. This time, the repair was made with 18" riprap stone. [[Riprap](#) describes a range of rocky material placed along shorelines, bridge foundations, steep slopes, and other shoreline structures to protect from scour and erosion. Rocks used range from 4 inches to over 2 feet.] Mr. Snyder reported that since Pike Industries had done the repair last year, they chose to charge only for materials and the excavator. The total cost was \$3,850.
- **Dealing with Snow and Our New Maintenance Contractor**
 - Our new property maintenance contractor, Micah Mickelboro of *Micah's Property Maintenance* bought a Kubota snowblower for his exclusive use at Highland Colony. It is kept on our property in the parking area next to the tennis court.

Once the snowplow completes its work, Leon II, uses the Kubota snowblower for final cleanup. [Note: Leon II is the father of Leon III who is the crew manager for Micah's Property Maintenance.] During our most recent storm, Micah's shovelers did not show up for work. Leon II tries to complete the job as fast as he is able, but with limited assistance, this makes for a very long day and a lengthy snow removal process. Please be supportive of Leon who has been extremely responsive to members' requests. Nancy Ehlers has contacted Micah Mickelboro when there have been remediable problems. We are aware of the hiccups with our new contractor, and we hope members will be patient until Micah's establishes a workable routine. Micah's service is not expensive, which makes us hesitant to cancel the contract without being certain of a better option. Paul Beck commended the work of *Micah Property Maintenance*, singling out Leon's work and attitude as exemplary.

Nancy Ehlers is investigating related snow issues, such as whether more roof raking is necessary. We appreciate her attention to these details.

- **New Association Members**
 - The update of new members appeared on the agenda but was not mentioned and will reappear on the agenda for our next meeting.

Financial Report

John Carpenter/LCMG & Bob Fleck, Treas.

- The transition from *Moriarty Management Company* to the *Lincoln Condominium Management Group, LLC*, has been particularly difficult owing to what our new manager, Nancy Ehlers (LCMG), referred to as the "utter chaos" of their record keeping. It should be noted that *Lincoln Condominium Management Group* has not disparaged MMC but has expressed dismay at the lack of organized and timely transfer of the financial information needed to establish our accounts with her group.
- John Carpenter, C.P.A. *Lincoln Condominium Management Group, LLC*, distributed the "**Highland Colony Homeowners Association Balance Sheet**" (Attachment B) and the "**Profit & Loss Budget vs. Actual – July 2022 through February 2023**" reports (Attachment C). Mr. Carpenter included the following comments along with his report:
 - Highland Colony's financial records have been transitioned to QuickBooks and reflect financial activity of the last eight months.
 - We are "*on track*" and all bills are being paid as they come. A most recent bill was for the association's insurance policy.
 - There has been a problem securing appropriate tax information records for which it appears MMC has not kept backup copies. Ms. Ehlers has contacted our lawyer to resolve this problem.
 - Association dues are handled through the management and are not routinely reviewed by the board unless a problem occurs. **Following Ms. Ehlers' advice, the board agreed to placing a lien (at the discretion of the board and LCMG) on any properties whose association dues are in arrears.**
 - Since there was no specific line item in the budget for the repair of the dam, Mr. Carpenter listed that cost under line item *8022-Roadway Repair*.
 - While our reserve funds, managed by Vanguard Money Markets, are in the name of Highland Colony, Moriarty Management is still getting the statements. Moriarty currently

has signing authority. John Carpenter reported some withdrawals for which there is no record. Mr. Carpenter says the amounts are not large and don't reflect a need for serious concern. Such unaccounted expenditures will not occur in the future.

- Nancy Ehlers expressed her intention to build on the work of Bob Fleck and Bob Tuveson to formalize our future financial needs and goals. *Lincoln Condominium Management Group* will create a *five- or seven-year-plan* to present to the board at a future meeting. The plan will include scheduled maintenance goals, estimated costs, and dates.
- Our new management company, *Lincoln Condominium Management Group*, requires a motion to appear in these minutes **authorizing Nancy Ehlers to consolidate our money under their management.**

The financial report was accepted for filing.

- The financial report was accepted as given with an expression of appreciation to John Carpenter.

Management Report Nancy Ehlers, Lincoln Condominium Management Group, LLC

- This management report covered a lot of ground relating to association maintenance affairs; this list is a summary of issues, accomplishments, and needs. The board noted with appreciation the depth and breadth of efforts made by our new management in the three months they have been associated with Highland Colony.
 - Ms. Ehlers continues to work with Melissa, Derrick, and Chris of *Moriarty Management Co.* to try to complete the transition to *Lincoln Condominium Management Group*. The former owner, David Moriarty, has been helpful in these efforts.
 - Management has actively pursued resolving the "dirty water" issue, updating the water plan, securing the permit to operate our water system, and getting the annual update of our water quality.
 - Management has repaired the lights at the pumphouse. And Ms. Ehlers has repaired and replaced the damaged pumphouse door with a door she has donated (from her own garage).
 - Management has examined the property and marked water shut offs. There will be more information on this at our next meeting.
 - Ms. Ehlers has updated the "Condominium Rules and Regulations." These have been posted to our website: www.highlandlinkscolony.com The password to access the "Member Information" pages is **Prospect**.
 - Discussion covered issues relating to our Vanguard Money Market account (also discussed earlier in the meeting).
 - Discussion continued coverage of issues relating to P.R.E.P
 - The association can look forward to a five-year budget-and-maintenance plan.
 - Management discussed its review of what repairs have or should have been made to property units and the arrangement of priorities.

- *Ogden Construction* [60 Thompson St., Ashland, NH, (603) 455-7640] has been contracted to evaluate and estimate needed repairs and costs regarding unit decks. Ms. Ehlers indicated her initial attention has focused on needed repairs for our clubhouse.
- We have a new official address: **Highly Colony Homeowners Association, PO BOX 400, Plymouth, NH 03264.**
- Nancy Ehlers also gave even more specifics regarding the transition from *Moriarty Management Co.* to *Lincoln Condominium Management Group, LLC.*

Old Business

- Several subjects were mentioned briefly following up on questions raised in the **Reports** section of our last meeting:
 - An update of the transition to *Micah Maintenance Management* was covered earlier in the meeting and is recorded above.
 - Differences between the approved budget and the expended budget was covered earlier and appears in the "President's Report" section of these minutes.
 - There was a question of the exact amount of the grounds budget that was estimated at \$44,000. That amount is itemized in the budget handout from John Carpenter and actually totals about \$45,000 annually (\$3,750 per month). Refer to the attached budget handouts for details.
 - There was a question about the annual management fee. That fee is \$16,500 and is broken out by month in line item *5000-Maintenance Fees.*
 - Updating the association's legal documents remains unaddressed. Bob Fitzpatrick and Kate Coupe agreed to review the existing documents to get a head start on this project before meeting with our lawyer. No completion date was assigned.
- Several subjects were mentioned briefly following up on questions raised in the **New Business** section of our last meeting:
 - The new management contract is attached. (Attachment D: Highland Colony Management Proposal)
 - We have formally welcomed *Lincoln Condominium Management Group, LLC* as our new management company.
 - John Carpenter, CPA for *Lincoln Condominium Management Group*, has completed our financial audit, and it was discussed in the "Financial Report" section of these minutes.
 - An owner's list was sent by Ms. Ehlers reflecting updates reported from her survey of members. Due to an incomplete response, some of that information is still inaccurate. Bob Fitzpatrick will make another attempt to complete an accurate owners' directory based on available data. Please verify your information and send corrections and suggestions to Bob Fitzpatrick l93.exit25@gmail.com
 - The association's website has been updated, but more remains to be done. Please verify your information and send corrections and suggestions to Bob Fitzpatrick l93.exit25@gmail.com
 - The www.highlandlinkscolony.com "Member Information" pages password is **Prospect**. The URL has yet to be changed to reflect our association's "new" name.

New Business

- The issue of **Delinquent Member Dues** was covered earlier in the "Financial Report" section of these minutes: "Association dues are handled through the management and are not routinely reviewed by the board unless a problem occurs. ***Following Ms. Ehlers' advice, the board agreed to placing a lien (at the discretion of the board and LCMG) on any properties whose association dues are in arrears.***"
- **Discussion of a spring "walk around"** (to identify property needs such as repairs, etc.) did not occur, but informal discussion among board members has implied the "walk around" might not be necessary since Nancy Ehlers has this well in control.
- **"Condo Regulations"** was covered in the management report: "Ms. Ehlers has updated the Condominium Rules and Regulations. These have been posted to our website: www.highlandlinkscolony.com Again, the password to access the 'Member Information' pages is **Prospect.**"

Announcements

- Perhaps due to the time of day and the length of the meeting, no announcements were forthcoming. Should they arise, crucial announcements will be sent via email and posted to the website.

Adjournment

The meeting adjourned at 12:16 PM.

Respectfully submitted, Robert Fitzpatrick, Secretary.

Figures



Figure 1:



Figure 2:



December 12, 2022, Board of Directors Meeting Minutes

(Amended and approved 3/10/2023)

December 12, 2022 | 10:00 AM |

Meeting Called By Gregg Pitman

The meeting was held at the home of Jan Panagoulis, 43 Wedgewood Dr., Unit 2

Board members:

Gregg Pitman, Pres., 3 Muirfield Ln. Unit 27
Bob Fleck, Treas., 10 Highland View Ln. Unit 32
Bob Fitzpatrick, Sec., 30 Muirfield Ln. Unit 13
Kate Coupe, 9 Troon Terrace Unit 17
Jan Panagoulis, 43 Wedgewood Dr. Unit 1

Association Members:

Steve Kelly, 7 Muirfield Ln., Unit 25
Cindy White, 18 Fairway Dr., Unit 8
Sara Johnston, 7 Troon Terrace, Unit 18
Ron Snyder, 6 Highland View Ln., Unit 30
Eileen Shaw, 9 Troon Terrace, Unit 16
Bob Tuveson, 4 Highland View Ln., Unit 29

Welcome and Call to Order

The meeting was called to order by Gregg Pitman at 10:12AM

- Agenda adjustment:
- PREP is on site for rot repairs. Members expressed concern that there is no communication between the Board and PREP

Gregg Pitman

Reports

- President's Report (Attachment A, and Available on the Highland Colony Website)
- Micah Management has replaced Three Lakes for grounds management.
- Treasurer's Report (Available on the Highland Colony Website)

Gregg Pitman

Bob Fleck

- Bob expressed concern that there are slight differences between the approved budget and the expended budget: Attention drawn to painting budget. Specific attention drawn to the Maintenance. Attention drawn to "Aging Report" There are questions about this.
- Bob reported that otherwise the report shows we are in pretty good shape.
- Grounds budget is now \$44,000 per year.
- Management fee is expected to increase this year.
- Although the report appears reasonable, Bob is not prepared to ask approval of the budget report as he received it. Accepted as given.

New Business

- Update on Management Company contracts (G.P)
 - Motion: Not to renew the contract with Moriarty Management on 12/31/2022. (A contract termination in keeping with the existing contract requires 60 days' notice). Moved by GP seconded by JP. (Year) \$9,600
 - (Yes 5; No 0)
 - Motion Passed**
- Motion: To sign a contract with Nancy Ehlers of *Lincoln Condominium Management Group, LLC* (two year \$16,500) Moved by GP seconded by JP
- (Yes 5; No 0)
- Motion Passed**
- Updating Condominium Legal Documents (R.Fitz)
 - Motion: To consult with Nancy Ehlers to find and hire a lawyer specializing in condominium law and to hire this lawyer to review and update all of our association's legal documents. Moved by RFitz seconded by GP)
 - (Yes 5; No 0)
 - Motion Passed**
- Adoption of BOD Code of Ethics (Attachment B) (R.Fitz)
 - Motion: To adopt the attached Code of Ethics. Moved by RFitz seconded by KC.
 - (Yes 5; No 0)
 - Motion Passed**

Announcements

We will ask the new management for a financial audit. Nancy indicated that that was part of their process in taking on new associations.

The secretary doesn't have a complete accurate list of association members with their emails and phone numbers.

Adjournment

Meeting adjourned at 11:53

Attachment A

President's Report
Board of Directors Quarterly Meeting

December 12, 2022

Over the past few months, the Board has worked to assure our community has the best tools possible to manage our affairs.

Replaced 3 Lakes with Micah Property Management to handle landscaping and winter snow removal. The transition was a bit shaky with fall cleanup at the end of October and the need to hire additional help to remove leaves around Fairway. Thanks to Bob Fitzpatrick, a reasonable alternative was found to provide this service. With the first snowstorm came the transition with Micah and a better understanding of what was needed for cleaning up after a winter storm. Fortunately, we haven't needed these services since then and will be watching to make sure Micah follows through to the satisfaction of our owners. He has purchased a tractor with a snow blower for use at Highland Colony and it is sitting under cover in the parking area by the tennis court.

Speaking of the tennis court. A BIG shout out to Ernie Coupe and his team for the repairs of the tennis court surface. This work saved our association from having to hire out the project.

The Board is still working with our management company to figure out the water problems that many owners are encountering with sediment clogging filters and discoloring appliances. It is a concern that needs to be dealt with and a solution found to provide clean drinking water to all homeowners.

The fall repairs to our property for rot repair have not gone as we had hoped. The company hired to provide these services has continually pushed further and further in the future. Our management company has been unable to get many of the projects on our maintenance list accomplished over the last two years. This summer we had two units painted and one unit reroofed. This is far from what we had wanted to accomplish.

Which leads me to the last part of this report. Due to our dissatisfaction with our current management company over the last few years since it was sold to a new owner, the Board searched for an alternative to manage our affairs at Highland Colony. This fall an alternative was found in a highly recommended management company in Campton under the leadership of Nancy Ehlers. After an interview and due diligence, the Board worked with the Lincoln Condo Management Group to draw up a contract between us. We'll be reviewing this proposal at our meeting today and taking a formal vote on making this change.

Attachment B

Model Code of Ethics

Board members should:

1. Strive at all times to serve the best interests of the association as a whole regardless of their personal interests.
2. Use sound judgment to make the best possible business decisions for the association, taking into consideration all available information, circumstances, and resources.
3. Act within the boundaries of their authority as defined by law and the governing documents of the association.
4. Provide opportunities for residents to comment on decisions facing the association.
5. Perform their duties without bias for or against any individual or group of owners or non-owner residents.
6. Disclose personal or professional relationships with any company or individual who has or is seeking to have a business relationship with the association.
7. Conduct open, fair, and well-publicized elections.
8. Always speak with one voice, supporting all duly adopted board decisions—even if the board member was in the minority regarding actions that may not have obtained unanimous consent.

Board members should not:

1. Reveal confidential information provided by contractors or share information with those bidding for association contracts unless specifically authorized by the board.
2. Make unauthorized promises to a contractor or bidder.
3. Advocate or support any action or activity that violates a law or regulatory requirement.

4. Use their positions or decision-making authority for personal gain or to seek advantage over another owner or non-owner resident.
5. Spend unauthorized association funds for their own personal use or benefit.
6. Accept any gifts—directly or indirectly—from owners, residents, contractors or suppliers.
7. Misrepresent known facts in any issue involving association business.
8. Divulge personal information about any association owner, resident or employee that was obtained in the performance of board duties.
9. Make personal attacks on colleagues, staff, or residents.
10. Harass, threaten, or attempt through any means to control or instill fear in any board member, owner, resident, employee, or contractor.
11. Reveal to any owner, resident or other third party the discussions, decisions and comments made at any meeting of the board properly closed or held in executive session.

Source: [G2G ModelCodeEthics.pdf \(caionline.org\)](#) [Community Associations Institute]

DRAFT

8:42 AM
03/09/23
Accrual Basis

Highland Colony Homeowners Association
Balance Sheet
As of February 28, 2023

	Feb 28, 23
ASSETS	
Current Assets	
Checking/Savings	
1000 · Cash - Operating Account	82,069.82
1010 · Cash - MMA Account	117,274.67
Total Checking/Savings	199,344.49
Accounts Receivable	
11000 · Accounts Receivable	20,409.29
Total Accounts Receivable	20,409.29
Other Current Assets	
1400 · Other Assets	1,375.00
Total Other Current Assets	1,375.00
Total Current Assets	221,128.78
TOTAL ASSETS	221,128.78
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	24,364.98
Total Accounts Payable	24,364.98
Total Current Liabilities	24,364.98
Total Liabilities	24,364.98
Equity	
3200 · Current Year Income/Loss	66,124.78
3910 · Retained Earnings	110,191.10
Net Income	20,447.92
Total Equity	196,763.80
TOTAL LIABILITIES & EQUITY	221,128.78

Attachment C: Profit & Loss budget vs. Actual – July 2022 through February 2023

8:41 AM
03/09/23
Accrual Basis

Highland Colony Homeowners Association
Profit & Loss Budget vs. Actual
July 2022 through February 2023

	Jul '22 - Feb 23	Budget	\$ Over Budget	% of Budget
Income				
4010 · Dues Assessment Income	144,933.69	128,830.00	16,103.69	112.5%
4015 · Special Assessment Income	8,504.00	8,500.00	4.00	100.0%
4510 · MMA Interest Income	1,778.25			
Total Income	155,215.94	137,330.00	17,885.94	113.0%
Gross Profit	155,215.94	137,330.00	17,885.94	113.0%
Expense				
5000 · Management Fees	7,375.00	6,166.66	1,208.34	119.6%
5050 · Insurance	10,232.00	9,333.34	898.66	109.6%
5100 · Snow Removal	18,750.00	17,500.00	1,250.00	107.1%
5150 · Painting	10,500.00	9,333.33	1,166.67	112.5%
5200 · Trash Removal	1,800.00	2,133.34	-333.34	84.4%
5250 · Electricity	3,912.03	2,400.00	1,512.03	163.0%
5300 · Maintenance				
5305 · Contract Grounds	0.00	10,833.34	-10,833.34	0.0%
5307 · Grounds Clean-up	400.00			
5315 · Snow Ramps and Sand Barrels	880.00			
5500 · Tennis Court Maintenance	949.67			
5520 · Siding/Deck Repair & Painting	1,929.17			
5526 · Open/Close Clubhouse	192.50			
5535 · Open/Close Septic	467.50			
5546 · Chimney Inspection	1,865.00			
5573 · Septic Pumping & Repairs	5,046.92			
5300 · Maintenance - Other	237.50	0.00	237.50	100.0%
Total 5300 · Maintenance	11,968.26	10,833.34	1,134.92	110.5%
5700 · Lawn Care (Contract)	5,830.00			
6200 · Open Common Area Maintenance				
6205 · Open Natural Area Maintenance	1,500.00			
6200 · Open Common Area Maintenance - Other	0.00	1,333.34	-1,333.34	0.0%
Total 6200 · Open Common Area Maintenance	1,500.00	1,333.34	166.66	112.5%
6300 · Pool Operations				
6305 · Pool Daily Maintenance	0.00	11,166.66	-11,166.66	0.0%
6310 · Pool Open/Close	137.50			
6315 · Pool Chemicals & Supplies	451.05	3,333.34	-2,882.29	13.5%
6300 · Pool Operations - Other	3,250.00			
Total 6300 · Pool Operations	3,838.55	14,500.00	-10,661.45	26.5%

8:41 AM
03/09/23
Accrual Basis

Highland Colony Homeowners Association
Profit & Loss Budget vs. Actual
July 2022 through February 2023

	Jul '22 - Feb 23	Budget	\$ Over Budget	% of Budget
6400 · Water System				
6405 · Water System Fees	1,125.00			
6410 · Water Testing	732.00			
6415 · GSRWA Membership Fees	153.28			
6420 · Water System Check/Repair	750.00			
6400 · Water System - Other	0.00	3,000.00	-3,000.00	0.0%
Total 6400 · Water System	2,760.28	3,000.00	-239.72	92.0%
66010 · Bank Service Charges	15.00			
7500 · Miscellaneous				
7550 · Reserve Allocation/Contribution	0.00	60,096.66	-60,096.66	0.0%
7500 · Miscellaneous - Other	0.00	266.66	-266.66	0.0%
Total 7500 · Miscellaneous	0.00	60,363.32	-60,363.32	0.0%
7600 · Administration and Taxes				
7650 · Legal and Professional	1,012.78	333.34	679.44	303.8%
7600 · Administration and Taxes - Other	522.68	66.66	456.02	784.1%
Total 7600 · Administration and Taxes	1,535.46	400.00	1,135.46	383.9%
7700 · Website Hosting	256.34	166.66	89.68	153.8%
8000 · Reserves				
8010 · Septic Repairs/Replacement	0.00	0.00	0.00	0.0%
8015 · Rot Repair	20,223.34	0.00	20,223.34	100.0%
8020 · Roadway Grading	0.00	0.00	0.00	0.0%
8022 · Roadway Repair	19,871.76	0.00	19,871.76	100.0%
8040 · Roof Replacement	14,400.00	0.00	14,400.00	100.0%
Total 8000 · Reserves	54,495.10	0.00	54,495.10	100.0%
Total Expense	134,768.02	137,463.33	-2,695.31	98.0%
Net Income	20,447.92	-133.33	20,581.25	-15,336.3%



❧ LINCOLN CONDOMINIUM ❧
MANAGEMENT GROUP
PO Box 37 ~ Campton, NH 03223

MANAGEMENT PROPOSAL

For

HIGHLAND COLONY
HOMEOWNERS ASSOCIATION

12/27/2022

⌘ **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, 2023 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, planning 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:

- \$16,500.00 Annual Management Fee, payable quarterly (\$4,125.00)
- Owner & Association related labor - \$40/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, 2023** and expiring on the **Last** day of **December, 2024**. Thereafter, this Agreement shall be automatically renewed 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**
Greg Pitman, President
3 Muirfield Lane, #27
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: Date
Its: President, Duly Authorized

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 AND BONDS

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. On or before the 20th day of the month following each calendar month reporting period, the Agent shall deliver to the Board a monthly summary statement of the aforementioned items, including profit and loss statement, balance sheet, accounts receivables and accounts payables, and a copy of the bank statements from each account in which Association funds are held.

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 monthly 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.

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 filling 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.