

## 11/16/15 Letter from the Board of Trustees

The Board of Trustees has reviewed the 11/6/15 letter from Mr. Richard Clarke, which is posted on the Quail Run website. Below are the Board's responses to these allegations.

1. **"Atmosphere of inaction and procrastination" at the time Mr. Clarke resigned from the Board**

Mr. Clarke was the Chair of the Board when he alleges this atmosphere prevailed.

His leadership created a divisive environment. His departure provided opportunities for Board members to work in a more collaborative environment.

2. **Until the past month, "communications with residents have been virtually non-existent"**

Due in large part to the impact on the Trustees, individually and collectively, resulting from last winter's storms, property manager turnovers, and retirement of the communications editor, the Board's communication was below standard.

The Board has increased communications with unit owners by increasing the utilization of the Quail Run website. All Annual Meeting information, unit owner communication, and updates are posted daily. The Board is actively recruiting volunteers for the Communications Committee, appointing an editor and selecting a webmaster.

3. **Lanscaping program "has also suffered"**

The Board cut back spending on tree work, during 2015, to conserve cash pending the resolution of whether the Association would recover from our common area insurance claims, which included \$36,510 for snow raking. With that issue resolved, our budget for tree work in 2016 is \$15,000.

The Landscape Committee is at full strength, for the first time in six years, and is planning an active program for landscape maintenance and beautification during 2016.

All vital tree work and extermination work was completed in 2015.

4. **Board has "not exercised even statutory oversight of our finances"**

The Board is not aware of any instances where it has not exercised statutory oversight of Association finances.

**5. Over \$168,000 of bank deposits in excess of FDIC coverage**

The Association had deposits in Patriots Bank, during 2015, in excess of the FDIC insured level, which was in error based on Amendment 16 of the By-Laws. This was not by design but a result of a temporary oversight.

However, all funds over the FDIC insurance level were and are fully insured by the Share Insurance Fund (SIF) of The Co-Operative Central Bank. There was no risk of loss.

**6. 2014 mid-year residents meeting cancelled**

That meeting was cancelled because of Mr. Clarke premature resigning from the Board.

He was in charge of preparing for and presenting the materials for the meeting. When he quit the Board 3 days before the meeting, the remaining Trustees did not have sufficient time to take over the presentation and therefore the meeting had to be cancelled.

Mr. Clarke was the association's de facto "chief financial officer," controlling most of the financial decisions, allowing minimal involvement by the other Trustees.

**7. Master Insurance deductible doubled without notice to the residents**

In spite of the Board's repeated requests, the delay in getting this information to the residents was the result of the then-property manager not getting the announcement out in a timely manner.

