

DRAFT Minutes of the Westbury Board of Directors Meeting August 12, 2014

Board President Martin Levitz opened the meeting at 7:05 PM. Board members Ted Calabrese, Joyce Falkin and Ilona Levitz were also present. Danny Rosow was absent. Property Manager Brian Milano and Finance Director Alan Comrie were absent. Twelve unit owners were present.

The minutes of the July 15, 2014 meeting were read by the secretary and approved as corrected.

FINANCIAL REPORT: M. Levitz reported that our financial picture is pretty much as anticipated, with electrical costs being a little over budget, due to a rate increase. The expected budget surplus was \$10,113.00; the actual is \$8,794.00. Detailed financial information can be found at the Westbury website. (www.westburycondo.com).

COMMITTEE REPORTS

Ad Hoc: Chair Patty Brulotte reiterated the committee's recommendation of the selection of Timothy Wooldridge of Timothy Wooldridge Interiors, Ltd. as the designer for the refurbishing of the common areas. She shared testimonials of clients who have worked with him in the past. At the request of the board, the committee also contacted references provided by Kirsten Floyd of Kirsten Floyd Interior Design, which Patty reported. The complete Ad Hoc report is attached (Attachment 1).

M. Levitz posed some questions to the chair: what is the committee's expectation moving forward? Does the committee plan to take the lead in working with the designer? When does the board take over? Is it the expectation of the committee that it be involved indefinitely? The chair responded that after the selection of the designer there should be community representation/involvement.

Bylaws: Susan Ahearn and Jerry Shimoda- Peterson are the only readers

currently comparing Westbury Bylaws with the Common Interest Ownership Act to assure Westbury is in compliance. More readers are needed. Susan presented a draft comparing Article I and II of our documents to the CIOA. The report is attached (Attachment 2).

Finance: Lois Menold, whose resignation from the committee was accepted at the July board meeting, thinks she need to be reinstated. Matt Salner has volunteered to serve on the committee. Mark Grudzien will be joining them and some board members to work on the budget for FY 2014-2015, which begins October 1. Alan Comrie is updating actuals of the 2013-2014 FY as a guide in preparing the new budget. Jim Woodward is updating rotables for the next fifty years. There is some concern about items that will need to be replaced in the near future, i.e., garage roofs, which cost about \$16,000.00 per section. ~~Lois~~ ^{JMF} ~~Menold spoke in favor of a 5% fee increase.~~ A motion to reinstate Lois Menold as a member of the finance committee passed.

PROPERT MANAGER'S REPORT: M. Levitz reported in Brian Milan's absence. Unit 869-106, which is owned by the association, is vacant and being repainted by Luis and a helper. It will be marketed on Zillo and Craig's List. All shrubs have been pruned; some shrubs have been relocated. The windows in Unit 30-303 have been recaulked. The laundry room floors in Bldg. 20 have been given a second coat of paint. Closets have been cleaned in Bldgs. 869 and 20. The white lines in the parking areas have been repainted. Driveway cracks have been sealed and sidewalk cracks have been repaired. An expansion tank, which was causing noisy pipes, has been replaced in Bldg. 30. Two faulty thermostats that regulate hot water temperatures have been replaced in Bldgs. 869 and 20. A clogged condenser drain line was replaced in 30-107. Stanley /Black & Decker and the town fire marshal have been consulted on replacement of the annunciator panels, which will be a reserve fund expense. Any resident having an open or in- need -of -repair storage room window should contact Luis. He will do the necessary work.

A check for \$5,000.00 from Automatic Laundry has been received. It will be applied to the recent laundry room expenses. Speed limit signage (5 mph) should be installed very soon. One will be placed on the existing pole at the 30 Outlook driveway entrance, the other on a garage wall near the shed. The front door locks at Bldgs. 869 and 20 have been repaired. Residents should be sure they hear a "click" after they close the door, indicating the door has locked behind them. It was noted that Imagineers should notify Westbury before projects begin, and that all bills should be sent to Westbury, not Imagineers.

OLD BUSINESS

Alan Schectman was the only person to present himself as a candidate to fill the remainder of Danny Rosow's term, which runs from 8/12/14 to 6/1/15. The board approved his appointment to the board.

A special meeting to discuss Rules Violation/Enforcement will be held on 9/9/14 at 7PM in the basement of 20 Outlook.

I. Levitz read a statement describing the details of the termination of the contract between Sheri Gold of Advent Designs and Westbury for design services for the renovation of Westbury's common areas. She asked that the statement be included as part of the minutes of the August 12, 2014 board meeting. The statement is attached in its entirety. (Attachment 3)

M. Levitz condensed a lengthy proposal for replacing every Westbury light fixture, both interior and exterior, and fitting them with LED bulbs, from ConServ. He presented two pages, one representing costs and savings at 21% and the second at 30%. He is still hoping to negotiate a 40% deal. This project would result in significant energy conservation and substantial savings for Westbury. See attachments 4 and 5 for detail.

NEW BUSINESS

Board liaison I. Levitz stated that there were two good designers being considered for the common areas project and the strategy was to move ahead. The board

will meet with the designers 8-19-14 to do a walkthrough, go over the renovation documents produced thus far, and explain what needs to be done to complete the design phase of the project. The designers will then be given one week to review the documents and submit their proposals to the board. Because their strategy will impact the financial outcome of the renovation in dollars and time, the board wants to know what each designer proposes as their fee and how they plan to move the project forward.

The Zysk proposal for landscaping services was tabled for the September meeting when it can be considered in context with other expected proposals.

AUDIENCE TO VISITORS

Suggest the board respect work of the Ad Hoc Committee and honor the committees' recommendation—otherwise committee work has no meaning. Meet with the recommended designer first. If he proves unacceptable then meet with second candidate.

Suggest postponement of proposed September social. There is not much enthusiasm.

Tim Wooldridge suggested owner representation. Add numbers to the group involved.

How are other communities similar to ours handling compliance with CIOA? Perhaps we can learn something from them.

Bricks at 869 need repointing; 20 has been done. Last light post behind 44 Outlook should be moved so snow could be stored. CAI attorney can be called with specific questions. Cars are coming from Farmington Avenue to cut through to Outlook.

The designer's fee is a minimal cost of the project. It is the other costs that will

determine the cost of the project.

Does ConServe mandate use of CL&P for electricity?

There was a motion to appoint Matt Salner to the Finance Committee. The motion passed.

The next Board of Directors meeting will be Tuesday, September 16, 2014 at 7PM in the basement of 20 Outlook.

The meeting adjourned at 9:07 PM.

Recorded and submitted by Joyce Falkin, Secretary

August 12, 2014

Summary of Activity – Renovation Project
Presented to the Board
(Update Number Eleven)

On July 20, 2014, the ad hoc committee informed the board that it was recommending the selection of Timothy Wooldridge of Timothy Wooldridge Interiors Ltd. as interior designer for the renovation of common areas. Subsequently, the board requested more information.

Timothy Wooldridge

Every one of his clients from whom we have sought information speaks very highly of him. In addition to conversations with people who know him, we have specifically attempted to obtain written testimonials from the four individuals referenced in our letter of recommendation.

Attached are testimonials from Dr. and Mrs. Joseph Sappington, Dr. and Mrs. David Schnatz, and Mr. and Mrs. Alan Cornell. Mr. and Mrs. Thomas Preston have been away the better part of the summer, and so we substituted the Schnatzes. A board member personally called Mr. John Heslin when he saw his name on our letter of recommendation, and he was impressed with this individual's commendation.

In reading the testimonial letters, which reflect the thoughts of actual clients who are describing personal experiences with him, we were reminded of why we concluded that Mr. Wooldridge is the superior candidate for our particular project. Without exception these clients were on vacation, leaving for vacation, or had just landed for a couple of days. So they wrote briefly and to the point, but they wanted very much to take the time to share how very much they enjoyed working with him. It was obvious that the quality of his work was key to having repeated the experience of working with him.

Whether the budget is large or less large, he works collaboratively with each client to "meet their needs, expectations, taste, time frame and budget." He is "creative, thoughtful, imaginative, experienced, attentive, available, and respectful." Without prior consultation and prior knowledge of one another's participation, all of his clients wanted us to know how creative he is with space and color, how respectful he is of their tastes and wishes, and how easy he was to work with.

These qualities are all attractive. Also, what is important in our situation, because our buildings are older, he has significant experience with restoring

Page Two
(Update Number Eleven)

historic properties. Whatever we find when we remove our wallcoverings and lift our old carpeting, he will already be familiar with it.

Equally important to us was the confidence, expertise, and understanding of the project he displayed during the interview. He was not hesitant to make suggestions when asked to do so, and even felt comfortable estimating a time frame for completion of the project if we all work diligently, cooperatively, and collaboratively with him.

The only reason we have the unexpected good fortune to consider the possibility of working with him is that Mr. Wooldridge just recently sold his home in Florida after having lived and worked there for about five years. He has returned to Connecticut to accept a multi-million-dollar commission here. As that project begins to take shape, he will be well able to complete ours.

We've been asked by the board to provide them with an address and other contact information for him. He is presently a guest in the home of a friend, and is in the process of finding a home of his own. As soon as he has a permanent address, we will share it with you. In the meantime, we will provide his telephone number to anyone who needs to speak with him.

Kirsten Floyd

Ms. Floyd earlier had given us three primary references. In her absence we contacted them: Mary Bruneau with Konover Properties, Ron Janeczko with Landworks Development, and a Berkshire Hathaway agent who has worked with Landworks. In the interest of diversifying with another client, we approached another Berkshire Hathaway agent who has worked with Ms. Floyd on Hopmeadow Place and offered to prepare a letter of recommendation.

A letter from Mr. Janeczko is attached. Ms. Bruneau has not responded. And we are awaiting the letter regarding Hopmeadow Place. We have included a letter from Imagineers, solicited by someone outside the committee. They serve as The Westbury property manager.

Ms. Floyd has the enthusiastic support of Mr. Janeczko and Mr. Nardi at Imagineers. Mr. Janeczko is a well-known and successful builder in the Valley, and clearly Ms. Floyd has made a nice niche for herself in working with him to decorate and furnish model homes in his new developments.

Page Three
(Update Number Eleven)

In the interview, we found her to be very likable. And so have the clients who have written in support of her work.

Her office is located in Hartford on Park Street. Her web address is:
www.kfinteriordesign.com

Fees

It is customary for designers, once they have been selected, to meet with the client, be provided with specifications, and determine the scope of the project in order to be able to negotiate an agreed-upon payment.

Each designer has told us that the hourly fee is \$150. They both have said they would not recommend that the client pay an hourly rate. There can be many unexpected occurrences that would cause the number of hours to escalate.

In Summary

The committee has worked diligently to provide the board with as much relevant information as possible about the two candidates. It is our strong belief that our recommendation is in the best interest of The Westbury.

Next Steps

We are asking the board to act on our recommendation to hire Mr. Wooldridge as the interior designer for the renovation of our common areas.

We are asking the board to clarify the status of termination of contract with Advent Design and provide specifications for the project so that the new designer and the committee may have comprehensive information about the scope of the project moving forward.

Then cost estimates could be prepared. The renovation could begin.

Submitted by the chair
of the ad hoc committee,

Patty Brulotte
860-306-6998
20-301

DATE: August 12, 2014

TO: Westbury Board of Directors

**RE: COMMON INTEREST OWNERSHIP ACT (CIOA) and
AMENDMENTS / WESTBURY BYLAWS**

**THE FOLLOWING PAGES, 1 THROUGH 6, ARE PRESENTED AS A DRAFT OF A
COMPARISON BETWEEN THE CURRENT BYLAWS OF RECORD WITH THE
CIOA AND SUBSEQUENT AMENDMENTS.**

**ARTICLES I (1) AND A PORTION OF ARTICLE II (2), SECTIONS 2.1 THROUGH
2.4. ARE DISCUSSED ON THE PAGES ATTACHED.**

YOU WILL FIND THE FOLLOWING FORMAT:

**Westbury Articles, Sections and subsections appear first, followed
by the CIOA reference corresponding to or corroborating Westbury By-
laws Section or subsection;**

**Where there is a reference to "Bylaws Committee recommends",
I have suggested where a revision or update could be revised. Phrases or
language which should be deleted or rewritten are shown in "~~strike-
through~~" format;**

**I have also provided "See also" descriptions where further
explanation or reference is found in Westbury's Declaration pages,
referred to as Exhibit A of the documents.**

EXHIBIT B

DRAFT ONLY
PAGES 1 through 6

**BYLAWS OF
WESTBURY CONDOMINIUMS ASSOCIATION, INC.**

ARTICLE I

Introduction

These are the Bylaws of Westbury Condominiums Association, Inc. Initial capitalized terms are defined in Article I of the Declaration.

ARTICLE II

Executive Board

Section 2.1 – Number and Qualification; Termination of Declarant Control.

(a) The affairs of the Common Interest Community and the Association shall be governed by an Executive Board which ~~until the termination of the period of Declarant control, shall consist of three (3) persons, and following such date shall consist of five (5) persons, the majority of whom—excepting the Directors appointed by the Declarant,~~ shall be Unit Owners. If any Unit is owned by a partnership or corporation, any officer, partner or employee of that Unit Owner shall be eligible to serve as a Director and shall be deemed to be a Unit Owner for the purposes of the preceding sentence. Directors shall be elected by the Unit Owners. ~~except for those appointed by the Declarant.~~ At any meeting at which Directors are to be elected, the Unit Owners may, by resolution, adopt specific procedures for conducting the elections, not inconsistent with these Bylaws or the Corporation Laws of the State of Connecticut.

CIOA, §Section 47-243: “...The membership of the association at all times shall consist exclusively of all unit owners or, following termination of the common interest community, of all former owners entitled to distributions of proceeds ... or their heirs, successors or assigns. The association shall have an executive board. The association shall be organized as a business or non-stock corporation, trust, partnership or unincorporated association.”

[As stated in Westbury’s Declaration, Article I, Section 1.3: The Westbury Condominiums Association, Inc., [is] a non-stock corporation organized under the laws of the State of Connecticut. It is the Association of Unit Owners pursuant to §Section 47-243 of the Act.

Westbury Bylaws, Section 2.1 (cont'd.)

Further in the **Declaration, Article II, Section 2.2**: The name of the Association is Westbury Condominiums Association, Inc.]

Bylaws Committee recommends eliminating reference to the term, "Declarant" under Section 2.1(a) on the previous page.

(b) The terms of at least one-third (1/3) of the Directors shall expire annually, as established in a resolution of the Unit Owners setting terms.

Bylaws Committee could find no CIOA reference to 1/3 of Directors' annual terms expiring.

(c) Section 8.11 of the Declaration shall govern appointment of Directors of the Executive Board during the period of Declarant control.

Bylaws Committee recommends elimination of Section 2.1(c) as stated directly above.

(d) The Executive Board shall elect the officers. The Directors and officers shall take office upon election.

CIOA, §47-248: The bylaws of the association shall: (1) provide the number of members of the executive board and the titles of officers of the association; (2) unless otherwise specified in the declaration, provide for election by either the executive board or the unit owners of a president, treasurer, secretary and any other officers of the association the bylaws specify; (3) specify the qualifications, powers and duties, terms of office and manner of electing and removing executive board members and officers and filling vacancies; (4) specify the powers the executive board or officers may delegate to other persons or to a managing agent; (5) specify the officers who may prepare, execute, certify and record amendments to the declaration on behalf of the association; (6) specify a method for amending bylaws; (7) contain any provision necessary to satisfy requirements in this chapter or the declaration concerning meetings, voting, quorums and other activities of the association; and (8) provide for any matter required by the law of this state other than this chapter, which is not inconsistent with this chapter, to appear in the bylaws of organizations of the same type as the association. Subject to the declaration and this chapter, the bylaws may provide for any other necessary or appropriate matters including matters that could be adopted as rules.

(e) At any time after Unit Owners ~~other than the Declarant~~ are entitled to elect a Director, the Association shall call and give no less than ten (10) nor more than sixty (60) days' notice

Westbury Bylaws, Section 2.1 (cont'd.)

of a meeting of the Unit Owners for this purpose. Such meeting may be called and the notice given by any Unit Owner if the Association fails to do so.

Westbury Bylaws, Section 2.2 – Powers and Duties. The Executive Board may act in all instances on behalf of the Association, except as provided in the Declaration, these Bylaws or the Act. The Executive Board shall have, subject to the limitations contained in the Declaration and the Act, the powers and duties necessary for the administration of the affairs of the Association and of the Common Interest Community which shall include, but not be limited to, the following: **See also:** Westbury Declaration, Article XXV(25), Section 25.2, (a) through (t)

(a) adopt and amend Bylaws, Rules and regulations;

CIOA §47-244: (1) shall adopt and may amend bylaws, and may adopt and amend rules;

(b) adopt and amend budgets for revenues, expenditures and reserves;

CIOA §47-244: (2) shall adopt and may amend budgets, may adopt and amend special assessments...

(c) collect assessments for Common Expenses from Unit Owners;

CIOA §47-244: (2) ...may collect assessments for common expenses from unit owners and may invest funds of the association;

(d) hire and discharge managing agents;

CIOA §47-244: (3) may hire and discharge managing agents and other employees, agents and independent contractors;

(e) hire and discharge employees and agents other than managing agents and independent contractors; (see reference no. 3 directly above)

(f) institute, defend or intervene in litigation or administrative proceedings in the Association's name on behalf of the Association or two or more Unit Owners on matters affecting the Common Interest Community;

CIOA §47-244: (4) may institute, defend or intervene in litigation or in arbitration, mediation or administrative proceedings in its own name on behalf of itself or two or more unit owners on matters affecting the common interest community, subject to CIOA §47-261(f) which discusses litigation involving declarant;

(g) make contracts and incur liabilities;

CIOA §47-244: may make contracts and incur liabilities;

Westbury Bylaws, Section 2.2 – Powers and Duties (cont'd.)

(h) regulate the use, maintenance, repair, replacement and modification of the Common Elements;

CIOA §47-244: may regulate the use, maintenance, repair, replacement and modification of common elements;

(i) cause additional improvements to be made as a part of the Common Elements;

CIOA §47-244: may cause additional improvements to be made as a part of the common elements;

(j) acquire, hold, encumber and convey in the Association's name any right, title or interest to real property or personal property but Common Elements may be conveyed or subjected to a security interest only pursuant to Section 47-254 of the Act;

CIOA §47-244: may acquire, hold, encumber and convey in its own name any right, title or interest to real property or personal property, but: common elements in a condominium or planned community may be conveyed or subjected to a security interest only pursuant to CIOA §47-254... (Bylaws Committee is unsure of the meaning of item (j) above, as well as the corresponding reference in CIOA, §Sections 47-244 and 47-254. Attorney assistance needed here.)

(k) grant easements for any period of time including permanent easements, any leases, licenses and concessions for no more than one year, through or over the Common Elements;

CIOA §47-244: may grant easements, leases, licenses and concessions through or over the common elements;

(l) impose and receive payments, fees or charges for the use, rental or operation of the Common Elements, other than Limited Common Elements described in Subsections (2) and (4) of Section 47-221 of the Act, and for services provided to Unit Owners;

CIOA §47-244: may impose and receive any payments, fees or charges for the use, rental or operation of the common elements, other than limited common elements described in subdivisions (2) and (4) of §Section 47-221. [Subdivision 2 of 47-221: if any chute, flue, duct, wire, conduit, bearing wall, bearing column or any other fixture lies partially within and partially outside the designated boundaries of a unit, any portion thereof serving more than one unit or any portion of the common elements is a part of the common elements. Subdivision 4 of 47-221: any shutters, awnings, window boxes, doorsteps, stoops, porches, balconies, patios and all exterior doors and windows or other fixtures designed to serve a single unit, but located outside the unit's boundaries, are limited common elements allocated exclusively to that unit.]

Westbury Bylaws, Section 2.2 – Powers and Duties (cont'd.)

- (m) impose charges or interest or both for late payment of assessments and, after Notice and Hearing, levy reasonable fines for violations of the Declaration, Bylaws, Rules and regulations of the Association;

CIOA §47-244: may impose charges or interest or both for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the declaration, bylaws, rules and regulations of the association;

- (n) impose reasonable charges for the preparation and recordation of amendments to the Declaration, resale certificates required by Section 47-270 of the Act or statements of unpaid assessments;

CIOA §47-244: may impose reasonable charges for the preparation and recordation of amendments to the declaration, resale certificates required by Section 47-270 or statements of unpaid assessments;

- (o) provide for the indemnification of the Association's officers and Executive Board and maintain Directors' and Officers' liability insurance;

CIOA §47-244: may provide for the indemnification of its officers and executive board and maintain directors' and officers' liability insurance;

- (p) assign the Association's right to future income, including the right to receive Common Expense assessments; **See also:** Westbury Declaration, Article XX(20), Page 39

CIOA §47-244: subject to subsection (d) of Section 47-261e, may assign its right to future income, including the right to receive common expense assessments;
[subsection (d) of 47-261(e): Notwithstanding any provision of the declaration or bylaws to the contrary, at least fourteen (14) days prior to entering into any loan agreement on behalf of the association, the executive board shall: disclose in a record to all unit owners the amount and terms of the loan and the estimated effect of such loan on any common expense assessments, and afford the unit owners a reasonable opportunity to submit comments in a record to the executive board with respect to such loan.]

- (q) exercise any other powers conferred by the Declaration or Bylaws;

CIOA §47-244: may exercise any other powers conferred by the declaration or bylaws;

- (r) exercise all other powers that may be exercised in this State by legal entities of the same type as the Association;

CIOA §47-244: may exercise all other powers that may be exercised in this State by legal entities of the same type as the association;

Westbury Bylaws, Section 2.2 – Powers and Duties (cont'd.)

- (s) exercise any other powers necessary and proper for the governance and operation of the Association; and

CIOA §47-244: may exercise any other powers necessary and proper for the governance and operation of the association;

- (t) by resolution, establish committees of Directors, permanent and standing, to perform any of the above functions under specifically delegated administrative standards, as designated in the resolution establishing the committee. All committees must maintain and publish notice of their actions to the Unit Owners. All committees must maintain and publish notice of their actions to the Unit Owners and the Executive Board. However, actions taken by a committee may be appealed to the Executive Board by any Unit Owner within forty-five (45) days of publication of such notice, and such committee action must be ratified, modified or rejected by the Executive Board at its next regular meeting.

Section 2.3 – Standard of Care. In the performance of their duties, the officers and Directors of the Executive Board are required to exercise ~~the care required of fiduciaries of the Unit Owners, if appointed by the Declarant,~~ and ordinary and reasonable care if elected by the Unit Owners.

Bylaws Committee recommends deletion of the phrases shown in Standard of Care, above.

Section 2.4 – Additional Limitations. The Executive Board shall be additionally limited pursuant to Article XXV (25) of the Declaration.

See also: Westbury Declaration, Article XXV (25), **Section 25.3 – Executive Board Limitations.**

Date: August 11, 2014
Draft identification: No. 1
File name: OrigWestBylaws
/sa

On July 29th, 2014 Sheri Gold and I signed a contract termination agreement between Advent Designs and the Westbury Condominium Assoc. The termination letter was written and witnessed by Howard Rosenberg our attorney.

Also on that date, July 29th 2014, Advent Designs was paid \$2250. for the renovation documents e-mailed to the Westbury on June 13, 2014 by Harry Gold.

The delay in payment for those documents and the signing of the contract termination letter was due to a series of hospitalizations by Sheri Gold.

Board Meeting/ August 12, 2014

Westbury Condominiums Association

Con Serv Summary

August 2014

**20% Rebate
Scenario**

Project Cost

	Reserve Fund Cash Flow			
	20 Outlook	30 Outlook	Farm. Avenue	Total
Total Gross Cost	\$ 12,344	\$ 10,438	\$ 19,665	\$ 42,447
Anticipated Rebate	\$ (2,469)	\$ (2,088)	\$ (3,933)	\$ (8,489)
<i>Rebate as a percentage of cost</i>	20%	20%	20%	20%
Net Project Cost	\$ 9,875	\$ 8,350	\$ 15,732	\$ 33,957

Annual Electric Cost & Savings

	Operating Fund Cash Flow			
	20 Outlook	30 Outlook	Farm. Avenue	Total
CL&P Annual Electric (Est.)	\$ 6,234	\$ 7,001	\$ 6,858	\$ 20,093
Annual Electric Savings	\$ 2,351	\$ 2,121	\$ 2,844	\$ 7,316
Payback Period (Years)	4.20	3.94	5.53	4.64

Issue to articulate: The above estimates do NOT assume an increase in CL&P costs. The above savings would help mitigate the impact of the increase to The Association.

We need to be clear that this project cost will result in an adjustment to the Get Well Plan so that cash can be replenished in time for major replacement needs (i.e. - Reserve Fund payback strategy.)

Westbury Condominiums Association

Con Serv Summary

August 2014

**31% Rebate
Scenario**

Project Cost

	Reserve Fund Cash Flow			
	20 Outlook	30 Outlook	Farm. Avenue	Total
Total Gross Cost	\$ 12,344	\$ 10,438	\$ 19,665	\$ 42,447
Anticipated Rebate	\$ (4,328)	\$ (3,508)	\$ (5,320)	\$ (13,156)
<i>Rebate as a percentage of cost</i>	35%	34%	27%	31%
Net Project Cost	\$ 8,016	\$ 6,930	\$ 14,344	\$ 29,291

Annual Electric Cost & Savings

	Operating Fund Cash Flow			
	20 Outlook	30 Outlook	Farm. Avenue	Total
CL&P Annual Electric (Est.)	\$ 6,234	\$ 7,001	\$ 6,858	\$ 20,093
Annual Electric Savings	\$ 2,351	\$ 2,121	\$ 2,844	\$ 7,316
Payback Period (Years)	3.41	3.27	5.04	4.00

Issue to articulate: The above estimates do NOT assume an increase in CL&P costs. The above savings would help mitigate the impact of the increase to The Association.

We need to be clear that this project cost will result in an adjustment to the Get Well Plan so that cash can be replenished in time for major replacement needs (i.e. - Reserve Fund payback strategy.)