

Follow up meeting with Roof Committee August 5th 2021

Attendance: Chuck Hajduk ,Gary Anderson, Austin Rivera, Connie Breitbach
Robert Cobb and Constance Toles.

Meeting called to order 6:05 pm

Chuck Hajduk:

1. Consolidated Master Deed percentage of value. **Confirmed roof committee received amendment to Master Deed regarding percent of value.**
2. Reviewed Harbours reserve fund expenses from 2001 – 2021. Spent \$548,682.00 ***Note: If we would have raised our HOA fees \$20.00 starting 2015 – 2020 including 2021 our assessment would be \$415.00.*** Hard copy of report available upon request.
3. Roof replacement put on hold until prices of material and labor stabilize. Roof repairs should be done until then. **Board in agreement to hold for 2 years. Roof repairs will come out of reserves.**
4. Increase board from 3 to 5. **No objections from current board. However, per Constance, charge to change By-Laws could range from \$4,000 to \$6,000 and all co-owners would have to agree. Robert Cobb asked what if an attorney could be found to do the work for \$1,000.00. Constance said it would be up to the board, but would not recommend doing that. Attorneys referred by The Highlander Group know the law regarding such procedures.**
5. Establish a permanent committee of 5 members to review and advise involving major cost above \$5,000.00. **If there were a 5 person board and this committee you would have 10 individuals trying to make a decision. Current board does not feel this committee is necessary. It is felt whoever is on the board is more than capable to make the right decision. Our property manager Constance Toles negotiates all pricing of work above and beyond our fixed expenses.**

Gary Anderson:

1. The proposal from the Roof Committee to increase the HOA fee by \$30.00 per month from \$295.00 to \$325.00 and take an additional \$35.00 a month per unit from general fund and deposit in a roof trust fund was discussed. **Increasing HOA fees would generate an addition \$13,680.00 annually to our reserve fund. Allocating an additional \$35.00/Mo from our current HOA fees generates an annual amount of \$15,960.00. This is 12% of our annual HOA revenue and represents approx. 100% of our estimated annual reserves. If this were to be continued for 5 years (\$79,800.00) and used for roofs it would leave our operating reserve account with an insufficient balance. An immediate increase in HOA fees of \$50.00 to help fund the roof replacement was discussed vs the \$30.00 proposed by the Roof Committee.**
2. **The Board's goal is to work toward an operating reserve fund cash on hand total of \$100,000.00.**
3. The Roof Committee request to set up a trust account for roof replacement **is not feasible. Constance indicated funds should be earmark for roof replacement in the Association's reserve account so in case of an extreme emergency all money can be used.**
4. **2 & 5 year loan plan was reviewed.**
5. **Robert Cobb of the Roof Committee indicated he would discuss the Board's proposal to hold on roof replacement for two years with the entire Roof Committee.**

Meeting adjourned at 7:30 pm

Submitted by Austin Rivera & Chuck Hajduk