

Harbor Pointe HOA Board of Directors Meeting

Minutes: October 21, 2019

President Jim Carmany called the meeting to order at 7:05p. Other Board Members present: Gary Rafool, Anne Dickison, Isaac Imig, and Sue McGill on speakerphone. Mike Kiernan, Mike Childers, and the Core3 Property Management representative were absent. Six additional homeowners attended the meeting.

Approval of Prior Minutes:

President Carmany asked for corrections to the September HOA Board Meeting Minutes, but none were offered. Gary Rafool made a motion to accept the Minutes as written, Jim Carmany seconded, and the Minutes were approved unanimously.

Property Manager's Report:

No report from Core3. Kim Stein from Core3 had her baby and is still on maternity leave.

Jim Carmany reported that there has been no change in the status of the unit in significant arrears. Debt to the HOA continues to accrue.

Treasurer's Report:

Treasurer Sue McGill e-mailed the September financials to Board Members prior to this meeting. Jim read Sue's summary at the meeting to avoid speakerphone acoustics. Gary Rafool made a motion to accept the report, Anne Dickison seconded, and all approved. Once she received the October reports from Core3, Sue provided the Board with the October financials and her summary. The more current October figures are summarized below, and specifics from the approved September report are cited as well.

The starting figure for the 2019 Reserve Balance carried forward was **\$120,478.23**. In January, **\$10,000** was transferred from Operations to Reserves as per Board approval. This year **\$6667 per month** from dues are being transferred from Operations to the Reserves. October's Year-To-Date Reserves balance was **\$102,723**. The estimated year-end balance for 2019 Reserves is **\$75,000**, as one planned roof replacement was moved to 2020 because doing it in 2019 would have dropped the Reserves balance to under \$50,000. In September, **\$23,405** was paid for replacement of roofs #604-#606. Another set of roofs in Building 500 and road resurfacing in front of Building 300 remain in the budgeted plans for 2019.

The Operational Checking Account for October contains **\$37,566**. This balance is further broken down to: 1) Prior years brought forward (retained) from 2018: **\$47,214** (this number remains constant all year); 2) Pre-paid dues: **\$12,943**; 3) Net (Income minus Expenses) Year-To-Date as of October: **minus \$22,591** against a budgeted October YTD figure of **minus \$22,188**.

Expensed items for September and October included:

--Electricity **\$43.17** (because the prior bill included 2 months)

--Irrigation: **\$1378**. October's YTD Actual was **\$13,316** against and annual Budget of **\$3450**.

--Routine landscaping charges in progress and paid monthly as contracted over seven months of the year.

--Legal/Tax Accounting: **\$650** total, with **\$365** to Weber Accounting and **\$285** Legal Fees, but still within the annual budget.

--Maintenance expenses: **\$1286**, including storm drain work for **\$920**. (September) and **\$2687** (October)

--Insurance: **\$4765**. Total for the year is **\$11,321** against an annual budget of **\$11,400**.

YTD Operational Expenses as of October were **\$191,828**, compared to **\$190,058** budgeted, very close.

Treasurer's Notes:

*Expensed items for 2019 are very close to the Budgeted Amount. Year-End figures will be over budget for *Irrigation*. This increase is expected to continue and is addressed in the proposed 2020 budget.

**Parking lot expenses* (minor road repair) are minimal due in part to the large road resurfacing projects.

*Maintenance expenses have increased, and are reflected in the 2020 budget.

* The Year-End total for all expenses should come in close to budget. Normally we have an excess of funds in Operations to carry over to the next year, but this year an excess in Operations may not happen.

*Financials are stable. Reserves will be challenged in 2019-2020 as anticipated, and will be taken into account in the proposed budget for 2020 and by revised timing of certain capital expenditures.

2020 Budget (topic advanced from New Business):

While Treasurer Sue McGill remained on speakerphone, Jim Carmany summarized the proposed 2020 budget that was distributed to all homeowners last month. Jim, Sue, and Core3 Property Management received no questions about or objections to the proposed draft budget.

No special assessments are projected for 2020. Due to increased Operating expenses budgeted for 2020, most of the proposed 3% increase in HOA dues will not go to the Reserves. Instead, **\$90,000** will be allocated to the Reserves, **\$80,000** from dues and **\$10,000** from the year-end rollover, and the remainder will stay in the Operating Budget to offset the roughly 3% increase in expenses compared to previous annual budgets.

Our contracted Landscaper had no increase in rates for the past three years. His contract was renewed for the next three years with a slight increase in rate to include increased cost of living plus some minor modifications in scope. The snow removal budget increased as well. The new contractor will charge approximately \$3000 more to provide snow removal under similar conditions as past services: snow removal will start at 2 inches and sidewalks will not be shoveled until the snow stops falling. As mentioned earlier, the budgets for irrigation and maintenance were increased significantly in order to stay on top of the aging infrastructure.

Gary Rafool made a motion to accept the proposed draft budget for 2020. Jim Carmany seconded the motion, and all approved. Mike Kiernan voted his approval by proxy, and numbers for a quorum were satisfied.

Parliamentarian's Report:

Gary Rafool reiterated that the unfortunate situation with the owner in arrears is now in legal hands.

Landscaping Report:

Mike Kiernan by proxy reported that Cuttin' It Close resumed weekly mowing after the ground dried sufficiently following the heavy rains in the end of September. They should perform their fall cleanup in

October, but will return again in November to blow leaves and finish up. After Core3 sends out notices, the irrigation system will be blown out and turned off for the winter.

Building Report:

Jim Carmany and Isaac Imig reported that the last set of roofs to be replaced in the condo building are under way, and the asphalt overlay in front of the 300 Building has been completed. The road remains closed to heavy traffic until the asphalt matures. Five drives have sections in bad shape with spalling, and several others are breaking up. A concrete company submitted a bid within our 2020 budget, and the bid was accepted. Replacing damaged sections of the drives will start in the spring. Homeowners may be offered the option to replace the entire drive (not just the identified sections) at the owner's expense.

Community Relations:

No report.

Old Business:

***Storm Sewers:** Drainage sewers in the 300s & 400s were scoped for patency. Three sewers were found to be clogged. One sewer was successfully unclogged with a cutter so did not have to be dug up. A second sewer had been installed incorrectly so Cuttin' It Close dug it up at #218 and had it replaced. The third clogged sewer went under a sidewalk. It is scheduled for replacement of a problem T-connector when the sidewalk is replaced at the same time. 200 Building and 500 Building sewers were also scoped. Three sewers had slight clogging, and one was cleared with the cutter without difficulty. Jim Carmany indicated that the sewers would be scoped again preventatively in 2-3 years, and as needed if new drainage problems occur.

New Business:

Jim Carmany reported that the Incorporation Annual Report was filed (**\$10**).

Vickie Carmany and Pam Johnson will coordinate the annual Holiday Party. The date selected was December 1st between 2:00-4:00p. The ensuing Board Meeting discussion about arrangements became moot when the venue later became unavailable. Sue and Phil McGill stepped in at the last minute to open up their unit to host the party. The festive dish-sharing event was well attended and extremely well provisioned. The HOA is extremely appreciative that Sue and Phil stepped in to facilitate such a lovely gathering.

Motion to Adjourn:

A motion to adjourn the October meeting was made at 7:45p by Gary Rafool, seconded by Anne Dickison, and approved by all. The next scheduled Board meeting will take place at Jonah's on Monday, April 20, at 7:00p.

Respectfully submitted,
Anne Dickison, Secretary