Minutes of the March 11, 2014 Harbour Pointe HOA Board of Directors

Present:

Randy Nahvi    RN

Paul Williams   PW

Pat Pickett   PP

Derek Foreman   DF

Steve Jones   SJ

Sharon Dalton   SD

Michael Dalton  MD

Mark Livingston   ML

Guest:  Mr. Frank Eberle, First Insurance

Call to Order by RN at 5:29 PM.

Minutes of the February meeting presented and approved by all.

Financial Report:

MD:  Effective 2/28/14 the reserve account was right at $185,000.  Operating account at $115,000.  Income was $6700 and expenses, $9200.  YTD Harbour Pointe is in the black $58,000.

MD:  Some owners owe 2 - 4 months.  Unit #76 is paid and now caught up.

Guest Mr. Eberle introduced by RN and invited to speak.

Mr. Eberle:  There are no problems with Harbour Pointe insurance.  Nine years ago we changed to what is called "bare wall" coverage.  Up until 2005 we covered interiors and all permanent fixtures, which was called a "single entity" policy.  We had a lot of interior damage claims.

Bare wall coverage does not include nor cover anything inside the condos.  We now cover exteriors only.  Most condo villages [at The Pointe and across the US] are now [covered] in this manner.

80% of all condo claims are for interior damage.  Costs per square foot were determined by a gentleman who appraised Harbour Pointe in 2005 and it was determined ours to be at $57.93 per square foot.

We all know that construction costs have escalated substantially since then.  Now -- in 2014 -- we estimate that cost per square foot to be at $71.49 in Harbour Pointe.  This is somewhat of a ballpark number and it may be a little low.  Garages are now estimated at $33 per square foot.

RN:  We budgeted $18,000 for insurance this year.

Mr. Eberle:  Your current rate is .2568 per $100 of coverage.  So a new rate will be $27,000 annually.

RN:  We have a fiduciary responsibility to protect our homeowners and act on any information we receive.

Mr. Eberle:  We [First Insurance] can endorse your policy at anytime.  The 2014 premium was paid last month.

RN to Mr. Eberle:  You will hear from us through Sharon.

Mr. Eberle:  We are most concerned about the escalation of catastrophic events occurring in Indiana.

RN:  Thank you Frank for coming by this evening.

RN to ML:  Please give us an update on village maintenance and the rehab project.

ML:  I will order 20 windows for Building J on Friday.

RN:  Then I take it we'll rehab Building J?

ML:  Yes.

RN:  We want to finish [Building] J in 2014 + complete one more.

PP:  We must pick up the pace.

RN to ML:  Hire your crew accordingly, please.

ML:  Building I called for replacing nearly all the windows.  Stress cracks are very common.

PW:  There will always be gray areas as we go along.

RN:  I really want to get started on a third building this year.

PW to ML:  What about the sand?

ML:  I'll sweep it up as soon as I am 99% sure it won't snow anymore.

Financials, continued:

MD:  One delinquency worth noting is #9376 -- owner is several months behind.  I'd like to throw this on over to [Attorney] Tom Densford.

DF:  Please call the owner, first?  He may have just forgotten to pay.

MD:  OK, I will do that.

MD:  We are just now [March] paying ML for snow removal he did last November and December.  Approximately $5000.

RN:  Can we accept the financial report, please?   All agreed.

Old Business

None.

New Business

SD:  Mr. Ramey -- in a SFO duplex -- wants to gravel an open area at the rear of his unit -- good place to store his golf cart.

RN:  That's fine.  He just cannot increase the square footage of his condo.

RN to SD:  Would you please ask [SFO owener] John Slaughter if he is repairing his deck?

PW:  General overview of on-going litigation with T. Smith over his son A. Smith's loose pit bull dog.

PW:  The annual PSA meeting will be at 9:30 AM on Sat. April 19th in the Eagle's Nest building.

DF:  I think we should get a second quote on our insurance.  I am leery of a fear-mongering approach to premium increases.  Do we think we're getting the best advice?

Next Meeting

SJ:  The second Tuesday of April will be the 8th.  All agreed to meet at 5:30 PM.

SJ:  Move to adjourn.  No objections.  Time of Death 6:59 PM.

Respectfully submitted by S. Jones, Board Secretary.

Special note to all:  I have a new laptop computer and cannot (yet) locate "spell check" so please bear with me?  I will try to find it very soon, I promise.  My 7 year old grandson will probably know!    SCJ