**Harbour Pointe HOA Annual Meeting - June 25, 2022 - 9:30am**

**Board Members Present**: Randy Nahvi (RN), Pat Pickett (PP), Chip Slagle (CS), Al Hohn (AH), John Menne (JM)

**Attending from Pegasus Properties**: Sharon Dalton (SD), Michael Dalton (MD)

A packet of: the meeting agenda, minutes of the 2021 meeting, 2021 Financials and check ledger, YTD financials through May 31, 2022, an updated homeowner directory, an architectural control request form, a map of the property, and a ballot to elect a member to the board were handed out to all homeowners as they arrived. In addition, all homeowners in attendance signed-in on the meeting log.

Meeting Called to Order at 9:35am: Introduction of Board Members welcome all homeowners, and introduction of all homeowners

RN provided a high level assessment of the financial health of the Harbour Pointe HOA saying it’s in good financial condition noting the HOA has started 2022 with a large expenditure for necessary foundation work that cost $90K. RN reiterated the board’s goal of having one year’s worth of expenses (approx. $475K) in reserve and indicated this goal was aligned with bank advice received several years ago to support homeowner financing of their units in a village such as Harbour Pointe.

A motion was made to accept the 2021 Annual HOA Meeting Minutes (previously mailed out to all residents) – motion passed without objection.

**FINANCIAL REPORT:**

MD explained the financial information contained in everyone’s packet including the 2021 financials and the YTD May 31, 2022 financials. For the 2021 financials, MD noted the ending reserve balance being $357K, the 2021 income of $367K and expenses of $334K yielding net income of $33K (in the black). MD noted the 2021 expense spend was listed by category in everyone’s packet along with a ledger of every check written in 2021. MD also discussed the YTD May 31,2022 financials with a bank balance of $360K, income of $255K and expense of $261K resulting in a loss of $5K YTD 2022. MD mentioned most of the receivables related to HOA dues had been received after the cutoff and that there is primarily one delinquency related to an estate that has yet to be settled and then highlighted the money spent on buildings YTD is nearing the full year’s budgeted amount as a result of the foundation repairs incurred in the first quarter.

RN asked if there were any questions and there was some discussion around the amount of money spent on snow removal in 2021 and 2022 which is driven by the frequency of snow and ice precipitation.

**MAINTENANCE PROJECTS:**

PP: We’ve spent $172K through May against an annual budget of $240K, and the board is watching further building expenditure costs closely to manage to the annual budget.

PP noted that the majority of the spending in this category relates to deck repair and replacements, window replacement and the foundation repairs previously noted.

Homeowner: The pool decking is an embarrassment -- what is the plan for addressing it? CS responded that materials and worker capacity limit the amount that can be done, and we are working through many deck projects.

Homeowner: What is the criteria for the HOA to replace windows regarding their individual unit? RN noted that should run through Pegasus.

Homeowner: In observing the maintenance workers, they don’t believe there is any supervision nor direction provided – the board requested they let Pegasus know in such instances. A discussion ensued where CS noted it’s difficult to find people and companies to do maintenance work, and if any member has a suggested company or person(s) to use, please let the board know as the board will consider all recommendations and would likely start out someone with a few small projects to see how they do.

RN said the deck work is a constant, ongoing project. RN reiterated the Annual HOA Meeting is not the place for individual issues. Homeowners should bring those to the monthly BOD meetings or to Pegasus

**POOL AND TENNIS:**

CS: The pool steps were painted before we filled the pool this year. One homeowner noted that the bottom step was not painted -- perhaps it could be considered part of the bottom of the pool vs. step.

CS. We purchased a dolphin cleaning system for the pool for more consistent and continual cleaning along with a new pool pump and chlorinating system. In addition, we have a new person overseeing our pool from the pool company this year with much better success. One homeowner commented that the pool was cleaner this year than in the past.

CS. Deck is in need of repair but it’s a big job as many of the joists need replaced too. One homeowner suggested a Trex like product and another stated Trex would be hot and we may wish to consider concrete in lieu of wood decking.

CS. Tennis court resurfacing was signed up last year for a cost of approx. $12K with the work to be performed in 2022, and then the company ghosted us this year. A homeowner found a company that will redo the court for approx. $33K which CS has reached out to for a formal quote.

Homeowner – The tennis court and pool deck are an embarrassment that have been discussed in past years and they need to be fixed, and encouraged higher dues or a special assessment to get these accomplished. RN said we would discuss the dues situation at the end of the meeting.

**LAWNCARE AND PLANTINGS:**

CS: Mickey is doing a great job despite the labor shortage struggles.

**PSA UPDATE:**

JM. The PSA has voted to cease having the guard manage keys for all units effective 9/1; therefore, the HP board needs to discuss an alternative means of having a way to access units in the event of HOA maintenance or other emergencies (such as a water leak).

JM. Birdies was recently evaluated by a structural engineer and in conjunction with other required repairs as well as mold issues, the cost to remediate all the issues is in excess of $100K, so the decision has been unanimously approved to raze Birdies later this year and enhance the greenspace.

JM. Phase I of the strategic vision plan making improvements to the clubhouse and restaurant has been completed with a ribbon cutting scheduled for Sunday 6/26.

JM. The clubhouse pool is in need of various repairs. Ed Sahm and his group have been working on temporary repairs to get it open for this summer with an expected open date of approx. 7/1. Thereafter more repairs are needed including a new pool liner that will be installed before next swimming season.

JM.. The security subcommittee has been working to fix the broken gates and been fighting supply chain issues and finding parts for an antiquated system all while working through bids for a new/improved go-forward gate, keypad and camera system that will be cloud based and autonomous. For now the security company and guard have been extended though 9/30 with a future decision regarding the need for an actual guard and whether that be 24/7 or 8/7 or ?? The members are to be surveyed for input on the guard situation prior to a decision being made at the PSA board.

Homeowner: Would the PSA add more reps from the larger villages to balance voting representation on the PSA board? JM - this is a good idea but the structure is governed by the PSA Bylaws.

**OTHER:**

RN. We have encountered some expensive repairs and have more coming up in the near future. There is currently a special assessment of 17% on the multifamily units which in today’s dollars is the equivalent of 12%, and the bylaws limit the total annual increase to 20%. The board plans to increase dues by 5% effective for Q3 2022, and are considering doing away with the 17% special assessment in 2023 in exchange for raising dues to include that special assessment consideration. The board will consider reducing spending and also consider a reduction in the reserve balance to some degree (as suggested by a homeowner) to try and keep pace with the necessary maintenance work.

Homeowner. We could consider a line of credit to borrow and get certain projects accomplished with the idea being that the reserve cash balance would serve as collateral. RN said we can consider but not sure about trading off constraining the reserve balance with a bank for adding debt.

Homeowner. Year after year there is not adequate money to keep the property up to Harbour Pointe standards and we need a solution to bring in more money. RN said we’d talk about dues at the end of the meeting.

Homeowner. Can the board post the notice of monthly board meetings earlier? Pegasus to handle.

Homeowner. Perhaps consider some type of fundraising activity to bring in money.

Board Seat Election: JM’s board seat was up for vote. One homeowner, Greg Wright, submitted their name to run against JM. The board and Greg decided he would join the board as an advisor in lieu of running for the open seat.

**WRAP-UP**

RN: thanks for coming to the meeting --- reminded everyone to attend the monthly BOD meetings which is the forum for specific issues. Adjourned 10:50am