

Meeting Minutes from Master Assoc. HOA Board Meeting

Master Board Budget Working Group Mtg

Budget Working Group Mtg Held Jan 10 at 1:00pm at Remax Office

Budget Attendees:

Al Berzett	President
Dan Sheffer	Vice President
Bob Sedge	Treasurer
Kelli Whitehall	Secretary
Cole Baas	
Kevin Davis	Landmark Mngmt Accountant (by phone)

Meeting was called to order at 1:10pm by Al Berzett, President

Agenda:

1. Agree on more formal agenda formats, capture agreements using motions and voting, avoid confusion on what the board agreed on

All members agreed to this more rigorous format to help the Master Board members

2. Decide who will present the budget to the HOA voting members (Presidents)

All members agreed Bob Sedge, Treasurer, will present the proposed Final Budget at the Master Assoc Budget Meeting on Jan 11.

3. Agree that the Final Budget will be presented on Jan 11

All members agreed

4. Discuss edits to the Draft Budget

As a group we discussed each Budget item below

- a. Security

The Board unanimously agreed to accept the current 2022 contract, but we will continue to research other companies for cost competitiveness. It was noted that security companies were having trouble retaining employees and hourly rates were increasing at many companies.

- b. New landscape cost

Cole presented his results on the Landscape bids. Yancy of Xtreme Landscape had the lowest bid of \$30K/mo to assume all Master Assoc common area maintenance from the guard shack inward along Peninsula Blvd to the back gate, to include the entrance to the back gate. The golf course groundskeeper submitted a bid equal to other low bidders of \$27K to continue maintenance of the Master Assoc common area from Ft Morgan Road entrance to the guard

shack. The golf course bid included maintenance of the pier (leaf blowing, trash, toilet paper) that no other landscape company would bid on.

The Board unanimously agreed to accept these two bids. Al Berzett will sign the contracts. These contracts go into effect Jan 17.

Landmark will be handling all invoicing, and their address will be given to the new contractors.
PO Box 2345
Fairhope AL 36533

c. Additions to Reserves

The roadway reserve needs to continue to build, at an increased rate above the current \$30K/year. The increased amount is still to be determined. The Board will be reviewing the 2019 and 2021 Road assessment reports and creating a more current projection for repaving schedules. Dan (Vice President) volunteered to lead this effort. He has the skill set and engineering experience to review and conduct these paving assessments. Any sidewalk or road damage, or improper backfill and compacting under roads and sidewalks due to C spire excavation and tunneling will be the responsibility of C spire and the Board will ensure this happens.

The Board unanimously agreed to accept the \$30K for the 2022 budget.

Hurricane Sally depleted the pier reserve. The board recognized the pier is at risk until this reserve can be built back up. Pier insurance is no longer available. The Board unanimously agreed to accept the \$15K/year for the 2022 budget.

d. Management

Landmark contract at \$38K was unanimously accepted by the Board for the 2022 budget. Bob Sedge has spoken to the Remax building buyer, and he has offered to rent out office space to the Master Assoc for \$500/mo. Landmark provided a website estimate of \$500 to create it, and \$50/mo to maintain it. The Board estimated \$2000 for a desktop computer and software. Accounting costs of \$350 for a CPA for tax preparation is also estimated. The Board unanimously accepted all these expense for the 2022 budget.

e. Insurance, Utilites, Supplies and printing, Taxes and Licenses, Bank Fees

The board unanimously accepted these costs for the 2022 budget

f. Repairs and Maintenance

This was a cost in the draft budget, and no detailed information was found on this expense. This \$5K budget will cover irrigation system repairs, security gate repairs, and any other repairs on an as-needed basis.

g. Capital Reserve

This is a new budget item proposed by Bob Sedge, to provide a fund to the Master Assoc for unforeseen expenses during this transition period. The capital reserve is a legal way for the Master Assoc to hold money without having to specify the use. The landscape savings will be held as capital reserve. The Board can move capital reserve money anytime to Roadway and Pier reserve. This capital reserve will be evaluated each year as we learn more. The board unanimously accepted this for the 2022 budget

5. Approval of proposed Final Budget

The board unanimously approved the proposed 2022 budget

6. Discussion on Architectural Review Committee (ARC)

This committee is still being formed. It will likely be comprised of 5 representatives. Currently Dan is leading this committee with support from Cole and Kelli, and Dan is evaluating current requests based on the Master Assoc. covenants. All covenants will be enforced, and will include penalties for violations.

The new Board emphasizes to the residents to please contact Landmark and/or Dan for any modifications to anything exterior to your home, including landscaping, paint, shingles, shutters etc. before you proceed. Do not rely on any assumptions about what you are observing your neighbors are doing, or what has been done in the past. This ensures that you will not be violating a covenant and end up with a penalty.

The Board members will meet Jan 24 to focus on ARC and get new processes in place for submitting requests.