

Enclave Meeting 3/18/24 6:30PM

Quarterly Meeting

The meeting was called to order and All Directors Stephen Guarino, President , Richard Alexander 1st Vice President, Bath Copic, 2nd Vice President, Sherry Wilson, Treasurer and Nancy Muenzfeld, Secretary were present.

Jim Lough led the Pledge to the Flag

The Board welcomed new US citizens Victor Bello, Michelle Ellis and Jim Lough.

President Stephen Guarino reviewed that the current Board has been busy reviewing all invoices paid by Associa, met with every vendor and formed the finance committee. The Board discovered a lot of money that was spent between January 2021-December 2023 that weren't approved by the Board and fired Associa on February 14, 2024. The Board Schreiber Management was hired at a much lower rate than Associa's. Mark and Gary from Schreiber's Management were introduced. He went on to explain that the Board didn't want to raise the dues but it was necessary based on analysis of the past and current financial commitments. He also explained that the Declarants were exempt from paying dues for 3 or more years, which was a significant loss of income for our community. The Board changed the email accounts to free emails due to Go Daddy's cost being \$1,257.00 a year.

Gary and Mark from Schreiber introduced themselves. Gary explained that they have a member on call to destroy the beaver dams and will do everything they can to keep it under control.

Resident on Eagle peak asked a question about the drains stagnant water. Mark said he hopes the continued removal of dams will take care of the problem. He doesn't believe this was being managed before if additional things need to be done, they will speak to the board and get approval.

Resident on Eagles Peak questioned the continuous dirt on the circle and their yard being flooded. He stated it is a serious problem the past three years. For the past two years, the Pigs (drain covers) were left behind and there was a lot of debris left behind by dream finders. Stephen stated there is a new house being built and the builder will have to put in a new pig.

Resident at 114 Enclave, asked if the Board anticipated the dues will come back down or do they anticipate it going up and what is the expectation for the next 2-5 years. Stephen said August, will determine next years budget. He said the Community is unable to get rid of the guards due to the contract would have to get bought out. He said he can't answer a 2-5 years question. There is only \$300,000 in reserves isn't a lot of money. One catastrophe and the reserves will be drained.

The question was asked. How did the Board determine the HOA dues needed to be increased. He expressed his frustration that no one was given an option before the Board raised the dues. He asked how the Board determined an amount to raise it to. He felt it was unfair to send out a letter in February that the dues would be increased starting April 1st. Sherry Wilson said the Board looked at all options. Such as dues increase, special assessments, and filing for bankruptcy. It was decided that most homeowners would rather pay \$58.00 more a month and after reviewing the numbers the Board decided not to retro the dues increase to January. They wanted to start with a clean slate. The Board thought about shutting all amenities down and even stopping having guards at the gate. After much discussion, it was decided filing for bankruptcy and shutting down all amenities would hurt the homeowners trying to sell their homes. Who wants to buy a home with no amenities or buy a home in a community that has filed for bankruptcy. She said the Board did not come to this conclusion lightly they had five meetings and 6 financial meetings before making the decision. She stated that budget none of us want to pay more, but due to the financial situation of the community, there needed to be an increase.

330 household if everyone pays their dues what is the yearly budget

Beth Copic stated there are 330 households and there are 11.5% of people in arrears It was asked if everyone paid would we have seen an increase? Stephen said yes there would have been and there is a fiduciary duty as the Board.

Sherry Wilson said the budget based on 328 homes

A asked resident asked on special assessments have to have community consent. Beth Copic said typically a special assessment will prompt a vote for major road repair, clubhouse roof of \$25,000. Roads aren't maintained by county directly affects the property value. Copic explained that if there is an assessment the full amount is due at on the due date and can not be broken up into payments.

Sherry Wilson gave the Treasury Report.

She stated that Associa Mismanaged funds and there was a lot of game playing and spending done that wasn't approved. She said the Board didn't come to the HOA dues increase lightly and spent a lot of tireless hours meeting with contractors and reviewing spending. There were \$300,000 of unauthorized expenses taken out of reserves. Reserve account is supposed to be used for specific things such as capital improvement and Associa was moving money all over the place. It seems fraudulent.

Seems fraudulent on Associa.

Nancy said it appears that Associa wasn't embezzling, but they didn't have authority to spend the money they spent.

Stephen said the Board and finance committee reviewed every invoice.

It was mentioned that an audit would cost \$15,000.

Stephen said there were invoices for everything, but not sure if there was a kick back on those or not.

Sherry Wilson discussed that Associa base Management fees are \$49,000, but our community actually paid \$130,000 last year. They would mark their fees as many different codes. It took her and the finance committee a lot of hours to find all their fees.

She states there should only be one reserve account and one operating account, which makes it really easy to see where the money is going.

She stated the accrual pulled money for future bills, could never see when it was paid.

Sherry explained that the Board told Associa to stop paying bills Feb 7th, which forced a halt on money. Told them to stop spending money to get checks cleared out. She said the Community bills should be paid at the end of the month. It was discovered Associa said there wasn't money in that account Dec 28, 2023 and made a \$67,000 payment to security company that they hadn't paid since July.

Stephen stated in December it was discovered that Associa hadn't paid our water bill because they claim there wasn't enough money. When they paid it, they put the wrong account number on the water bill and it was turned off.

Berwick money for drainage was spent.

Jan1, 2023 the account balance was \$1 million by December 2023 the balance was \$363,000

Sherry said insurance premiums have gone up from \$26,000 to \$35,000 and we are over insured. She suggested changing our policy from 4.5 million to 2 million to lower premiums She said our insurance agent said we do not need liability for the pool because the property is a separate property. He recommends dropping the pool policy and for us to get an umbrella policy to carry the other million. The convenience requires a 2 million policyverage which . Must Have Crime Policy which increases the budgeted \$35,000 for insurance.

Resident at 2 Serenity point thanked everyone for their time and effort. He asked what is projected feel the sweet spot to feel good about our community. Stephen said having \$500,000-\$800,000 in reserves.

Resident at 119 Enclave- reiterated it would have been nice to get input from community actual vote or yes no

Resident at at 67 Misty Marsh asked would the audit be specific to ASI and other communities they manage. They were mismanaging our money couldn't we communicate with other communities; Doesn't think we are the only community...think its bigger. Nancy said Joe was managing another community who are undergoing 2 special assessments.

A resident asked how far back are we planning on auditing, the Board said to January 2021. Next, he said he would feel the dues increase reasonable, if the Community is paying more pay, they should get a little more. Specifically, the guard gates, he feels with the dues increase the guard gates hours should go back to normal.to get that back and the club house should be available to everyone year-round. Stephen said the clubhouse is complicated. It was a different type of lifestyle when it initially opened, there was a concierge pool attendant, which is not a practical building. There would need to be a responsible adult supervising to make sure the kids and adults aren't vandalizing. Stephen said the Board will talk and devise a plan to get the building open up more. Atkins said he would like to come up to the clubhouse to work and or lounge, but it is locked 24hrs a day. He would like to be able to submit a request to use facilities or rent the facilities. Stephen explained that in order for one person to be able to use the clubhouse, there has to be an announcement so everyone knows the clubhouse is open. Atkins said in previous years, it was a hassle getting a key and getting it back when he rented it. Stephen advised him that the Board will discuss and come up with a plan and asked for everyone to be patient with the Board.

Resident at 142 Enclave asked if the Board checked invoices to see if they were overpaid. Stephen said unfortunately the invoices that were paid were already paid and nothing could be done about it at this point. Gussler asked isn't that what a forensic audit is and is there any recourse for being over charged? Stephen said unfortunately it is after the fact. The only thing the Board can control now is the charges in the future. The board has set up a process which is to get bids and then the board has to approve.

Stephen explained that there are 6 boxes of records being picked up. After those boxes are picked up the attorney is sending Asocia a letter regarding the \$43,000 credit card charges. One of which is the \$5,000 ADT payment that was not authorized. Other charges not authorized are \$420.00 Pottery Barn charge, \$65.00 transportation from airport, and Uber Eats charge. It was also discovered that Joe used his personal credit card to pay the bill for work done on Henslow and there was a payment on his credit card for \$1,500.00.

Resident on Misty Marsh asked, if we see that in 2021-2023 see things weren't approved, why didn't it get caught and who is held accountable because the board is supposed to oversee? He also stated if our HOA dues are paying for the club house, he doesn't feel anyone in the community should have to rent the building to use it, he feels a security deposit is sufficient. Stephen assured him the board will discuss further and look into other options.

Resident on Moorhen Landing asked what are the pros and cons of an audit and if we don't do it what are we losing out on? Richard said there is no way to say what we are going to get and the only way to get anything back financially is by lawsuit. He also explained the board has already chosen an auditor and she already has all of the information.

A Resident also asked if the HOA can we sue Associa? Richard said he isn't sure yet, it isn't a forgone conclusion and said whether we are successful in suing Associa depends on evidence.

The owner of 21. Enclave asked how much will the audit cost? The response was \$15,000.

Next it was explained to everyone that a separate division of comcast contacted the board and want to have the ability to place their flyer in every closing. They are willing to pay for a 10-year engagement for \$35,000. He hopes to be able to make

agreements with if other companies such as AT&T to be able to bring in more revenue for our community.

He said the ADT contract was not board approved for the alarm system install in 2022. Joe decided to put in cameras with ADT when the cameras worked just fine with Technology solutions. ADT isn't being paid, He sent the bill to Associa because their employee approved and signed off on the contract, so they can pay the \$33,000.

Richard said the AlSCO rug in the foyer that says enclave weren't approved. Tried to negotiate AlSCO, but they want \$48.45 a week. The rugs will be sent to Associa and not paying AlSCO.

Beth Copic explained the delinquent and prepaid report arrears. She noted there are neighbors that have never paid dues. There are 38 homeowner's delinquent and/or have outstanding fines which totals \$66,000. On January 6th the collection process started. Anyone who is 30 days past due, their amenities were restricted. Anyone who is 60 days past due, their RFID passes are shut off and they have to enter a code to get in the gate or use their MyQ app on their phones to enter the neighborhood.

Richard said because the community owns the roads, we can technically restrict owners from using the roads, meaning they would have to park in guest parking and walk to their house, but the board decided against this.

Since January 6th \$18,129.15 has been collected from delinquent homeowners or homeowners that owed for fines. Today there are only 26 homeowners in arrears. Copic said the national average is 10-15% of homeowners don't pay their dues. The board is tracking who isn't paying and the attorney, Margret is following up. There will put a lien on their homes and pursuing what we can legally. Letters are sent to the homeowners. The board tracking it and Mark at Schreiber is tracking it also. The gatehouse has a record on hand as well. The Gatehouse keeps this in a safe location and the board verifies immediately and their access is returned immediately.

Everyone has access to RFID and MyQ fill out application if additional RFID needed. Schreiber LLC and gatehouse email addresses are on our website. Once approved, the gatehouse will issue. There is a fee pay through marks portal or gatehouse for collection. Gatehouse scrubbing homeowner directory to get rid of old homeowners. If an issue with a key fob let board know or gatehouse know. Don't automatically think the board turned off access. Gatehouse is in transition we rely on the gate guards for help.

Copic introduced all ARC members and explained she is the board liaison and is a nonvoting member. All exterior projects need ARC approval. Even in backyard, might need permit. There is a minimum \$500 fine without ARC approval. When you submit a project arc enclavearc@outlook.com she asks that you also CC in Shrieber management, so that everyone is in the loop. Gary oversees convenance patrol and patrol will start again April 1st

There are two new construction projects.

The owner of Lot 3 serenity point and 10 hidden lagoon ct (closing)bought lot in October. He said after 5 on calls and several emails haven't gotten access and hasn't gotten a welcome packet. He was told to go to the gatehouse during applications. Needs welcome packet.

Resident at 41 enclave asked what kind of landscape work needs ARC approval. Copic said seasonal flowers doesn't have to be approved, but if you are adding trees or landscape, those additions need approval.

Resident at 152 Enclave said he paid his dues in Townsquare and asked if that would be transferred over. Stephen said yes that money will be coming it may take a little time. Mark said the 1st day of the 1st month will get an email invoice if you click on it you can see your status. Your status will show wither paid partially, paid in full, or not paid. Stephen if paid by credit card there are fees attached and stated if the homeowner can pay by check that does not incur additional fees.

Resident at 24 Henslow field- asked if the fence along Henslow is still going to happen, Stephen said that wasn't approved. There was an estimate for a fence on the berm, \$58,000 the one on Henslow wasn't quoted out.

Resident at 2 Serenity Point is confused about what can be done and can't. Beth said there are rules and guidelines on the website and advised if there additional questions, to email the ARC.

Nancy said the Board follows rules of order. Every decision made goes through proposal, it is discussed, vote on it, and if not unanimous, it is discussed more, make concession, come to agreement and resolutions. She said the board is meeting one time a week. Everyone will get a postcard in the mail. There is a chat button on the website to help answer questions. And asked to give a day or two for response may require board to discuss. The board ordered an AED for fitness center it is mounted

above first aid kit. There will be break off locks mounted on it to know if tampered with. First Step CPR signs will be put up. Discussed a possible day to learn how to do CPR (mini class)

Les Boothby heads the social committee K Lynn will be stepping aside. Thank you, K Lynn you did a great job!

Les said the whole goal make it engagement activities that are fun.

Ideas

Enclave Cares

Fellowship outside of community. Support ourselves. Small budget \$6,000 budget community not engaged with each other isn't helping.

Solar eclipse party April 8th

PAKS- 4/29 Food Drive for summer kids K Lynn

Cornhole- 5/1 Michelle Thompson 10.00 buy in.

Burbon tasting, cooking baking cooking class. Activities that don't require a ton of money or a ton of work. Responsible to keep community informed or engaged, which is his passion. He said that our community should be coveted everyone need to step up. His email is on the webpage. Connect as a community not little pockets of people. He asked everyone to sign up to help social committee. Meeting this Saturday March 23,2024 at 10:00 am.

Jim Lough, fitness. He said the goal is to stay within the budget and keep equipment maintained and working properly. He stated there is a signed contract with the maintenance company. Fitness Committee is trying to source cheaper replacements for equipment to keep expenses down. Requested that everyone follows the gym rules, put weights back on the machines, wipe off the machines and encouraged our community to teach a class. He mentioned if we can get engagement water aerobics, qigong, yoga, cardio kickboxing, Pilates, the interested can pay for them. Educational classes physical therapy and bring in professionals at the interested homeowner's expense.

Mission statement creating self-love strength and sense of community one workout at a time.

Lori Alexander Beautification Committee. She said the committee has met three times 8 and consists of eight members. They have spruced up the pool area by filling the broken hot tub with plants, pulling weeds, and watering flowers. Their next area of focus is the entrance and other areas will not cost the home owners. She stated that Vacant lots need attention and if anyone sees any areas of concern notify the beautification committee via email. She noted that the Easter eggstravaganza will be March 30, 2024 and asked for donations. The Committee needs help with games, hiding eggs, candy donation and lacking in volunteers. Set up is at 8:00 am to hide easter eggs, etc.

Stephen quote to destroy and destruct is simple to build and cherish is much more difficult.

If anyone sees anything something goes wrong, email directly. Garys number is on our website. Appreciate everyone that has helped.

Motion to adjourn 8:36 pm unanimously approved.