



Board of Directors Weekly Report

February 16, 2024

This week the Board has news that affects us all. The Board of Directors identified a clause in our Bylaws that states that the Association is not bound by any Management Agreement signed while under Class B control. The clause also states that this must be done within 90 days of the end of the class B Control. Class B control ended on January 1, 2024. Upon discovery of this clause, the Board began a comprehensive review and investigation in order to determine if we should terminate the contract with Association Services.

Our investigation revealed that a previous Board: Jan Snow (Stephen Guarino appointee), Susan Hargroder, TJ Allen unanimously voted and sent an email to Patrick Thompson, President of Association Services and the Managing Agent Joe Ervin III, on April 25, 2022 clearly articulating that the Managing Agent, Joe Ervin III and Association Services needed a Board Resolution for any expense over \$1,000.00. Through this investigation, we are certain that Association Services and Joe Ervin III repeatedly violated this resolution.

We also discovered that Association Services paid themselves, in addition to the per home, basic charge of \$46,650.95 annually and an additional \$80,000.00 for contracted services although the service fees and up charges that were not clearly articulated in the contract between The Enclave Homeowners Association and Associated Services. Although our investigation is not complete, we estimate that the HOA paid Association Services around \$126,120.95 in 2023. This is an astronomical amount of money for a community our size. THIS IS WHEN THE BOARD UNANIMOUSLY AGREED THAT IT WAS TIME TO TERMINATE THE CONTRACT WITH ASSOCIATION SERVICES AS SOON AS POSSIBLE AND TURN OUR INVESTIGATION OVER TO PROFESSIONALS IN THE AREAS OF HOA LAW AND OTHER EXPERTS. The Board of Directors sent a letter to Association services on February 14, 2024, terminating the contract with them on February 29, 2024.

We have signed with a new management company, Schreiber LLC. Schreiber LLC comes highly recommended and worked with us to tailor the agreement with them to our specifications and they manage several other communities in the Berwick area. First and foremost, the agreement has a Board Resolution stipulation

written in the agreement which clearly states that the management company cannot spend funds, outside of the regular operating account, without a written resolution from the Board authorizing the expense. Furthermore, Scheiber LLC. will not have access to the reserve account/s without a resolution signed by all Board Directors. Amendments planned to our Bylaws will also reinforce this so that future Boards cannot spend reserve funds without a vote of the membership.

Information regarding this change of management, the revised 2024 budget and payment information will be mailed to all homeowners in the coming days. While we transition to a new Management Company, from February 29, 2024 – April 1, 2024, we appreciate your anticipated patience and understanding. If you have any questions or concerns, please e mail the Board at enclavehoaga@outlook.com.

The Board of Directors is committed to making the Enclave a great place to live!

In Solidarity,

The Enclave Board of Directors