

**Harbour Towne Owners' Association  
Annual Homeowners Meeting  
October 9, 2010**

The Harbour Towne Owners' Association Annual Meeting was held at 9:00 am on Saturday, October 9, 2010, in the Mediterranean B Room at the Country Club Hotel & Spa. Executive Board members present were, Steve Bradbury; President; Spencer Thomas; Vice President, Darrell Barber; Treasurer, and Diane Roush; Secretary. Homeowners in attendance are documented on the official sign in sheet. Pressley Property Management was represented by Ron Pressley, Association Manager, Maria Pressley and Debbie Hicks, Intern.

**OPENING COMMENTS**

Steve Bradbury, President called the meeting to order at 9:05 am. He welcomed all Homeowners to the meeting and thanked them for attending.

**ROLL CALL AND CERTIFICATION OF PROXIES**

All homeowners present at the meeting introduced themselves along with their unit number. The proxies were certified by Ron Pressley. A quorum was present for the meeting with 71 of the 191 units represented by attendance or proxy (48 units where represented by attendance and 23 units represented by proxy).

**PROOF OF NOTICE OF THE MEETING**

The proof of notice was presented by Ron Pressley and will be entered into the official minutes.

**APPROVAL OF MINUTES OR WAIVER**

A motion was made by, John Tirre Unit E807 to waive the reading of the minutes of the 2009 annual HOA meeting and to accept them as written. The motion was seconded by John Nichols, Unit W108. All owners present expressed their agreement to the motion with a yeh/ney vote, all were in favor and the motion was passed.

**PROPERTY MANAGER'S REPORT**

Ron Pressley, Association Manager presented the 2010 Managers Report.

- **LOMA Applications:** FEMA approval of the LOMA applications was received on May 11, 2010 and posted on the website. With this approval the Federal mandatory flood insurance requirement does not apply. However the individual lender utilized by owners has the option to continue the flood insurance requirement to protect it financial interests in specific condo units.
- **Towing for Parking Violations;** The necessary signage to allow the Association to tow illegally parked vehicles in compliance with Missouri law were installed at each entrance prior to the 4<sup>th</sup> of July holiday.
- **Chimney Repair:** Dr. Soot (Mike Matthews) completed the installation of the 11 damper clips in the chimneys requiring the clips and the replacement /repair of 53 storm collars on April 1, 2010.
- **New Propane Pool Heaters:** New high efficiency, electronic ignition control propane pool heaters were installed at the start on the summer. One heater was installed in the lower pool and one heater in the upper pool. Additionally the plumbing to and from the heaters was redone to allow isolation of the heaters during the mid summer months when heating is not necessary and thus reducing the wear and tear on the heaters and extending their life expectancy

- **Pool Umbrellas:** 12 new pool umbrellas were purchased in July. 6 of the 12 umbrellas were installed on the pool decks to replace previously broken ones. The remaining 6 umbrellas were placed in inventory for future use. As a result of an end of the season sale, the Association was able to purchase 6 umbrellas at \$100.00 each and get 6 umbrellas free. The umbrellas purchased were of a commercial quality with a dual pulley lift/pin lock system which should be more durable than the crank style previously used. Since most of the damage to the umbrellas originates from them being left up in winds, plaques indicating "Please Close Umbrellas" have been installed on all tables equipped with umbrellas. Also the posts of all umbrellas have been drilled to accept the pin which attached the umbrella to the stand.
  
- **Landscaping;**
  1. Hydro seeding of the Crown Vetch on the hillside between upper and lower west side was completed in May 2010
  2. Planting of the ivy in front of W100, W200 and to the east of the lower pool was completed in May 2010.
  3. Two rounds of tree trimming/removal were completed in 2010. These concentrated on the lower east side and below the upper west buildings
  4. The Landscape Committee is currently pursuing the fall planting of small Dogwood and Redbud trees and Knock out roses and Burning bushes around the complex
  
- **Repair of Dock H** Repairs to the purlins on Dock H were completed in the spring.
  
- **Repair of PWC Dock:** Addition of a superstructure to the PWC Dock was completed in the spring. This superstructure was intended to add rigidity to the dock and minimize future repair costs.
  
- **Repair of Dock A:** Removal of any existing underwater bracing on Dock A and installation of "beefier" underwater bracing on all slips on Dock A is scheduled for 4<sup>th</sup> quarter 2010.
  
- **Revised R & R Magnetic Plaques:** Revised Rules and Regulations magnetic plaques were printed and are being placed in each unit.
  
- **Residing of the Clubhouse, E100, and W100;** Residing of the Clubhouse, E100, and W100 with the installation of house wrap was completed, with the exception of the lower lakeside of W100 which will be completed the week of October 11th. During the residing of the Clubhouse, significant structural deterioration of the east wall was encountered and repaired.
  
- **Water Meters:** The installation of 2 "deduct" water meters for the pools and 2 "deduct" water meters for the irrigation systems attached to the city water was completed in the spring. These deduct meters allow the metering of the water used in filling of the pools and irrigation, which is deducted from the total complex water usage when the monthly sewer costs are billed.
  
- **Stair Tower Refurbishment:** Refurbishment of the selected stair towers is in process. This refurbishment involves the removal of the existing concrete landing

and supporting metal pans, removal of the rust and deterioration, painting with an epoxy primer, and an epoxy finish coat and installation of the reinforced concrete tread landing. To date of 2 towers have been completed, 3 are in process, and refurbishment of an additional 5 towers is scheduled.

- **West Entrance Drive Erosion Control – Phase 1:** Phase 1 of the west entrance drive is in process. Phase 1 involves re-grading and installation of rip/rap on the long term parking lot and installation of rip/rap on the lower half of the west side of the entrance. The Long Range Planning Committee is working on Phase 2 of the project which will entail installation of a curb on the west side of the entrance drive and re-contouring of the drive, sloping it so that water is directed to the existing drainage flume on east side of the drive.
  
- **Fire suppression Backflow Valve Installation:** The installation of back flow valves on the fire suppression systems in two buildings is scheduled for November. This was scheduled in a low occupancy period to minimize the inconvenience to the occupants. The 2011 installation of the valves in another 2 buildings has been budgeted for March.

A motion was made by Patrick Terrio Unit W202 to accept the Manager's report as given. The motion was seconded by Donald Metzler, Unit E501. All owners present expressed their agreement to the motion with a yeh/ney vote, all were in favor and the motion was passed.

### **TREASURER'S REPORT**

Darrell Barber; Treasurer, presented the Treasurer's report. Included in the report were the following:

- **2009 Financials**

1. Balance Sheet (as of December 31, 2009)
  - a) Total assets; \$370,097.03
  - b) Total Liabilities and Equity; \$370,097.03
  - c) Accounts Receivable- Pending Breakwater Assessments: \$221,232.21
  - d) Long Term Liabilities – Breakwater Loan: \$242,066.65
  - e) Account balances;
    - Checking; \$4,823.61
    - Passbook; \$13,365.50
    - CBOLO-BREAKWATER; \$158.96
    - Great Southern - (CDARS); \$45,901.99
    - CDARS Investment; \$46,110.97
    - Total Checking/Savings; \$110,361.03
  
2. Profit & Loss Budget vs. Actual
  - a) Total income: \$554,167.61
  - b) Total expense: \$571,978.79
  - c) Net Income: (\$18,665.07) Budgeted at (\$28,451.73)
  
3. Independent Audit Report
  - a) After completion of the audit for the years ending December 31 2009 and 2008, the independent auditors report indicates "In our opinion, the financial statements referred presents fairly in all material respects, the financial position of Harbour Towne Owners' Association, Inc. as of December 31, 2009 and 2008, and the results of its operation and its cash flow for the years then ended in conformity with the accounting principles general accepted in the United States of America."
  - b) Members Equity;

December 31, 2007	\$158,531.32
December 31, 2008	\$138,367.43
December 31, 2009	\$121,103.61

▪ **2010 Financials Year to Date Summary**

1. Balance Sheet (as of October 4, 2010)
  - a) Checking; \$68,267.58
  - b) Passbook: \$32,497.21
  - c) CBOLO-BREAKWATER; \$9,565.99
  - d) Great Southern - (CDARS) - 46,128.51
  - e) CDARS Investment; \$46,110.97
  - f) Total Checking/Savings; \$202,570.26
  
2. Profit & Loss Budget vs. Actual
  - a) Total income: \$728,876.50
  - b) Wave Break income: \$83,748.51
  - c) Insurance claim income: \$27,571.92
  - d) Net Income: \$617,566.07 Budgeted at \$609,377.57
  - e) Budget Deviations:

Account #6178 - Violations: \$200 YTD This is fines that have been levied against unit owners for repeated violations of the Association Rules & Regulations.

Account #6179 - Website Sponsorship: \$40 YTD This is for sponsorship ads under the "Links" heading on the Association's website ([harbourtowne.com](http://harbourtowne.com)).

Account #650 Forfeited Amenity Sales: \$12,000 YTD This is from amenities (dock slips, garages, etc.) that have been forfeited by delinquent owners and then re-sold by the Association.

Account #81431 - Pool Supplies: \$13,392.88 YTD The Board amended this budget line-item at our September 2010 Board meeting and increased it to \$11,000 from \$5,000 to cover the cost of the two (2) new pool heaters that were installed this past spring. We're still going to be over budget on this line-item due to higher than normal chemical usage in the pools this summer from the extremely hot weather.

Account #8144 - Equipment Usage: \$0 YTD In the past, our previous property management company charged us an hourly rate for the use of their power equipment (blowers, weed eaters, etc.). This line-item is no longer necessary since the hourly rates charged by Pressley Property Management include the use of their equipment.

Account \$8151A - Stair Tower Rehab: \$10,158.27 This represents the first payments made to the contractors working on the stair tower rehab project. The Board has secured a loan in an amount up to \$140,000 to cover the cost of the stair tower rehab project.

Account #818 - Interest Expense: \$5,411.42 YTD

This is associated with the Breakwater loan.

Account #819 -- Misc./Contingencies: \$4,985.00 YTD  
This is for the LOMA application to remove the floodplain designation for the Harbour Towne property so the owners won't have to purchase flood insurance. The Board amended this line-item by increasing it from \$3,500 to \$4,985 to cover the LOMA application.

Account #820 - Insurance Claims & Expenses: \$29,686.92 YTD This is associated with a claim in the E100 building related to water damage from a valve failure in the fire suppression system. Most of this amount is off-set by the insurance proceeds reflected in the Insurance Claim Income account (#660).

Account 8275 - Propane Gas: \$5,992.50 Under Budget YTD The Board opted to turn off the heaters during the warmest part of the summer to save on the cost of propane.

Account 846 - Boat Dock Repairs & Maintenance: \$10,845.99 Under Budget. Summary of the expenses on this line item YTD:

1. Dock H Refurbishment	\$22,840.00
2. Anchor Cable Replacements	\$ 1,100.00
3. Dock Repairs	<u>\$ 4,214.01</u>
<b>Total</b>	<b>\$28,154.0</b>

The Board has approved replacing the missing, broken or inadequate underwater bracing on parts of Dock A later this fall at a total cost of \$19,041.23. Of this amount, approximately \$9,500 will be paid out of this year's budget, with the balance being paid from the 2011 budget.

f) Total Expenses: \$471,066.35 Year-to-Date or 77.8% of Budget.

g) Net Income: \$257,810.15 Year-to-Date  
Plus Interest Expense \$ 5,411.42  
Less Breakwater Income (\$ 83,748.51)  
**\$179,473.06**

3. Delinquent Assessments

The following is a summary of the number of units that were one (1) or more quarters in arrears on their assessments since August 29, 2009:

August 29, 2009	12 Units
November 28, 2009	17 Units
February 26, 2010	16 Units
June 1, 2010	14 Units
August 30, 2010	12 Units
September 30, 2010	8 Units

As you can see by the declining number of units that are one or more quarters in arrears, we've made tremendous strides in lowering the number of units that are delinquent on their assessments

#### 4. 2010 Excess Funds Resolution

Darrell Barber explained that the IRS requires any operating excess funds at year's end be transferred into the money market account or disbursed back to the owners in the percent paid. A motion was made by James Guccione, Unit W906 to transfer the excess money to the Money Market account. The motion was seconded by Joe Rector, Unit E804. All owners present expressed their agreement to the motion with a yeh/ney vote, all were in favor and the motion was passed.

A motion was made by Randall Middleton E105 to accept the Treasurer's report as given. The motion was seconded by Jack Dickerson, Unit E904. All owners present expressed their agreement to the motion with a yeh/ney vote, all were in favor and the motion was passed.

### **COMMITTEE REPORTS**

#### **Landscaping Committee:**

The Landscaping Committee report was given by Vince Fargo. Included in the report were projects that had been completed or will be completed in 2010.

- Hydro seeding of the Crown Vetch on the hillside between upper and lower west side was completed in May 2010
- Planting of the ivy in front of W100, W200 and to the east of the lower pool was completed in May 2010.
- Two rounds of tree trimming/removal were completed in 2010. These concentrated on the lower east side and below the upper west buildings
- The Landscape Committee is currently pursuing the fall planting of small Dogwood and Redbud trees and Knock out roses and Burning bushes around the complex

#### **Long-Range Planning Committee:**

The Long-Range Planning Committee report was presented by Don Pogue. Included in the Report are projects that are planned to be completed in the next 10 years but are currently not budgeted yet. Future projects include:

- Sea walk railing
- Band boards (1x12 boards that frame the patios)
- Wood sea walk deck at pool (includes railing)
- West drive hill erosion(emergency entrance)
- Concrete footings/retaining wall
- Downspout/water redirection
- Landscaping timbers/ties
- Sea walk landscape edging boards
- Exposed wood sealing/waterproofing
- Lakeside Structural supports
- Remaining unbudgeted stair tower repairs

A .05 cent a sq ft increase in assessments this year should prevent any special assessments in the future to cover these projects. A concern was raised that assessments should be re-evaluated in the future to see where the Association stands financially with these projects in order to make the proper adjustments. Unit W105 asked if the Sea wall railing should be a high priority. Concerns were stated by the Board pertaining to the safety/liability hazard to the Association. Unit W403 had concerns pertaining to stairwell safety, and to the ADA act and access to some of the units. It was asked if the Association could research the cost to install ramps or an elevator.

Unit E904 brought to the attention of the board a possible sink hole under the parking lot by the retaining wall. He stated that where the retaining wall meets the parking lot the asphalt was

breaking away. It was asked if this shouldn't be more of a concern than the sea wall railing, the matter will be checked out by the association manager

### **Dock Committee**

The dock committee report was presented by Dan Galvin . The report included the following projects in 2010.

- Breakwater anchors that had broken had been replaced at no expense to the Association. The repairs were covered under warranty. At that same time the other anchors were surveyed by the breakwater company. No damage was found at that time.
- At this time the Dock committee was looking into possible modifications to the configuration of Dock F. Possible solutions include: replacing the whole dock, Adding a roof to stabilize rigidity, Eliminating the dock altogether. No decision has been made at this time. The committee will revisit this issue at a later date.

### **ELECTION OF NEW BOARD MEMBERS**

The terms of three Executive Board members, Steve Bradbury (W304), Darrell Barber (W1401), and Diane Roush (W701) will expire this year. Running for the three seats on the Executive Board were Darrell Barber (W1401), Diane Roush (W701), and Vince Fargo (W305). There were no nominations for candidates from the floor. A motion was made by John Tirre, unit E807 to elect the 3 candidates to the Executive Board via acclamation board. The motion was seconded by Patrick Terrio, unit W202. All owners Present expressed their agreement to the motion in a yeh/ney vote, all were in favor. The motion was passed.

### **RATIFICATION OF 2011 BUDGET**

Darrell Barber reviewed the attached budget for 2011 which had been approved by the Executive Board and presented it to the owners for ratification. While certain components of the budget have been adjusted to reflect projected costs, the budget as presented represents only \$800 increase in total annual income versus the 2010 budget and therefore essentially represents no assessment increase. A motion was made by Patrick Terrio, Unit W202 to ratify the 2001 budget as presented. The motion was seconded by Ken Laune, Unit W1404. All owners present expressed their agreement to the motion with a yeh/ney vote, all were in favor and the motion was passed.

### **2011 LATE FEE and INTEREST RESOLUTION**

Each year the late fee and interest rate to be charged for delinquent payments of assessments for the upcoming year are approved by resolution. The late fees and interest charged during 2010 for delinquent payment of assessments were \$50.00 per quarter and 18% respectively. A motion was made by Angel Hacker, Unit W105, to retain the \$50.00 late fee and 18% interest for 2011. The motion was seconded by Vince Fargo, Unit W305. All owners present expressed their agreement to the motion with a yeh/ney vote, all were in favor and the motion was passed.

### **UNFINISHED BUSINESS**

There was no unfinished business to be discussed

### **NEW BUSINESS**

Unit E308- Asked how long it was going to take to complete the refurbishing of the stair towers and to paint the balcony outside their unit and any that weren't all ready on the schedule? It was explained that funds were available with which to refurbish 10 stair towers in the initial phase of the project. Based on recommendations of the engineer, Executive Board and Pressley Property Management the 10 stair towers in the worst conditions were identified. Additional stair towers will be scheduled for refurbishment based on the availability of funds and the condition of the respective stair towers when such funds become available.

Unit W403- Wanted to bring to the attention of the Board the deteriorating condition of the drainage grate and surrounding concrete near the West driveway. It was pointed out this

problem would be addressed in Phase 2 erosion project, and that the drain would be moved, curb installed, and the drive leveled at that time

### **ANNOUNCEMENTS**

**Committee Sign-up:** Steve Bradbury urged all Homeowners' to become involved by volunteering for service on any and all committees

**Insurance certificates:** All Homeowner's are required to submit current proof of insurance to Pressley Property Management along with their 1<sup>st</sup> quarter 2011 assessments. It is also required that owners who rent their units on a short term or long term basis ensure that they have the appropriate coverage in place to cover any incidents that may occur associated with that rental unit.

**On-line bill payments/late payments:** Steve Bradbury, reminded homeowner's using online bill payment to adjust the payment date thru their bank to ensure assessment payments were received on time. It was also stated that late fees would be imposed if the automatic payment wasn't received by the Association by the 15<sup>th</sup> of the month regardless of when the payment was processed by the bank.

**Annual BBQ:** All owners were invited to attend the annual BBQ, sponsored by Berra Real Estate Group and Pressley Property Management, which was scheduled to commence at 3:30 p.m. in the clubhouse.

### **ADJOURNMENT**

With no further business, John Nichols, Unit W108, made a motion to adjourn the meeting. The motion was seconded by Patrick Terrio, Unit W202. All owners Present expressed their agreement to the motion in a yeh/ney vote, all were in favor. The motion was passed.

The meeting adjourned at 12:00 P.M.

Approved By:\_\_\_\_\_

Date:\_\_\_\_\_