

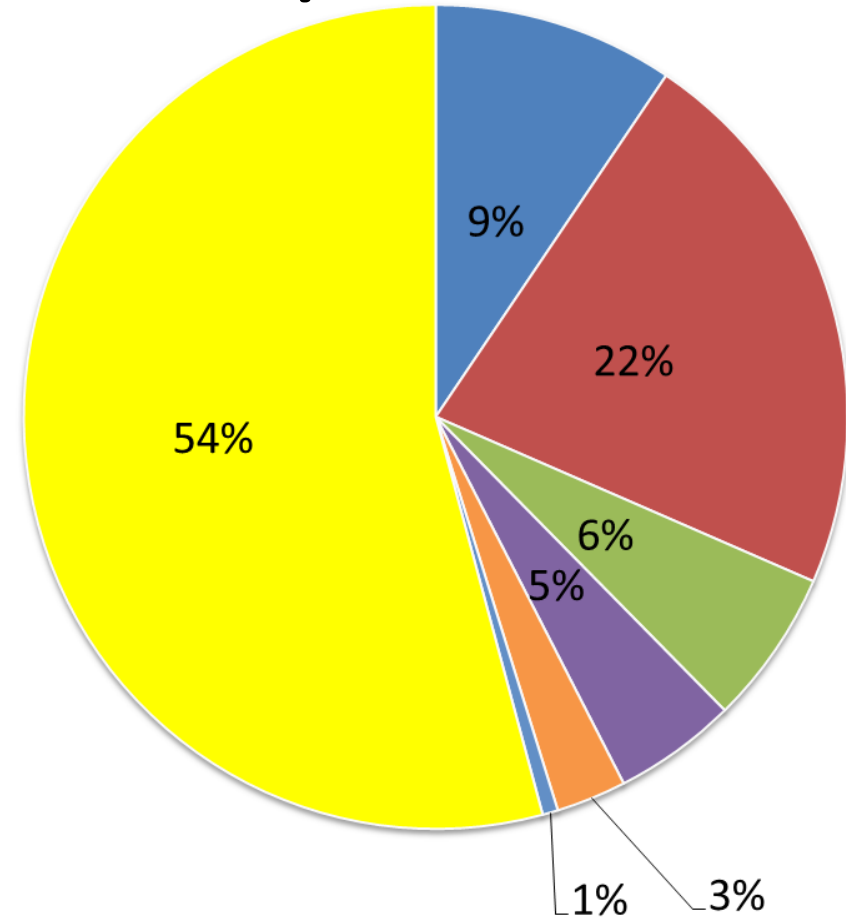
Board of Directors – 2016/2017 Accomplishments

- Renegotiated contracts representing 42% of HOA operating expenses
 - ✓ Replaced landscape vendor
 - ✓ Replaced parking/security vendor
 - ✓ Replaced insurance provider
- Completed flat roof replacement project
- Implemented contingency budget to improve cash flow issues
- Balanced budget
- Improved reserve fund from 9.75% of recommended balance to 14.7%



Understanding Where Your Monthly HOA Dues Are Spent

- **Seabreeze Management** fee is 76% of total Administrative budget, 7.2% of total HOA fee
- **Contract Landscape** is 57% of total Contract Maintenance, 12.7% of total HOA fee
- **Total Reserves**, our long term capital expense projects such as roofs, painting, fences, and parking lot are 54% of the total HOA budget



- Total Administrative
- Total Contract Maintenance
- Total Utilities
- Total Insurance
- Total General Maintenance
- Total Operating Contingency
- TOTAL RESERVES



Why do we need to keep the HOA fee at the current level for the foreseeable future?

- The Reserve fund is at an alarmingly low level - \$132,328 (As of December 31, 2016) – this was only 14.7% of the recommended reserve balance of \$897,770. This has increased from the previous year's balance of \$77,154 (as of December 31, 2015), or 9.75% of the recommended balance at that time
- As of June 25, 2017, the Reserve Fund balance was \$155,056 – or 17.2% of target balance
- Based on the 2017 Budget Report sent to residents on October 31, 2016, the reserve fund will not exceed 50% of the target funding balance until 2023
- Major projects needed to be addressed in the next 5 years: Fences, Sloped Roofs, Painting & Woodwork

