

December 2023

A Message from Your Newly Elected Board of Directors:

We are writing to provide you with essential insights into our approach to the 2024 budget for Baywatch Village Townhomes HOA. As your democratically elected Board of Directors, we strive to prioritize transparency and fiscal responsibility in managing our community's affairs.

Maintaining Affordable HOA Fees

Despite facing significant cost increases, such as a 20% rise in insurance premiums and escalating construction and plumbing repair costs, we have decided to hold the line on HOA fees at the same level as 2023. This decision reflects our commitment to fiscal responsibility and ensuring that HOA fees remain affordable for all residents during these times of high inflation.

Curtailing Excessive Charges with Vendor Review Committee

We have established the vendor review committee (VRC) to curtail some excessive charges uncovered by the work of this committee, which will help us arrive at significant savings over the wasteful practices of the past. The VRC is composed of experienced professional talents, including the owner of Good Guy Plumbing and six additional experienced professional volunteers, who have years of experience in a variety of areas, including: competent analysis, industry best practices, and realistic understanding of costs of parts and labor. Their insights will help us challenge excessive charges and ensure that we receive fair value for our money. In addition, It is our opinion that many of the smaller repair projects can be handled on a handyman level at a greatly reduced cost to our HOA. Our current perception is that we are being treated as a Cash Cow by many of our vendors.

Prioritizing Maintenance and Avoiding Costly Repairs

We have provided a budget for an annual power wash of our buildings/exterior windows, in order to keep them in pristine condition. This proactive approach prevents the property from deteriorating to a point where significantly more expensive repairs would otherwise be required.

Addressing Paving Project and Infrastructure Considerations

We are committed to making sensible decisions regarding our paving project. We were fortunate to be able to cancel the Paving contract that was hastily committed without an option for us to cancel. For instance, the initial budget for road paving was set at \$130,000 from our

2023 reserves. However, due to a lack of ongoing maintenance, the project's cost is now expected to be at least double the original estimate. (Having reserves does not justify depleting them without careful consideration).

Additionally we are not awarding a contract of this scope based solely on Price, but will take the vendor's reputation for quality, and issues such as equipment weight of rollers and warranty issues into consideration. Fortunately the price of oil continues to drop as it has over the past month.

Naturally we are not going to spend hundreds of thousands of our reserve funds on our roads without conducting a thorough inspection of the sewage and underlying infrastructure to prevent potential root intrusion issues. These preventive measures will help us not to end up having to rip up the road soon after we make such a major investment. Weather permitting, we anticipate proceeding with the paving project in early spring.

Reassessing Landscaping Plans

Over the past two years, significant funds have been spent on changing our landscaping from Evergreen to Brown Desertscape, in order to save on water. The emerging results have not been enthusiastically welcomed by the Membership at large and fail to reflect the premium level of HOA Dues we all provide. The subsequently scheduled toxic fumigation has done substantial damage to these seedlings, which will have to be replaced at OUR cost. However, it also presents us with an opportunity to rethink the remaining two phases of this quarter million dollar undertaking. We are currently consulting with our Landscaping Liaison, David Head, to explore options that provide a more aesthetically pleasing and sustainable landscape. We have also provided funds in our Operating Budget for increased attention frequency to our landscaping or perhaps upgrading the quality of the current vendor.

Enhancing Pool and Mailbox Maintenance

In this budget, we have addressed the severe lack of janitorial maintenance at our pool amenity. Furnishings will be regularly cleaned, broken down garbage receptacles replaced, and the overall cleanliness of the pool area will be significantly improved. We have also allocated funds to address the dirty condition of our mailboxes.

Investing in Security Cameras and Monitoring

We are investing in security cameras and monitoring, in order to counter the shortcomings of our entrance gate and the increasing incidence of property and personal violations in our immediate area. This will provide a record of unauthorized entries to local authorities as well as serve as a deterrent to violating our premises in the first place and enhance our property values further.

Gate Service Company Replacement

We have replaced the company servicing our entrance gate due to their excessive charges and subpar service. The previous Firm charged us **\$195 an hour** to reprogram a gate code, where the new Firm charges **\$15**; it also billed us for **FOUR laborers** to change the underpowered gate motor. These are just two examples of excessive and unnecessary charges.

We are committed to the safety, security, and improved value of our investments. We urge you to disregard any attempts to undermine our efforts to create a more peaceful, vibrant, and well-maintained Baywatch Village at a cost we can all afford.

Please feel free to contact the Board for any further questions or clarifications.

Sincerely,

Your democratically elected Board of Directors.

Baywatch Village Townhomes HOA