

**Wednesday, May 22, 2024**

**Subject: Addressing delayed maintenance, Rising costs, asset value enhancement and Budget Management.**

**A message from the HOA Board of Directors**

Dear Homeowners,

As you may have seen in recent board meeting agendas, our homeowner's association (HOA) is currently addressing several overdue maintenance and repair projects. These include community and unit repair bills ranging from \$10,000 to over \$25,000+, which have accumulated or gone unresolved over the past few years. For example, after the community-wide fumigation tenting project in the summer of 2023 (despite significant debate and objections from many homeowners), the HOA received numerous reports of broken shingles, major roof leaks, and subsequent mold remediation needs following this past winter and spring rainstorms.

While these are challenging situations, we want to assure you that the board is proactively addressing these issues with a solutions-oriented approach. We understand the importance of fiscal responsibility and are pursuing various cost-saving measures. This includes obtaining competitive quotes for repairs and negotiating with both new and current vendors. Our goal is to balance cost-effective solutions with the need to maintain the value of our community assets through timely maintenance. By implementing a proactive maintenance strategy at reasonable costs, we aim to prevent minor issues from escalating into larger, more expensive repairs, which is the situation we currently face. The board is also working closely with the financial controller at Optimum, to explore creative solutions to these financial challenges, including potential lawsuits and expensive repair bills.

While we are dedicated to minimizing costs wherever possible, it's important to acknowledge the broader and external economic climate, particularly in California. Insurance rates have increased by approximately 30%, along with rises in labor, materials, and mold remediation costs.

We thank you for your continued support and understanding. We are confident that through open communication and a shared commitment to our community's well-being, we can navigate these challenges and maintain the integrity and health of our community.

Sincerely,

Baywatch Board of Directors

Bryant Sanchez, Community Manager