HOA PRESIDENTS' INFORMATION SHEET – SEPTEMBER 2020

PRESIDENT'S REPORT:

We have a highlight and a lowlight to report this month. The highlight is fully explained in Bob Garrison's Operations Committee Report. He announces that our search for a Property Management company to manage daily operations has concluded.

The lowlight is that the Developer's representatives have recently stopped communicating with us again, for reasons that have not been explained to us. Emails are not being answered and personal phone calls are not being returned.

Nevertheless, the work must go on, so we are doing everything we can on our side to prepare for the transition of Board control at the end of this year. The Nominating Committee has received and is reviewing candidate applications for the election of three new GHCA resident Board Directors. All other active committees are proceeding as far as they can without developer participation. If we have to finish the rest of the transition preparation without any communication, we will do so.

No matter what happens in the interim, control of the GHCA Board will shift to residents in three months.

TREASURER'S REPORT:

There has been no change in funding from August's report with $105,500 in member funds and non-member contributions received since the first of the year. We currently have $36,477 in the bank and $40,000 in prepaid retainers. We need all fourth round funds and contributions remitted so that we can complete the transition work through year end 2020.

The new GHCA Board will then fund in 2021 any additional expenses required to collect on the almost $19 million of claims we have uncovered over the past 20 months of investigation.

CURRENT CASH POSITION:

Beginning 2020 Cash Balance:		$125,197
Member 2020 Contributions:		$101,000
Voluntary 2020 Contributions:		4,500
Total Contributions:		$105,500
Engineering Expenses:	$4,650	
Legal Expenses:	168,223	
Litigation Retainer:	10,000	
Accounting Retainer:	5,000	
Admin and Insurance:	6,347	
Total Expenses:	$194,220	
Ending Cash Balance:		$36,477

LEGAL COMMITTEE:

After the telephonic meeting with principals and lawyers from both sides, we submitted requests for information and meetings concerning a number of items discussed on the call. We have not received any meaningful information in response to those requests.

FINANCE AND ACCOUNTING COMMITTEE:

The Finance Committee is continuing to work with an independent accounting firm to review the claim information presented in the current Finance Committee Report.

ENGINEERING AND ASSET EVALUATION COMMITTEE:

No activity to report this month.

OPERATIONS COMMITTEE:

In March of this year the Operations Committee commenced its search for a Property Management company capable of stepping in to administer the GHCA Master Association following turnover of control of the Board to residents on or about January 1, 2021.

We are pleased to announce that by a unanimous vote of the Transition LLC Board of Managers we are recommending to the current GHCA Board that we finalize a management services agreement with AR Choice Management, Inc. "ARC".

ARC was one of six property management companies that we approached. Ultimately, four companies responded to our Request for Proposal "RFP". We held a joint meeting with all of the interested parties to review the RFP on June 2nd, walked them through the engineering report compiled by Kimley-Horn, and discussed the outstanding issues between the residents of Grand Harbor/Oak Harbor and the Developer. A tour of the property was arranged for two of the representatives to give them greater familiarity with the scale of the overall community. The management companies had a return due date of June 22nd to respond to the RFP. All of the companies met this timeline.

ARC received the LLC Board recommendation for several reasons. ARC currently represents about about 85% of the homes in Grand Harbor and Oak Harbor as their property manager, giving them a knowledge base that will make the transition from Developer to independent third party property management a cleaner event. ARC also had the next to lowest fee for their services when compared with the others, separated by less than $2,000 from the low bidder.

A Management Agreement has been negotiated with ARC which will be passed on to the current Developer controlled GHCA Board for their review and approval.

ARC has agreed to a "shadow period" commencing November 1st through the GHCA transition date at the end of this year. During this time, they will observe the development of the 2021 GHCA Budget by the Developer's staff and finance professionals from the LLC Finance Committee. This "shadow period" service by ARC is being done at no cost to GHCA.

FINAL NOTE:

When asked about their personal challenges dealing with the coronavirus, many people, and especially senior citizens like us, mention the effects of being somewhat or very isolated from friends and family. If that is a reality for you, here is a possible remedy:

Try every day, at least once, to share a laugh and a hug, even if some of them are virtual.

Jeff Caso
President, on behalf of the Board