

LAKE CHARLES ASSOCIATION, INC.
MINUTES OF THE BOARD OF DIRECTORS SPECIAL MEETING
Held on August 24, 2006 at the Lake Charles Clubhouse

Convening:

President Joan Hassler called the meeting to order at 7:00 PM

Joan Hassler welcomed all and advised residents that this meeting is open to all homeowners and owners will be allowed to provide their comments on the subject of assessment during the meeting.

Pledge of Allegiance

Roll Call of Officers:

Bill Reckerdres took roll call and the following members were present.

Joan Hassler – President
Jim Volpe – First Vice President
Bob Giesken – Second Vice President
Bill Reckerdres – Secretary
Paul McCaffrey – Treasurer

Let the record show that all Lake Charles Association members were given written notice of this August 24, 2006 board of directors meeting at least 14 days before this meeting. A letter to members included notice that motions to assess Harbour Isles owners for repairing and painting would be considered at this meeting.

In addition, a copy of the letter to members, including the meeting agenda, was posted on the clubhouse bulletin board at least 14 days before the meeting.

A quorum of the board is present.

Members who were present were given the opportunity to ask questions and make comments about the proposed assessment.

Motion to accept the Painting Contract:

Bill Reckerdres made a motion that the Lake Charles Association, Inc. accepts the M&R painting contract for Harbour Isles, dated July 10th, 2006. Seconded by Paul McCaffrey. The motion was passed unanimously.

Explanation of Special Assessment:

Estimated costs: \$203,576

\$68,000	Use the existing \$68,000 Harbour Isles Painting Reserve (Nearly Depletes Reserve).
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\$10,000	Use \$10,000 of the existing Harbour Isles Roof Replacement Reserve which represents the amount reclassified without authority from the Painting Reserve in April 2006.
\$81,600	Assess the owners of each Harbour Isles unit the amount of Eight Hundred Dollars (\$800.00) to be fully due and payable on or before November 1, 2006. Said assessments, or portions thereof, not paid by November 1, 2006 are delinquent and subject to interest, costs, and delinquency fees in accordance with Article X, Section 1, paragraph 3 of the Lake Charles covenants. Said assessment is to be used to partially fund the repair and painting of exterior walls of Harbour Isles buildings. The total amount generated by these assessment totals \$81,600 (\$800 per unit X 102 units).
\$43,976	The remaining amount, estimated at \$43,976, is to be funded from 2006 Harbour Isles operating fees budgeted for Harbour Isles Landscaping and Harbour Isles repairs.
\$203,576	Total

Motion to Assess Harbour Isles Owner for Repair and Painting of Exterior Walls:

Paul McCaffrey made a motion that the Lake Charles Association, Inc. fund the estimated cost of \$203,576 to repair and paint exterior walls of Harbour Isles buildings in 2006 as follows

1. Use \$68,000 of existing Harbour Isles Painting Reserves (Depletes reserve).
2. Use \$10,000 of the Harbour Isles Roof Replacement Reserve, which represents the amount reclassified without authority from the Painting Reserve in April 2006.
3. Assess the owners of each Harbour Isles unit the amount of Eight Hundred Dollars (\$800.00) to be fully due and payable on or before November 1, 2006. Said assessment, or portions thereof, not paid by November 1, 2006 are delinquent and subject to interest, costs and delinquency fees in accordance with Article X, Section 1, paragraph 3 of the Lake Charles covenants. Said assessment is to be used to partially fund the repair and painting of exterior walls of Harbour Isles buildings. The total amount generated by this assessment is \$81,600 (\$800 per unit X 102 units).
4. The remaining amount required, estimated at \$43,976, is to be funded from 2006 operating fees budgeted for Harbour Isles repairs and Harbour Isles landscaping.
5. For the record, please note that no operating funds collected for Lake Charles common property is to be used to fund the repair and repainting of Harbour Isles buildings.

The motion was passed unanimously.

Minutes of August 24th, 2006 Board of Directors Meeting continued...

Paul McCaffrey made a motion to close the meeting, seconded by Bill Reckerdres. The motion to close the meeting was passed with unanimous vote. There being no further business the meeting was adjourned at about 8:00PM

Respectfully submitted,
Bill Reckerdres – Secretary