



November 30, 2020

Dear Pass Marianne Condominium Owners:

Please find attached the 2021 Projected Annual Operating Budget for Pass Marianne Condominiums, which has been approved by the new Board of Directors for our Home Owners Association. As you will see, the budget format follows that from previous years, and includes the Annual Operating Budget and Monthly Assessment Schedule (Condo Fees). After a thorough review of upcoming expenses and asset replacement planning, in addition to scheduled routine maintenance and contracts, the HOA Board has found that it will be necessary to increase HOA dues beginning in January, 2021. You will need to make the necessary adjustments to your payment arrangements in order to be up to date by January, 2021.

Condo Name	Type	Number	2021
Pelican Key	A	01,02	\$ 812
Porpoise Shoal	B	03,04	\$ 804
Cat Island	C	11,12	\$ 759
Chandeleur	D	05,06,07,08	\$ 754
Petit Bois	E	09,10	\$ 725

As noted at the 2020 Annual Meeting in October, our building is now thirteen years old and requires more and more attention to maintenance details to insure the viability of the structure. Our maintenance manager, James Wesner, has performed admirably in maintaining our complex; however, the harsh salt water environment and design of the building means we need to do more to mitigate the negative effects on our residence. Of particular concern are the railings, atrium skylight frames, fences, pump room, windows in the garage, and stairwells. We are at a point in time when we must begin extensive efforts to prevent irreparable damage. Another area of concern is the rising cost of insurance and the potential for increased deductibles. As it stands now, the HOA will absorb the cost of the most recent storm damage.

The Board, along with the help of some very talented residents, has been conducting an in-depth examination of our normal operating expenses and reserve fund. You will note that there is very limited discretionary spending in the budget. The increase in dues for 2021 was made only after extensive review of our fiscal responsibilities. In order to maintain an adequate Reserve Fund, we will increase the contribution to the fund to 25% effective 2021. This increase is absolutely critical when planning for the future. Over and over again we have found ourselves in a position when drawing from or not contributing to the Reserve Fund has been needed. This

is not feasible when looking forward, given the age and requirements of the building.

The Board's focus over the past two years has been water intrusion issues. As you know, this is a legacy issue, but we are making very good progress toward solving it. Phase 1 repairs have been successful for Units 202 and 203 (\$1,000 assessment). We are in the process of seeking bids for Phases 2 and 3, which will ensure that the exterior envelope for the building is sealed. We have received two bids thus far, one of which was less than anticipated. We are still accepting no fewer than three bids, and will keep you informed as we proceed. Please know that the HOA Board is committed to total transparency. The committee reviewing the budget, with the goal of removing any unnecessary spending and ensuring proper funding for critical infrastructure maintenance, will be holding a briefing to any interested residents during the latter part of January, 2021. You are all welcome to attend.

Much gratitude goes to the 2020 Board of Directors for all they accomplished during their tenure. Many of the members have served multiple times and for many years. Beyond the coordinated efforts for day to day tasks, led by our very talented Pass Marianne Condo Manager, Emily Stowe, this all volunteer board has contributed to improve the safety, efficiency, and overall quality of life at Pass Marianne. In addition, thanks are extended to Margie Morken, who has worked with Emily on Communications; Patsy Walet, Andy McCaffery, and Jackye Carroll, who have worked with Sheri Schaffer on Architectural Review; and Rita Goodbread, who has worked with Ann Matthews and Anna Crawford on Landscaping. In addition, thanks are extended to all the Floor Representatives, Andy McCaffery, Jackye Carroll, Anna, and Ann Matthews, who keep watch over all of us!

If you have any questions or concerns, please feel free to contact: Anna Crawford, President and Rules and Procedures Committee, Pool Committee, Landscaping Committee; Bob Chiasson, Vice President and Maintenance Committee; Bob Kroper, Treasurer and Maintenance Committee, new board member; Ann Matthews, Assistant Treasurer and Landscaping Committee; Sheri Schaffer, Secretary and Architectural Review Committee; Reg Morken, Maintenance Committee; Debbie Mykolyk, Social Committee; and Gerri Mackey, new board member. With the resignation of long time Board member, Lise Lorber, from the Board, the responsibilities of the Janitorial Committee are now being coordinated by the Condo Manager and Floor Reps. By the way, one does not have to be an owner to be a committee member. In fact, we are looking for someone to chair the Landscaping Committee. Your help would be greatly appreciated!

Sincerely yours,
Anna Crawford, Ph.D.
President