

PALM LAKE HOMEOWNERS ASSOCIATION

BOARD OF DIRECTORS

MEETING MINUTES

OCTOBER 17, 2019

The meeting was called to order by President Ned Timmer at 7:08 p.m.

Board members present: Ned Timmer, Meredith Fitzgerald, Fred Lenz, Marty Crosley and Mike Ketchum.

SECRETARY'S REPORT

Mike Ketchum noted the September 19, 2019 board minutes had previously been approved by the board and subsequently posted on the PLHOA website.

He reported the Dr. Philips and Windermere Libraries were unavailable for the 2020 PLHOA annual meeting that is currently scheduled for Saturday, Jan. 18, 2020. Due to the fact this date was discovered to be on a weekend before a national holiday, Ketchum will check for the availability of the libraries on alternative January dates and advise the board of their availabilities so that an annual meeting venue can be finalized.

ARB REPORT

Marty Crosley reported the approved re-painting of 8625 Crestgate Circle had concluded. Mention again was made on the need for an up to date paint pallet for approved paint colors for Palm Lake homes since the one that had been in use needed to be updated.

Ned Timmer inquired of Marty Crosley if there was an update on the discussion he requested he held with the new homeowners at 8661 Crestgate Circle to acquaint them with ARB protocols for gaining ARB approvals for painting, landscaping or other work that may still be planned at the home. Crosley indicated the discussion had not yet occurred.

Reference was made to the recent letter from the PLHOA to the realtor representing the homeowner whose house is up for sale at 8607 Crestgate Circle regarding the re-painting of a fence gate door and removal of the Astroturf in the backyard. Following discussion, it was felt further notification of these concerns should be properly communicated directly to the owner under the guidelines found within the existing Palm Lake Enforcement Policy. It was suggested the Astroturf appeared to have been approved by a previous board as it was determined by them to be an acceptable "Florida Friendly" vegetation and for that reason should continue to be permitted. However, further board research into the matter confirmed Astroturf was not considered to be "Florida Friendly"

vegetation under the Florida Statutes and the PLHOA governing documents granted the board the authority to rescind any board decision that was made in error. In view of that, a motion was offered by the Secretary that stated “Guided by the provisions of the Palm Lake Enforcement Policy, the ARB shall request the homeowner re-paint the door and remove the Astroturf within 30 days and prior to the sale of the home and if uncompleted by then, the request will be formally placed in the estoppel letter. The motion was seconded by the President and the vote was 3-2 in favor of the motion:

Voting Yes: Ned Timmer, Marty Crosley, Mike Ketchum

Voting No: Fred Lenz, Meredith Fitzgerald

OPERATIONS REPORT

Fred Lenz reported the recent paving and road re-sealing project was successfully completed. Pressure washing still remains to be scheduled for the street curbs.

In other Operations issues, Lenz reported the following:

- The Maloney residence was chosen for Yard of the Quarter
- Estimates are being gathered for tree replacements in Palm Lake
- Concerns were expressed regarding trees in the retention pond that threaten the integrity of the perimeter wall
- Sidewalk inspection and repair will be scheduled by the end of the year
- Work by contractors hired by Duke Energy to trim crepe myrtles in the retention pond area was halted upon discovering the crepe myrtles were being trimmed in an unacceptable and disappointing fashion

TREASURER’S REPORT

Meredith Fitzgerald presented the September financials for final review after board comments had been earlier solicited on the proposed revised 2019 budget. The Treasurer reported the PLHOA is “on budget” for 2019. The revised budget reflected a re-distribution of some of the expense accounts to more appropriately cover incurred expenses, as well as decrease our annual contributions to the Reserve Funds in order to properly align with tax guidelines. Her report also identified surpluses in certain budget categories and where they might be applied.

She further reported the final payment of \$1,000 on the road re-sealing project has been made and projected two houses would close in 2019 providing an additional \$2,800 in revenue to the PLHOA. On motion by the President and seconded by the Secretary, the Treasurer’s Report was approved without objection.

The status of an ongoing legal matter having financial implications was postponed to be addressed in a closed Executive Session to be convened immediately following adjournment.

OLD BUSINESS

Ned Timmer reported work on updating and renaming files on the website continues and will take a while.

Timmer revealed the results from the recent PLHOA vote on color scheme preferences indicated that 10 residents preferred using dark green, 7 residents preferred black and 2 residents abstained. The survey also indicated there were no residents volunteering to serve on a 5-7-member grant team to seek an Orange County neighborhood Pride Grant. As a result, the board will have to step in to manage any effort to receive a grant which now will likely not occur until 2021 as opposed to 2020 as originally hoped.

Timmer reported he had received quotes on the pedestrian door lock and security at the front gate.

A review of the requirements of the Marketable Record Title Act to extend the life of our governing documents will be taken at a later date by Timmer.

Discussion next occurred on the continuing efforts to identify banks with CD and Money Market rates that would provide a greater return on PLHOA accounts. Timmer is following up with several local candidate banks. Currently, Meredith Fitzgerald and Fred Lenz are the signatories or authorized account “owners” for PLHOA accounts and will be shown as such on any new account that might be established.

Meredith Fitzgerald led a review of the \$5,700-\$6,700 in discretionary funds leftover that could be utilized for projects in 2019 and 2020. Prime candidates mentioned for funding were the trimming of the trees on Palm Lake Dr., perimeter wall inspection and gate repair.

NEW BUSINESS

Noting the 3 board seats currently held by Meredith Fitzgerald, Marty Crosley and Mike Ketchum will expire and be open at the 2020 annual meeting for 2-year terms, Ned Timmer discussed the need for creating a Nominating Committee to recommend candidates. It was suggested Timmer chair the committee and seek two individuals to serve who are not related to current board members to populate the committee.

A sustained board discussion focused on the practices relating to the caps and funding of our various Reserve Accounts. In the future, it was agreed a high level of board coordination would be necessary to properly fund and cap the Reserve Accounts.

The board discussed the proposed governing document amendments to be submitted for approval at the 2020 PLHOA annual meeting. Explanations and justifications for the amendments were presented followed by board questions and comments on several of the proposed amendments. The amendments will again be agendaed for further review at the next board meeting on Nov. 17th in order for them to be finalized for submission to the PLHOA membership as required 60 days prior to the 2020 annual meeting.

The meeting was adjourned at 10:45 p.m. and the board entered into an Executive Session.

Respectfully submitted,

Mike Ketchum, Secretary

Palm Lake Homeowners Association, Inc.

Treasurer's Summary for September 2019

Balance Sheet

Total Cash Balance at month end is \$93,474.53 - Savings Balance is \$67,979.48

General Reserve Funds total \$21,442.92

- Common Property Major Repairs - \$1 (*\$3,000 contribution to be made at year end*)
- Emergency Reserves - \$15,051.92
- Retention Pond Reserves - \$4,500
- Sidewalk Reserves - \$1,890

Road Reserve Fund total \$44,929.92

Profit & Loss Budget Performance

- Budget was revised to reduce contributions to reserve funds to align with federal tax guidelines (last month's report mistakenly stated that the board would bring these contributions in line with 'State' guidelines).
- Monies moved from reserves reductions were placed into Road Repairs and Tall Tree & Palm Care.
- Excess revenue was used to fund road repairs and tree trimming.
- No revenue other than interest was received in September.
- Total Monthly Expenses were \$10,953.88. This was primarily comprised of road repair expense of \$7,988.60.
- Net Income at month end totaled -\$10,951.44

Transaction List

Summary of all invoices, payments, late fees/interest on delinquencies, transfers, deposits, and interest earned on savings balance.

The board withheld \$1,000 from the total road repair invoice in order to assure full completion of clean up by the vendor. This is expected to be completed and the invoice balance paid in October.

Customer Balance Summary

Summary of accounts with outstanding or delinquent balances as of September 30, 2019. There are currently two (2) delinquent accounts, and one account with a credit balance. Statements were issued for delinquent balances and legal counsel continues to pursue collection. Credits or refunds were issued to homeowners who were assessed late fees prematurely.

Palm Lake Homeowners Association, Inc.
Balance Sheet
As of September 30, 2019

	<u>Sep 30, 19</u>
ASSETS	
Current Assets	
Checking/Savings	
Checking at Bank of America -	25,495.05
Savings at Bank of America - Q	67,979.48
Total Checking/Savings	93,474.53
Accounts Receivable	
Accounts Receivable	-35.00
Total Accounts Receivable	-35.00
Other Current Assets	
Inventory Asset	332.39
Undeposited Funds	5,512.64
Total Other Current Assets	5,845.03
Total Current Assets	99,284.56
Other Assets	
Duke Energy Deposit	2,623.32
Orlando Utilities Deposit	120.18
Total Other Assets	2,743.50
TOTAL ASSETS	102,028.06
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
General Reserves	
Emergency Reserves	15,051.92
Major Repairs Reserves	1.00
Retention Pond Reserves	4,500.00
Sidewalk Reserve Fund	1,890.00
Total General Reserves	21,442.92
Road Reserve Fund	44,929.32
Total Other Current Liabilities	66,372.24
Total Current Liabilities	66,372.24
Total Liabilities	66,372.24
Equity	
Retained Earnings	3,846.35
Utilities Deposit	2,743.50
Net Income	29,065.97
Total Equity	35,655.82
TOTAL LIABILITIES & EQUITY	102,028.06

**Palm Lake Homeowners Association, Inc.
Profit & Loss Budget Performance**

September 2019

	Sep 19	Budget	Jan - Sep 19	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
Annual Dues	0.00	0.00	62,700.00	61,050.00	61,050.00
Estoppel Payments	0.00	0.00	2,221.95	400.00	400.00
Homeowner Front Gate Clicker	0.00	0.00	35.00	105.00	105.00
Initiation Fees	0.00	0.00	5,600.00	5,600.00	5,600.00
Interest	2.44	2.10	24.55	18.90	25.20
Interest-Late Annual Dues	1.11	0.00	449.61	0.00	0.00
Late Fee Charge	-1.11	0.00	3,551.62	0.00	0.00
Total Income	2.44	2.10	74,582.73	67,173.90	67,180.20
Gross Profit	2.44	2.10	74,582.73	67,173.90	67,180.20
Expense					
Corporate Annual Report Fee	0.00	0.00	61.25	61.25	61.25
Emergency Fund (all areas)	0.00	0.00	0.00	0.00	578.06
General Maintenance					
Common Property Major Repair	0.00	0.00	0.00	0.00	1,600.00
Fountain	0.00	0.00	0.00	300.00	400.00
Gate/ Program	0.00	0.00	2,304.56	1,200.00	2,500.00
Painting	0.00	0.00	0.00	0.00	150.00
Road Repairs	7,988.60	5,200.00	7,988.60	9,000.00	9,000.00
Sidewalk repair/replace	520.00	0.00	3,630.00	3,200.00	3,200.00
Sidewalk reserves	0.00	0.00	0.00	0.00	1,000.00
Wall & Lighting	0.00	0.00	600.00	0.00	600.00
Total General Maintenance	8,508.60	5,200.00	14,523.16	13,700.00	18,450.00
Insurance					
Common Property	0.00	0.00	0.00	0.00	0.00
Directors and Officers	0.00	0.00	0.00	0.00	841.00
Liability and common property	0.00	0.00	0.00	0.00	401.00
Other Insurance	0.00	0.00	0.00	0.00	0.00
Total Insurance	0.00	0.00	0.00	0.00	1,242.00
Lawn/landscaping maintenance					
Annual flowers	0.00	0.00	0.00	0.00	300.00
Irrigation & Well	0.00	0.00	1,043.91	900.00	1,250.00
Lawn Maintenance	1,000.00	1,000.00	9,000.00	9,000.00	12,000.00
Other Landscaping Maintenance	0.00	0.00	226.82	1,500.00	1,500.00
Pest Control & Fertilization	319.00	320.00	1,595.00	1,600.00	1,920.00
Retention Pond Fund	0.00	0.00	0.00	0.00	1,500.00
Retention Pond Maintenance	0.00	0.00	0.00	0.00	800.00
Tall tree and palm care	0.00	2,718.00	3,310.00	6,218.00	6,218.00
Total Lawn/landscaping maintenance	1,319.00	4,038.00	15,175.73	19,218.00	25,488.00
Legal	0.00	0.00	1,000.00	1,000.00	1,000.00
Miscellaneous					
Hospitality & Decorations	0.00	0.00	48.54	200.00	650.00
Miscellaneous--Other	-104.74	0.00	56.65	200.00	370.00
Miscellaneous - Other	0.00		1,759.00		
Total Miscellaneous	-104.74	0.00	1,864.19	400.00	1,020.00
Postage					
PO Box 311	0.00	0.00	60.00	60.00	60.00
Stamps	0.00	0.00	5.80	25.00	25.00
Total Postage	0.00	0.00	65.80	85.00	85.00
Professional Fees	0.00	0.00	1,000.00	1,000.00	1,000.00
Road Reserves	0.00	0.00	0.00	0.00	2,000.00
Taxes - Corporate	0.00	0.00	727.89	727.89	727.89
Telephone/Guardhouse					
Internet Support	0.00	0.00	300.00	300.00	300.00
Telephone/Guardhouse - Other	149.93	72.00	733.13	648.00	864.00
Total Telephone/Guardhouse	149.93	72.00	1,033.13	948.00	1,164.00
Utilities					
Crestgate Circle streetlights	878.05	878.00	7,495.32	7,902.00	10,536.00
Fountain/Guardhouse Water	0.00	94.00	762.60	846.00	1,128.00
Guardhouse Electric	84.45	95.00	644.89	1,005.00	1,300.00
Irrigation Pump	118.59	110.00	1,162.80	1,037.00	1,400.00
Total Utilities	1,081.09	1,177.00	10,065.61	10,790.00	14,364.00
Total Expense	10,953.88	10,487.00	45,516.76	47,930.14	67,180.20
Net Ordinary Income	-10,951.44	-10,484.90	29,065.97	19,243.76	0.00
Net Income	-10,951.44	-10,484.90	29,065.97	19,243.76	0.00

Palm Lake Homeowners Association, Inc.

Transaction List by Date

September 2019

Type	Date	Num	Name	Memo	Account	Clr	Split	Amount
Sep 19								
Check	09/30/2019		Bank of America	Online Bankin...	Savings at Bank of ...	M	Checking at B...	-5,000.00
Check	09/20/2019		Falcon Lawn & Pest	September S...	Checking at Bank of...	M	Pest Control &...	-319.00
Check	09/12/2019		Dawn Crosley	Reimb Garag...	Checking at Bank of...	M	Miscellaneous-...	-43.24
Check	09/11/2019		Ledger Hatch	Sidewalk Pre...	Checking at Bank of...	M	Sidewalk repai...	-520.00
Check	09/06/2019		Son's Lawn Care	August 2019 ...	Checking at Bank of...	M	Lawn Mainten...	-1,000.00
Check	09/05/2019		Hall Company Inc.	Road Sealant	Checking at Bank of...	M	Road Repairs	-7,988.60
Check	09/30/2019		Duke Energy	Streetlights 8-...	Checking at Bank of...	M	Crestgate Circl...	-878.05
Check	09/18/2019		CenturyLink	Bill date 8-28-...	Checking at Bank of...	M	Telephone/Gu...	-74.49
Check	09/04/2019		CenturyLink	Bill date 7-28-...	Checking at Bank of...	M	Telephone/Gu...	-75.44
Check	09/04/2019		Duke Energy	Guardhouse ...	Checking at Bank of...	M	Guardhouse El...	-84.45
Check	09/04/2019		Duke Energy	Pump 7-25 to...	Checking at Bank of...	M	Irrigation Pump	-118.59
Credit Memo	09/30/2019	1851		Credit for 201...	Accounts Receivable		-SPLIT-	-204.77
Credit Memo	09/30/2019	1853		2019 Dues R...	Accounts Receivable		Late Fee Charge	-82.50
Credit Memo	09/30/2019	1854		Gate Transpo...	Accounts Receivable		-SPLIT-	-105.00
Deposit	09/30/2019		Bank of America	Interest	Savings at Bank of ...	M	Interest	2.44
Deposit	09/30/2019			Online Bankin...	Checking at Bank of...	M	Savings at Ba...	5,000.00
Deposit	09/05/2019			RETURNED ...	Checking at Bank of...	M	Miscellaneous-...	147.98
Invoice	09/30/2019	1852		September 2...	Accounts Receivable		Interest-Late A...	1.38
Invoice	09/30/2019	1855		September 2...	Accounts Receivable		Interest-Late A...	111.73
Sep 19								

7:16 PM

10/16/19

Palm Lake Homeowners Association, Inc.
Customer Balance Summary
All Transactions

	<u>Sep 30, 19</u>
	-82.50
	180.06
	<u>13,185.90</u>
TOTAL	<u><u>13,283.46</u></u>