

# **PALM LAKE HOMEOWNERS ASSOCIATION**

## **ANNUAL MEETING MINUTES**

**JANUARY 16, 2021**

President Ned Timmer called the meeting to order at 1:10 p.m.

Board members present: Ned Timmer, Marty Crosley, Fred Lenz (representing 2 homes) and Mike Ketchum

Board members absent: Ben Ellis

Homeowners present: JoLee Timmer, Ana Cicagna, Joe and Mary Sikora, Dr. David Boyer, Meredith and John Fitzgerald, Dr. Aaron Walker, Simon and Louise Hemming, Sam and Purvi Jayswal, Russ and Bev Carlson, Scott and Joan Ziegler, Ray Maikkula, Greg Hatch and Lisa Maloney

Homeowners represented by proxy: Jaime Vergara, Chanel and Ben Bozarth, Ayaz Sutaria, Sarah Faragalla, Katherine Adams, Mitch Burke and Kathi Marinari, Ben Ellis and Hannalore Schmacker

Special note: Due to COVID-19 protocols in force at the annual meeting, attendees were requested to grant their permission for the Secretary to sign them in as attendees. Sign-in permission was granted by all attendees.

With 18 homes represented in person and 7 homes by proxy, Ned Timmer declared a quorum was present for the purposes of the annual meeting.

President Timmer opened the meeting by welcoming the attendees at the annual meeting and introduced the current board members.

Timmer proceeded to offer his observations on the challenges faced and a number of accomplishments during the past year. He first recognized and extended a special note of appreciation particularly to the Beautification Committee along with the many other individuals who have volunteered many hours to take on important projects and activities to improve Palm Lake throughout the year. He noted that their extraordinary collective work has saved tens of thousands of dollars.

During the year Timmer reported a number of new resources are being utilized to assist the board. Among these are the use of a consultant to advise on HOA governance issues, accessing the Leland Management webinar, required board member certification and seminar attendance, the use of a CPA, and an improved sprinkler control.

### **SECRETARY'S REPORT**

Mike Ketchum referenced the minutes from the 2020 annual meeting which occurred on Jan. 18, 2020 and moved their approval. The motion was seconded and the minutes were approved without objection.

### **ARB REPORT**

In the absence of ARB Chair Ben Ellis, Ned Timmer reported the ARB during the year had addressed and granted approval on a number of requests to the ARB which included solar roof installations, lawn sodding, new shutters, a storage shed placement, a summer kitchen installation and dumpster utilizations.

Timmer also reported a draft of guidelines recently developed by the ARB are under review. The guidelines are designed to establish PLHOA standards in key areas such as landscaping and property maintenance.

### **OPERATIONS REPORT**

Fred Lenz indicated his work during the year had been made much easier due to the work of the Beautification Committee. The retention pond continues to be a “work-in progress” which continues to be complicated due to the pond’s high water table. The vendors are anticipated to return over the next 30 days to finish scraping the pond once it further dries. Should a satisfactory solution not result, Lenz indicated he will be contacting additional vendors.

Lenz felt the sidewalk work resulted in the sidewalks looking “better than ever” and felt the tree root work done in conjunction with the sidewalk project would result in less sidewalk maintenance in the future. The recent tree trimming project resulted in balancing out the tree canopy height from the ground for both the street and sidewalk side so that tree trimming should not be necessary for two years.

As to the coming year, Lenz looked forward to receiving the county grant to assist in the needed perimeter wall repair and low voltage lighting installation. Lenz further noted the entrance gate remains a continuing problem and the aging guardhouse air conditioning will also need to be addressed soon.

### **TREASURER'S REPORT**

In presenting the PLHOA financials, Marty Crosley reported there had been some irregularities in the Reserves due to the “double-dipping” in the Reserve Accounts which had resulted in additional money materializing which required a re-balancing for 2018 and 2019.

Crosley indicated that while the sidewalks and trees cost more than anticipated, the completed work will be cost effective in the long run. Offsetting this, he noted the significant cost savings in the labor of volunteers in several projects was “invaluable” and the new lawn care vendor chosen will result in further savings. A further significant boost to the PLHOA finances was the settling of a long overdue account which fortunately allowed several important projects to be funded.

Reviewing the Reserves, Crosley foresaw that we are “on track” with funding the Road Reserve account. As to properly funding all Reserves, Crosley reported HOA best practices encourage HOAs to typically have 25% of the budget set aside for unexpected expenses. In the proposed 2021 Palm Lake budget to be presented, the total Reserve contribution will be \$9,917 of the \$64,350 in dues collected or 15.4%. Crosley encouraged the PLHOA to take steps to move toward the 25% goal.

With respect to the proposed 2021 PLHOA budget of \$67,600, Crosley reported there are no major changes.

The focus next turned to an explanation along with attendee discussion of the proposed Special Assessment of up to \$1,400 per homeowner to fund a projected cost of \$54,600 to repair the perimeter wall. In their explanation of the Special Assessment, Crosley and Timmer pointed out the choice before the PLHOA was essentially between locking in the attractive current price and completing the work this year or, in the alternative, phasing in the work over a period of years with the realistic expectation of much higher costs.

In response to a question regarding the proposed vendor’s credentials, Timmer indicated the favored vendor had been checked out through the Better Business Bureau. Other inquiries concerned the precise timing of the Special Assessment payment and the number of bids that were solicited by the PLHOA.

With the attendee questions and comments answered and the project discussion concluded, a motion was offered by Lisa Maloney and seconded by Mike Ketchum to approve a Special Assessment capped at \$1,400 with the first payment of \$200 due within 60 days and for \$200 due every two months until project completion. The motion was approved by a vote of 25-0 which included voting of the 8 proxies held.

Marty Crosley next discussed the upcoming streetlight replacement inside Palm Lake and low voltage lighting installation along Palm Lake Dr. He reported Duke Energy had recently conducted a neighborhood survey and noted the present lighting was in “bad shape.” At least one light pole and one light fixture at the island will be removed with the possibility of another light pole removal. The intended streetlight replacement will be a black polymer concrete pole which will offer a much brighter LED lighting and will result in a cost savings. To address concerns that may arise over the brighter LED lighting, Crosley indicated Duke Energy has the ability to moderate the brightness.

Crosley pointed out the proposed addition of five streetlights on Palm Lake Dr. was a separate issue and would not be considered until there is an evaluation of the efficacy of the low voltage lights when installed. The board was encouraged by an attendee to see if they are still necessary or desirable while another attendee felt the street lights might negate the effect of the low voltage lights. Following the evaluation, should the PLHOA then opt to install the five streetlights, it will require a dues increase in 2021 and in the ensuing years.

Ned Timmer recognized Mike Ketchum to provide a report on the approval by Orange County of Palm Lake's application for a Neighborhood Grant intended to assist in the funding of the perimeter wall repair and installation of low voltage lighting along Palm Lake Dr. The total grant is for \$19,310.89 with the PLHOA providing a 50% match of \$9,655.45. Ketchum discussed the Dec. 12 grant workshop meeting he attended which provided valuable information and guidance on the program protocols which must be followed by the PLHOA.

### **NEW BUSINESS**

Ned Timmer noted there are two openings on the Board of Directors currently held by Ned Timmer and Fred Lenz to be filled this year for two-year terms. Timmer indicated that while he and Lenz were willing to serve again, the floor was open for other nominations. With no nominations forthcoming, a motion was offered by Ned Timmer and seconded by Mike Ketchum to confirm by a show of hands the election of the two nominees by acclamation. As a result, both nominees were elected for two-year terms without objection. Following the vote, Timmer confirmed all the current board members are prepared to continue serving in their present capacities.

Ned Timmer recognized Scott Ziegler to share an initiative he is proposing for Quarterly Neighborhood Gatherings. Ziegler distributed for attendee review a flyer he prepared describing the purpose and nature of the gatherings.

The meeting was adjourned at 2:57p.m.

Respectfully submitted,

Michael L. Ketchum, Secretary