

PALM LAKE HOMEOWNERS' ASSOCIATION

BOARD OF DIRECTORS

MEETING MINUTES

NOVEMBER 17, 2021

The meeting was called to order by President Ned Timmer at 7:07 pm.

Board members present: Ned Timmer, Fred Lenz, Steve Hunter, Mike Ketchum and Marty Crosley (via teleconferencing)

Ned Timmer announced he had received the resignation of ARB Chair Bhavesh Vekaria who cited work commitments which unfortunately preclude his continued board service. Timmer presented the nomination of ARB member Steve Hunter to replace Vekaria on the board and serve as ARB Chair. The nomination was seconded and approved without objection.

SECRETARY'S REPORT

Mike Ketchum presented the minutes from the October 21, 2021 Board of Directors Meeting. A motion was offered and seconded to approve the minutes. The motion carried without objection.

ARB REPORT

Steve Hunter reviewed and sought comment on the latest draft of the ARB Fall Letter to be sent shortly to homeowners encouraging an evaluation of their home to see if any of the areas pertaining to landscaping and aesthetics listed in the Fall Letter need to be addressed. Should areas that are needed to be addressed by a homeowner not be addressed, an individual email will be sent out to the homeowner addressing the area of concern. Accompanying the ARB Fall Letter to homeowners will be a Chattel Letter from Legal Counsel pointing out the intention of the PLHOA Board of Directors going forward to pursue enforcement of covenant violations.

Marty Crosley advised he would shortly be submitting to the ARB a request to repaint his front door.

OPERATIONS REPORT

Fred Lenz reported the recent entrance gate repair was due to battery issues. However, the gate greasing that was done was not seen as satisfactory.

The retention pond will be re-sprayed and Lenz indicated he felt the vegetation growth was coming under better control than in some previous years.

The Socks to trap leaves from entering the gutters and impacting the operation of the retention pond are being put down. Lenz mentioned sand was clogging the gutters in certain places and further encouraged homeowners to ensure that their leaves are not being blown into the gutters.

TREASURER'S REPORT

Marty Crosley confirmed for Ned Timmer that the financials files are being sent to the outside CPA firm. Crosley proceeded to review and comment on several areas of the Nov. 30, 2021 PLHOA Balance Sheet. Also presented by Crosley was the PLHOA Profit and Loss Budget Performance statement through Nov. 30, 2021. With respect to the \$3,500 Security Deposit received from the 8722 Crestgate Circle homeowner owner shown on the Balance Sheet under Liabilities and Equity, Timmer advised Crosley that on the advice of Legal Counsel the funds will need to be returned to the homeowner.

Timmer noted the board had recently received a proposal from Joe Sikora volunteering to supplant the use of an outside CPA firm assisting with the PLHOA financials. Since the assistance of an outside firm had previously been approved by the board at its September meeting and anticipating the election of a new Treasurer to succeed Marty Crosley in January, when coupled with the current availability of the outside firm to handle PLHOA financial affairs, consideration of the proposal was deferred following discussion.

OLD BUSINESS

Ned Timmer reported Duke Energy had been contacted regarding repair of the scrapes and scratches on the new streetlights during their installation.

Drafts of several proposed changes to Palm Lake's governing documents prepared by Legal Counsel in consultation with board members were distributed. Timmer summarized their purpose by indicating the changes centered on (1) clarifying and confirming the assumption by the PLHOA on March 30, 2001 of rights from Paul Curtis Realty, Inc. (i.e., the "Developer") and (2) providing the PLHOA with needed added legal protection from a growing trend being seen elsewhere in which companies are formed to buy upscale homes and sell ownership shares along with access to multiple investors. Board members view this as a potential threat to retaining Palm Lake's reputation as a premier "single family" residential community.

Following an exchange of views by board members on the proposed amendments and the best manner to distribute and explain the proposals leading up to the 2022 PLHOA Annual Meeting, a motion was offered and seconded to request board members to carefully review the proposed amendment drafts with a Nov. 22nd deadline for approving their submission to the PLHOA for final approval. The motion was approved without objection.

NEW BUSINESS

Timmer announced the date for the PLHOA 2022 Annual Meeting. It will be held on Saturday, Jan. 22 with a backup date of Saturday, Jan. 29 should inclement weather prevent the earlier date. The venue will again be at the fountain.

Timmer reported Duke Energy will hold a meeting on Nov. 22 to address what appears to be sabotage of the new trees planted this summer along the west perimeter wall.

The 2022-2024 PLHOA budget worksheet was presented by Timmer. It contemplates a dues increase to \$1,935 from \$1,650 for 2022. The increase is largely due to the increase stemming from the expected selection of a new landscaping vendor which was necessitated by the unacceptable performance of the current vendor in the proper and timely care of the substantial recent investment in Palm Lake's landscaping improvements. One annual bid totaling \$26,340 has been received and two additional bids will be sought. The 2022 budget will then be finalized at the December board meeting.

Tree trimming proposals that have been submitted were reviewed by Timmer with follow-up to occur with the potential vendors. The trimming work around Crestgate Circle and at the entrance way island is slated for December.

With respect to the ongoing perimeter wall repair, work on the east perimeter wall still remains with \$5,500 needed to finish the wall work. Access to Lot #6 for the wall repair remains an unresolved issue.

Discussion next occurred on the PLHOA's legal posture going forward regarding the continuing issues at Lot #6. Following discussion on addressing the issues, a motion was offered and seconded to (1) first contact Legal Counsel to assess if any further board contact is advisable with the Lot #6 owner in an effort to resolve the outstanding covenant violation and Special Assessment payment delinquency and (2) should the contact to resolve the matters determined to be advisable but prove not to be successful, the board will then instruct Legal Counsel to initiate a foreclosure action on the lien previously imposed by the board. The motion was approved without objection.

The meeting was adjourned at 9:23 pm.

Respectfully submitted,

Mike Ketchum, Secretary