

Palomar Reserve Council of Co-Owners

Board Of Directors Meeting

3/24/2025

The monthly meeting of the Palomar Reserve Council of Co-Owners Board of Directors was held at 4:00 PM on 3/24/2025. The meeting had been moved from its normal date (3rd Monday of the month) to the 24th due to a schedule conflict of one of the Board members. The following personnel were in attendance:

- Carrie Hoeller (President)
- Dexter Sprandling (Vice President)
- Baxter Napier (At-Large Member)
- Sue Vantrese (At-Large Member)
- Barry Tilden (Secretary)
- Ann Wesley (Property Manager)
- Ima Lane (CH subcommittee)
- Barbara Bray (CH/Garden subcommittee)
- Sandy Chinn (CH/Garden subcommittee)

1. Approval of Minutes of Previous Board Meeting. The meeting minutes from the monthly Board meeting held on 2/17/2025 were reviewed. Carrie moved for approval of the minutes, and Dexter seconded the motion. The motion was approved.

2. Financial Report. Ann presented the monthly HOA financial reports for February 2025.

a. Balance Sheet

- The total reserve account was approximately \$62.0 K at the end of January (\$25.7 in a higher interest CD and the rest in two lower interest accounts).
- The normal monthly contribution to the reserve fund (\$1890) was augmented by a buyer's reserve fee of \$882 from the recent closing of 4235 Unit 304.
- The operating account was around \$13.7K at the end of January.
- The balance on the clubhouse loan was down to \$145.3K at the end of January. This balance only decreased by \$97 in February because of an error by the bank. They have corrected this error and the principal payment in the March financials will be about \$880.

b. Profit & Loss –

- The HOA expenses exceeded income by \$2.6K for the month of February. In addition to "expenses," we paid \$97 in February for principal for our clubhouse mortgage (not included in "expenses" on the P&L report). So, total expenditures in February were \$2.7K more than HOA dues collected.
- HOA income overall was \$300 above budget in February. General assessment HOA dues collected were about \$100 below budget and late fees/other income was about \$400 above budget.
- There was \$250 income from the clubhouse rental in February, including January and February quilters rental income and one rental by a unit owner.
- Administrative expenses were very close to the budgeted amount in February.
- Utilities were \$1.5K over budget in February with electrical costs being the largest contributor to the overage.

- Repairs and maintenance costs were about \$800 over budget last month but this was caused by the once-a-year extermination cost that was budgeted in April but paid in February.
- Landscaping and grounds expenses were slightly under budget because snow removal costs in February were about \$300 less than the budget.

c. Profit & Loss Budget Vs Actual YTD. At the end of February 2025, several expense categories were over or under budget as shown in the table below -

Expense Category	Amount Over Budget	Comment
Income	\$3.7K over	Due to collection of past due HOA dues and late fees in January.
Administrative	--	Very close to budget
Utilities	\$1.4 over	\$1.0K was electrical costs. Telephone and internet costs made up the rest of the overage.
Repairs and Maintenance	\$0.8 over	Timing of charges for extermination.
Supplies	--	Very close to budget
Landscaping and Grounds	\$2.7K over	Due to higher snow removal costs in January.

d. Open Invoices –

- The report shows that there are currently seven past due accounts for Palomar Reserve HOA at the end of February, totaling \$1.1K. This is up by \$400 from last month.
- \$340 of this total is against a single account that has been delinquent since May 2023 (). These owners paid off their account under a weekly repayment plan but then missed their next monthly payment.
- Another account () was past due by \$350 as the end of February but it was caught up to date as of the date of the Board meeting.
- One account () has a balance due of \$84 because the homeowner paid the 2024 HOA dues amount instead of the new amount for this year for both January and February. This owner is receiving past due notices by mail each month.
- The other four delinquent accounts owe a small amount each from past issues, but they are paying their current HOA dues each month.

3. Old Business

- Front door on building 4235. This door has been repaired and now functions properly.
- 4219 water over deck area. Last month, Window Genie cleaned out the gutters on 4219 and 4205 instead of 4219 and 4235 as requested. They returned and cleaned out the 4235 the following week.
- Website update. As of the date of the Board meeting, the web site was up to date for financials and meeting notes. The calendar for clubhouse rentals still did not reflect the Friday reservation by the quilters. Ann will work with Donna to fix this.

- d. Newsletter. Target date for Spring newsletter was changed to late March or early April so that Ann could communicate the sprinkler inspections before their scheduled date of April 8th. Ann distributed a draft newsletter to the Board before the meeting and received some suggestions for items to include in the newsletter.
- e. Sprinkler inspection followup. There is still one item to repair from the 2024 sprinkler inspection. Ann has tried twice to coordinate the homeowner and repair company but both times it fell through. She will continue trying. Once this is completed, we will be billed for the 2024 sprinkler repair work. Then, Ann will bill the affected units for their share of the cost.
- f. The 2025 sprinkler inspection has been scheduled for April 8th. Ann will send out a communication to all homeowners. (Note that this was subsequently changed to April 29.)
- g. Wall behind building 4235. Stevenson Contracting provided an estimate of \$1450 to take down this wall to prevent damage to nearby HVAC units. Carrie moved that the Board approve this work to proceed. Barry seconded the motion and there were no dissenting votes. We will include the work to rebuild the wall in the 2025 city grant application.
- h. Bylaws amendment (Audits). Barry prepared an amendment to the Bylaws to correct several provisions. He briefly went over the items that need to be changed and the new wording. One such section revises the requirement for annual audits to be consistent with Kentucky Revised Statutes. Barry found one mistake in the original amendment draft and will distribute a new copy to Ann. Ann will consult with our attorney to see how much it will cost for him to review and submit this amendment to city records. If the cost is acceptable, the Bylaws amendment will be voted on by homeowners at the annual meeting in October.
- i. At the last Board meeting, Baxter showed Ann a picture of the gutter downspouts for building 4218 and 4219 and asked her to have her maintenance staff redirect the spouts away from the sidewalks. This was completed for building 4219 but not for 4218. Ann will have her maintenance staff address 4218 as well.
- j. Metronet damage. This topic was tabled last fall to wait for better weather for growing grass. When Metronet installed their fiber optic cable lines last summer, they were supposed to restore the affected areas to the condition they were in before the work. The Board still believes that the area between the wooden fence and the 4248 parking lot needs to be re-graded and re-seeded. In addition, the large rocks on the left side of the condo exit (past the wall) need to be removed and this area graded and re-seeded. Ann will get back in touch with the Metronet service representative and try to get this work scheduled.
- k. Committee reports
 - i. Future grant work subcommittee. Donna, Becky and Carrie.
 - Carrie reported that Donna submitted the “Corridor Enhancement” grant application to the city to clear the unwanted brush and trees from our property on the banks adjacent to Harrodsburg Road and Old Higbee Mill Road. The city has asked two rounds of questions on the grant application and the committee is responding. If approved, the city would pay for 2/3s of the cost of this work. (It was learned after the meeting that the city will pay for ½ of the cost of this work.)
 - Additional scope of work from 2024 city grant. Carrie proposed that we use a portion of this funding (~\$1950 from HOA, matched by the city) to fund the flowerpot

replacement project that is described below under the gardening committee. Ann encouraged us to document volunteer hours on this project and submit these for additional matching funds from the city.

- Donna is investigating a drainage improvement grant whereby the city pays \$0.80 of each dollar for drainage improvements on a property. It is not clear whether the HOA would be eligible for this grant, but Donna is researching.

ii. Clubhouse promotion subcommittee.

- Committee met on 2/27/25. Sandy had her friend present to the committee a summary of issues associated with Bed and Breakfast hosting. The committee discussed the capital improvements that would be needed to convert the clubhouse into an Air B&B, including rearranging the restrooms so that the rented portion of the clubhouse would have a private restroom and shower. We would also need to purchase a bed and additional window treatments for added privacy. After much discussion, the committee decided to recommend to the Board that we do not pursue this option to increase revenue from the clubhouse. The upfront costs would be excessive and the ongoing management of such a rental unit would also be time-consuming. There was no disagreement from the Board.
- The committee also met on Thursday, March 13th. At that meeting, the committee decided to have a Spring cleanup day on April 12th, followed by a potluck dinner. One purpose of this event would be to promote rentals of the clubhouse, as well as to clean up the property and gather for a social event. Carrie prepared a flier to distribute by email to all unit owners announcing the April 12th event. We also distributed hard copies of the flier to the few units that we had no email address for and posted the fliers in the buildings and clubhouse. Carrie also suggested that we conduct a sweepstakes for two baskets of Easter chocolates from Ole Kentucky Chocolates. We would ask for a donation for each ticket and make a drawing at the potluck dinner. Carrie gets a 50% employee discount on these chocolates, so the committee felt that the donations would likely offset the cost to put together the basket for a net revenue of several hundred dollars.
- The committee also decided to make a formal recommendation to the Board that all rental proceeds and sweepstakes proceeds from the clubhouse be applied to the principle on the clubhouse loan. Carrie moved that the Board approve this recommendation and Barry seconded the motion. There were no dissenting votes.

iii. Garden subcommittee. Barbara reported for the garden committee.

- Presentation of costs for pot replacement. Barbara presented a spreadsheet estimate for the materials costs for replacing the six flowerpots that are located around the property and the one at the entrance to the clubhouse. The clubhouse flowerpot would be replaced with two pots. The estimate included all materials, and plants for the pots plus some hoses for watering these. The total estimate was about \$1130. The job also includes removal of the old pots and grinding down of rebar that is on some of the concrete pedestals. Dexter agreed to help with this part of the project. Sue moved that the Board approve these expenditures and Baxter seconded the motion. The motion carried with no dissenting votes.

- Barbara also said that she had asked Caudil to provide an estimate for reducing the size of the mulch pile along the backs of the two entrance walls (on the condo side of the walls) and replacing this with grass. They will provide the estimate to Ann and Ann will distribute it to the Board by email
- Barbara said that one of the outdoor water spigots for 4235 was now working and they did not need the plumber to turn on the water supply. Ann will cancel the plumber.

4. New Business

- Storm damage from recent winds and hail. The fascia on one of the peaks for building 4235 was blown off during a recent storm and one piece of siding on 4248 was also damaged. Bone Dry roofing is preparing an estimate for this work. Ann will distribute this estimate to the Board. (Note – The day after the Board meeting Ann distributed the estimate for \$1400 to complete both of these jobs. The approval process is in progress at the time these minutes were being prepared.)
A tree behind building 4235 was also damaged during the same storm and is badly leaning toward 4235. The tree needs to be taken down or it may cause damage to the building. Ann will get an estimate for removal of this tree.
- Replace 311 sign on dumpster. The sign asking residents to call 311 when they leave bulky items next to the dumpster was blown off during the recent storm. Ann will replace the sign.
- Welcoming committee. Becky and Donna have been formulating some ideas about organizing a welcoming committee to greet new residents and provide an information packet. Since Becky could not attend the Board meeting, she sent a request that Ann provide contact information on any recent new residents so the committee would know who to contact. Ann provided this information at the meeting.

5. Adjourn. The next Board meeting will be held on April 21, 2025, at 4 PM in the clubhouse. The meeting was adjourned at 5:55 PM.

Topics Tabled at Previous Board Meetings

Tabled Item Description	Date Tabled	Reason Tabled	When to Revisit
Audits	February 2025	Financial review should be done after tax season to reduce cost	May 2025