

# Palomar Reserve Council of Co-Owners

## Board Of Directors Meeting

5/19/2025

The monthly meeting of the Palomar Reserve Council of Co-Owners Board of Directors was held at 4:00 PM on 5/19/2025. The following personnel were in attendance:

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

1. Approval of Minutes of Previous Board Meeting. The meeting minutes from the monthly Board meeting held on 4/21/2025 were reviewed. Carrie moved for approval of the minutes, and Sue seconded the motion. The motion was approved.

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

a. Balance Sheet

- The total reserve account was approximately \$67.0 K at the end of April (\$25.8 in a higher interest CD and the rest in two lower interest accounts).
- The operating account was around \$7.1K at the end of April.
- The balance on the clubhouse loan was down to \$143.5K at the end of April.

b. Profit & Loss –

- The HOA expenses exceeded income by 4.4K for the month of April. In addition to “expenses,” we paid \$983 in April for principal for our clubhouse mortgage. So, total expenditures in April were \$5.4K more than HOA dues collected.
- HOA income overall was \$200 below budget in April. General assessment HOA dues collected were \$1K below budget and late fees/other income was about \$840 above budget. This included \$150 income from the clubhouse rental in April as well as the \$600 from the Spring sweepstakes.
- Administrative expenses and Landscaping/grounds expenses were very close to the budgeted amount in April.
- Utilities were \$1.0K over budget in April with electrical costs making up \$0.8K of the total.
- Repairs and maintenance costs were about \$2.2K over budget last month because of several factors.
  - General repairs were over by ~\$240 due to repairs to the 4235 building front door.
  - Plumbing repairs were over by \$1.6K due to the cost to clean out the storm drains behind buildings 4218 and 4248.
  - Elevators were over by \$1.1K because of the cost to have the contractor lock out the elevators when Ann’s maintenance staff replaced the 4248 elevator sump pump.
  - Fire protection repairs were over budget by ~\$200 because of two competing factors. First, the cost for repairing the sprinkler issues discovered during the 2024 inspection

was \$1.7K and this was not budgeted because the cost will be recovered from the applicable homeowners. Second, the cost for 2025 sprinkler inspections was budgeted in April (\$1545) but will not be paid until next month.

- Exterminations expenses were \$900 under budget for April because this bill was paid in February but budgeted in April.
  - Supplies were over budget in April by \$700 due to the project to replace the flowerpots throughout the condo property. This is only a partial cost since the costs of the actual plants was not incurred during April. Half of the costs for this project will be reimbursed by the 2024 city grant funds as discussed in previous minutes.
- c. Profit & Loss Budget Vs Actual YTD. At the end of April 2025, several Year-To-Date 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	\$3.6K over	\$2.7K of the overage was electrical costs with elevator telephone costs making up \$0.7K.
Repairs and Maintenance	\$4.2K over	This includes \$1.3K for 4218/4235 gutter cleaning, \$1.8K for 4218/4248 storm drain cleanout, \$1.1K for contractor support of the 4248 elevator sump pump replacement.
Supplies	\$0.5K over	Due to the flowerpot replacement supplies
Landscaping and Grounds	\$1.6K 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 April, totaling ~\$3.0K. This is up by \$2.1K from last month. However, ~\$1450 of this amount is associated with charges to individual units for sprinkler repairs from the 2024 sprinkler inspection rather than HOA dues.
- \$566 of this total is against a single account that has been delinquent since May 2023 (). These owners paid off their account in February under a weekly repayment plan, but they have only made one month's payment since then. A lien will be placed on their property once they meet the criteria of Article VI(C) of the Master Deed.
- One unit () is past due by \$242, for repair of the sprinkler heads in their unit.
- Another unit () is past due by \$1210 for repair of the sprinkler heads in their unit. This unit owner has contacted Ann and told her that the repairs to the sprinkler heads in their unit were never completed. Ann will have to determine whether the sprinkler repair company repaired the wrong unit or missed these repairs and then resolve the issue.
- Two other units () are newly delinquent and have a long history of paying their dues on time or early. Ann will double check to see whether these payments were actually received but reported in error. These account for almost \$800 of the past due total.

- There are still two delinquent accounts that owe a small amount each from past issues, but they are paying their current HOA dues each month. Together these account for ~\$200 of the past due amount.

### 3. Old Business

- 2024 sprinkler inspection follow-up. The last item on the inspection discrepancy list from the 2024 sprinkler inspection was repaired and the applicable units have been billed for their share of the repair bill (i.e. according to the number of heads that had to be repaired in their units). See the discussion under Open Accounts for more information on this subject.
- 2025 sprinkler inspection. The inspection was completed on April 29<sup>th</sup>. Most units were inspected and Ann will receive the inspection report soon. Ann will schedule a follow-up inspection for the units that were not accessed for this inspection and will send a letter to each unit owner informing them of the date of the inspection and that they will be responsible for reimbursing the HOA for their share of the cost of this second inspection. (per HOA Rules and Regs 4.E).
- Bylaws amendment (Audits). The amendment to the Bylaws that was discussed at the March Board meeting was given to our lawyer last month along with the HOA governing documents. Ann's emails asking for status have not been responded to by the attorney. Ann will send the same information to another attorney and ask for a price quote for this review.
- Clogged drains behind 4218 and 4248. These drains were jetted several weeks ago and this should improve the drainage issues behind buildings 4218 and 4248.
- Metronet damage. Ann received a response from her Metronet contact saying that they will fix the landscaping issues that they caused when they excavated last summer. He said he would stop by the property to look at the affected areas - (1) the area between the wooden fence and the 4248 parking lot needs to be re-graded and re-seeded, (2) 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.
- 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 a storm in March. This sign is on order and should be received soon.
- Landscaping contracts. Carrie noted that recently Caudil has been doing a good job on their landscaping scope of work. The Board agreed that we should leave the landscaping and snow removal scope of work with the current contractor.
- Storm damage from recent winds and hail. The fascia on one of the peaks for building 4235 was blown off during a storm in March and one piece of siding on 4248 was also damaged. Bone Dry was contracted to perform these repairs and plans to complete the work next week. The tree behind building 4235 that was also damaged during the same storm has been removed by Ann's maintenance staff.
- Bid for cleaning services. Carrie noted that the cleaning contractor's work has greatly improved since Ann spoke with their supervisor. In addition, two bids were received from other companies for this same scope of work and these were significantly more expensive. The Board agreed to leave this scope of work with the current contractor. Ann noted that more consistent cleaning service may be achieved if we post a cleaning checklist in each building noting the expected actions. This has worked well in some of her other properties. She will

provide an example of such a checklist for the Board to review.

The cleaning contractor charged an additional \$90 this month above their standard bill because they cleaned the clubhouse. After discussion, the Board asked Ann not to have them clean the clubhouse unless a rental event has left it in poor condition. In such a case, the HOA should retain part of the deposit from the renter to cover the cost of cleaning.

- j. Gutter downspouts. Last month, Carrie noted that there were lots of downspout issues around the property. Ann's maintenance staff has been steadily working on these issues, and they completed this task just before the meeting.
- k. Elevator dialers. Last month, Ann noted that some properties have reduced their elevator telephone costs by installing dialers in the elevators instead of the phone lines that we currently have. Based on her experience with other properties, she thinks this would cost around \$500 per elevator. She is not sure whether the current \$445/month telephone charges for the five elevators would be eliminated or just reduced and by how much. She will gather this information for discussion at the next meeting. The Board is anxious to pursue this option and feels that the upfront installation cost would likely be recovered in a relatively short time through telephone bill savings.
- l. Audit or financial review. At the February Board meeting, we discussed doing a formal audit of the HOA finances (cost over \$5K) or a less formal financial review (cost of ~\$1.5K). The issue was tabled because the cost of either activity would be much higher during tax season. Now that tax season is over, Carrie will ask her CPA colleague for an updated price to perform a non-certified financial review of the HOA finances. Ann will also check with her accountant. At the next Board meeting, we will review the costs and decide. Neither an audit nor a financial review is required by KRS statutes based on the HOA's annual dues total, but several homeowners have expressed interest in having some independent oversight of HOA finances.
- m. Committee reports
  - i. Future grant work committee. Donna, Becky and Carrie.
    - Corridors grant. Carrie and Donna reported that recent discussions with landscaping architects have changed our plans for this grant work. The professional landscaping personnel said that we would create erosion problems and exacerbate noise issues if we cleared most of the foliage along the banks adjacent to Harrodsburg Road/Old Higbee Mill Road and did not plant anything to replace them. Therefore, the Board decided not to perform this scope of work. Carrie will contact the city grant office and inform them of this decision,
    - Additional scope of work from 2024 city grant. The work that the gardening committee is doing to replace the flowerpots around the property will use about \$1000 of the ~\$4000 left on the 2024 city grant (\$2000 from the city and \$2000 from the HOA). The remainder of the grant money will be used to remove the old spruce trees adjacent to the entrance wall and plant sustainable, low-maintenance shrubs (arborvitae, forsythia and burning bushes) along the back side of the entrance walls. This task will not disturb the front side of the walls which all agreed looked very attractive right now. The work is scheduled for later this week. All work and billing must be completed by May 31<sup>st</sup> and submitted to the city grant office.

- Drainage improvement grant. Donna reported that the drainage improvement grant that she had been working on required approval by a licensed landscaping architect before submittal. The HOA ran out of time to get this done before the early May submittal deadline. Donna and Carrie discovered another city grant program that this same scope of work could be submitted under, with a submittal deadline of July 25<sup>th</sup>. We still need the landscaping architect's review and this will result in additional cost; however, we have more time to get this accomplished. This grant also pays \$0.80 of every dollar spent on the project. Carrie will contact a colleague who is a landscaping architect for a price quote and to see his availability to perform this review.
- 2025 NAMP grant. The Board briefly discussed that we still would like to submit an application in August for the NAMP grant to include rebuilding the wall behind 4235 and repair of the concrete sidewalk on the apartment side of 4218. Ann will obtain updated quotes for these two jobs.

ii. Clubhouse promotion committee.

- The \$600 from the spring sweepstakes was used to pay down the principal on the clubhouse loan. It was pointed out that the clubhouse rentals so far this year have brought in an additional \$500 from clubhouse rentals. Ann will ensure that this is also applied to the principal as we discussed at the April Board meeting.
- Donna suggested that the clubhouse committee sponsor a yard sale to coincide with the Plantation's (nearby subdivision) yard sale on June 7<sup>th</sup>. The items donated for sale by homeowners would be sold and the proceeds donated to the HOA, to be applied to the CH loan principal. Many details need to be worked out in a relatively short period of time, but the Board agreed to proceed with this activity. The CH promotion committee will work out the details and communications.

iii. Garden committee. Barbara reported that the garden committee had completed the flowerpot replacement activity, and the Board all agreed that the results were very attractive and really enhanced the property's appearance. The Board thanked the committee for all their work on this project. Barbara said that the only item remaining from the original scope of work was to purchase several bags of pine bark mulch for placement in the front entrance areas. Because of the work discussed above under grants, the Board felt that this mulch was not needed.

iv. Welcoming committee. No report at this meeting, but the committee hopes to set up a meeting in the next few days.

4. New Business

- a. New maintenance order system. Ann reported that they had installed a new maintenance order system and put a link to the system on the Palomar Reserve website. Before unit owners can submit a new work order, they will need to register in the new system. The new system provides many enhancements versus the old system. For example, the submitter may upload a picture of the issue into the system so that maintenance personnel can easily locate it and plan the job more efficiently.

5. Adjourn. The next Board meeting will be held on June 16, 2025, at 4 PM in the clubhouse. The meeting was adjourned at 6:05 PM.