

Palomar Reserve Council of Co-Owners

Board Of Directors Meeting

7/21/2025

The monthly meeting of the Palomar Reserve Council of Co-Owners Board of Directors was held at 4:00 PM on 7/21/2025. 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)
- Donna Frazier (CH/Grnt/Wel committee)
- Becky Lesch (CH/Gard/Wel committee)
- Ima Lane (CH subcommittee)
- Bonnie Talmage (homeowner)

1. Approval of Minutes of Previous Board Meeting. The meeting minutes from the monthly Board meeting held on 6/16/2025 were reviewed. Dexter moved for approval of the minutes, and Baxter seconded the motion. The motion was approved.

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

a. Balance Sheet

- The total reserve account was approximately \$71.0 K at the end of June (\$26.0 in a higher interest CD and the rest in two lower interest accounts).
- The operating account was around \$5.9K at the end of June. This includes the \$1.3K payment from the city for the 2024 NAMP grant.
- The balance on the clubhouse loan was down to \$141.7K at the end of June. There is \$850 in revenue from clubhouse rentals in 2025 that still needs to be applied against the clubhouse loan principal.

b. Profit & Loss –

- The HOA income exceeded expenses by \$296 for the month of June. In addition to “expenses,” we paid \$1246 in June for principal for our clubhouse mortgage. So, total expenditures in June were \$1.0K more than HOA dues and other income collected. The higher-than-normal principal included \$885 of revenue from the recent yard sale.
- HOA income overall was \$2.2K above budget in June. General assessment HOA dues collected were \$0.3K below budget and late fees/other income was about \$2.5K above budget. “Other income” included \$250 income from the clubhouse rental in June as well as the \$1.3K from the 2024 city NAMP grant. It also included \$885 from the Spring yard sale that was then applied to the clubhouse loan principal as mentioned above.
- Administrative expenses and Supplies were very close to the budgeted amount in June.

- Utilities were \$0.9K under budget in June primarily caused by lower electric bills. The charge for the dumpster rental went up from \$174 to \$214 last month. Ann will check to see if this is a permanent rate increase or a one-time charge.
 - Repairs and Maintenance expenses were about \$3.2K over budget in June due to -
 - Elevator expenses were over by \$625 because the cost of the 5 annual elevator inspections was not budgeted but these expenses were paid in June.
 - Security services were over by \$1.3K because a power supply had to be replaced for the alarm strobe in building 4219.
 - HVAC repairs were over budget by about \$0.4K because of the repairs to the clubhouse and 4219 HVAC units.
 - Most of the rest of the overage was caused by charges for miscellaneous jobs done by Ann's staff over the past several months (e.g. several leak investigations and repairs, several light checks and bulb replacement, snaking out drains, etc.)
 - ~\$200 of the expenses were associated with Ann's maintenance staff investigating leaks which were determined to be the responsibility of the unit owner to correct. Therefore, these costs will be billed back to the unit owner.
 - Landscaping expenses were over budget in June by ~\$370. There was a \$290 charge for Ann's staff to cut down the damaged tree behind 4235 and two \$40 charges for dumpster cleanup.
 - Capital repairs expenses were about \$350 under budget in June because \$2K was budgeted for roof and gutter repairs but only \$1650 was spent on capital repairs. (\$1.2K for Bone Dry Roofing to repair 4235 fascia, and \$450 for Ann's maintenance staff to repair downspouts.)
- c. Profit & Loss Budget Vs Actual YTD. At the end of June 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	\$7.3K over	Due to collection of past due HOA dues and late fees in January and May and collection of sprinkler head repair fees in May. This also includes \$1.3K from the city grant and \$885 from the yard sale in June.
Administrative	--	Very close to budget
Utilities	\$2.7K over	\$1.3K of the overage was electrical costs with elevator telephone costs making up \$1.1K.
Repairs and Maintenance	\$7.7K 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, \$1.3K for power supply replacement as well as a number of smaller charges.
Supplies	\$0.6K over	Due to the flowerpot replacement supplies and Spring cleanup supplies.

Expense Category	Amount Over Budget	Comment
Landscaping and Grounds	\$2.0K over	Due to higher snow removal costs in January and several miscellaneous charges in June.

d. Open Invoices –

- The report shows that there are currently six past due accounts for Palomar Reserve HOA at the end of June, totaling ~\$1.5K. This is down by \$200 from last month.
- \$950 of this total is against a single account that has been delinquent since May 2023 (). The delinquent amount for this unit has remained about the same since last month because the unit owners paid one month of dues but none of the back payments. The unit owners responded to Ann's communication stating they would "take care of this" but have not yet done so. The Board asked Ann to have our attorney send both unit owners a letter threatening foreclosure and/or accelerated HOA dues payment (pay through the end of the year in advance).
- One unit () is delinquent by ~\$300. This unit has been on and off the list several times recently.
- Two units () only owe a small late fee. The total for these units makes up about \$75.
- 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 ~\$220 of the past due amount.

3. Old Business

- 2024 sprinkler inspection follow-up. Ann reported that four of the faulty heads in the one unit remaining from the 2024 sprinkler inspection have been fixed (replaced or otherwise corrected). Ann will bill the cost of this work back to the unit owner. One head remains to be fixed but Ann has determined that this was not caused by the owner and the cost will be borne by the HOA.
- 2025 sprinkler inspection. The 2025 sprinkler inspection was completed in April but the owners for 10 units did not provide access to their units for the inspection. Per the HOA Rules and Regulations, these unit owners will be charged the cost of a second visit from the inspectors to inspect the sprinkler heads in their units. Ann has prepared a letter informing the affected unit owners of this reinspection and their responsibility to provide access to their units and to pay for this inspection. Ann is waiting for a date from the sprinkler inspection company. Once received, she will add the date to the letter and send it out to the affected unit owners. The 4219 alarm panel strobe issue discovered during the April fire protection inspection has been corrected. There are no additional issues to correct from the April 2025 inspection (i.e. from the units already inspected).
- Bylaws amendment (Audits). Ann has received an estimate from attorney Chris Clendenen for reviewing the HOA bylaws amendment discussed at the March Board meeting and filing that amendment with the county. Mr. Clendenen said that it would

cost \$800 for him to review the amendment and file it or \$1800 to prepare a complete revision. After the meeting, the Board agreed by email that the legal review of the amendment should proceed.

- d. Storm damage from recent winds and hail. Siding on 4248 was repaired by Bone Dry Roofing on the day of the Board meeting.
- e. Audit or financial review. Carrie provided the business card of her CPA colleague, John Columbia, to Ann to get the financial review started. Ann will have her finance person contact the CPA to determine what information he needs for the review of the HOA finances for 2024. Carrie emphasized that she asked Mr. Columbia to first take a quick look at the information and confirm that he can complete the review for his previously quoted price of \$400 to \$500. Once that is confirmed, Carrie will have him start the review.
- f. 4219 HVAC Units. The HVAC for the common areas of building 4219 was repaired by adding a charge of refrigerant. This is believed to be only a temporary fix, and this unit (original HVAC unit) should be budgeted for replacement next year.
- g. Anonymous complaints followup. The TV was removed from in front of 4219#104 but now a washing machine is in nearly the same place in the common area. Ann will contact the unit owner (landlord of the rental unit) and reiterate that items such as these must be moved to a spot near the dumpster and then 311 called for the city to pick up. It was also noted that new renters are now in the unit and Ann will request a copy of the new lease agreement as required by the HOA Rules and Regulations

4. Committee reports

- a. Future grant committee. Donna reported for the committee.
 - i. Additional scope of work from 2024 city grant. City reimbursed the HOA \$1.3K to complete the \$7.5K approved amount under the 2024 NAMP city grant.
 - ii. 2026 NAMP grant. Donna went over the scope of work for the 2026 NAMP grant application. Ann provided updated quotes for these jobs. The three jobs and their estimated cost are provided below in decreasing order of priority.
 - o The sidewalk in front of building 4218 from the entrance to the ramped end needs to be replaced. The current sidewalk is in poor condition, bumpy and difficult to traverse, especially for a handicapped resident in the building. The cost of this repair is estimated to be \$7350. The city grant would cover ½ of this amount (\$3650).
 - o Drainage improvements adjacent to the clubhouse. During heavy rains, water pools on the surface and has even flooded into the clubhouse. The drainage improvements would include both landscaping improvements and gutter spout improvements. The estimated cost of this work is \$6500. The city grant would cover \$3250 of this cost.
 - o Rebuild the wall behind building 4235. This wall was leaning severely and presented a safety hazard. The wall has been removed this Spring with HOA

funds. The purpose of the wall is to hide HVAC units as well as to mitigate the sound from the HVAC compressor to the adjacent unit. The rebuilding of this wall is estimated to cost \$3450. The city grant would cover \$1725.

- The total cost of the three projects sums to \$17,300. If approved, the grant would cover \$8625, and the HOA would cover the remaining \$8625 from the operating budget or the reserve fund.
 - Carrie moved that the Board approve the submittal of the grant application as described above and Baxter seconded the motion. The motion carried with no dissenting votes.
- b. Clubhouse promotion committee. Becky reported that the clubhouse committee would like to propose a Tuesday Social time in the clubhouse, open to all residents from 5 PM to 10 PM. In the past, the clubhouse had been open to all residents all the time but there were a few residents who abused this privilege. Therefore, the clubhouse has only been available for official HOA functions and rental functions for the past several years. The CH committee is proposing that this Tuesday Social time be an HOA sponsored event that occurs each week. This would allow more residents to meet each other and would help show off the clubhouse and possibly increase rentals. Becky and Donna agreed to oversee the event by unlocking and locking doors prior to and after the event, and ensuring the clubhouse is left in good condition. The Board agreed to sponsor this event on a trial basis through the end of October. Ann was asked to include a message about this social in the upcoming newsletter.
- c. Garden committee. Becky reported that 2 of the hoses recently purchased for watering plants had burst and needed to be replaced. She presented an estimate of \$125 for replacing the hoses with a new, more durable version. Sue moved for approval of this expense and Baxter seconded. The motion carried unanimously.
- d. Welcoming committee. Becky reported that the Welcoming Committee had visited all the new unit owners from the list provided by Ann earlier this year (about 8 units). They delivered baskets, decorated by a quilt insert donated by the quilters club. The baskets contained cookies as well as the Welcome Q&A information included in last month's meeting minutes. She reported that these visits were well received and appreciated. Becky asked for reimbursement for the \$60 spent having these handouts printed in color. The Board agreed to cover this cost.

5. New Business

- a. Edging in front of 4248. At the request of a unit owner, edging was installed in front of building 4248 to prevent the mulch from washing onto the sidewalk after every rainfall. This has proven to be effective for this purpose, but another complaint has been received that the edging presents a trip hazard for those who must open and shut off the spigot for this building to water plants. Several options were discussed to alleviate this latter complaint. Barry will investigate these options when he returns next month. In the meantime, Dexter will apply some yellow tape to a 3-foot section of the edging to provide a warning to those who must step over it.

- b. 4205#103 crack in the ceiling. The unit owner contacted Ann to report a crack in the ceiling of their garage which they felt was caused by roof leakage before the garage roofs were replaced several years ago. Ann is obtaining an estimate for the repair of this ceiling damage.
 - c. 4205#302 code enforcement violation. Ann reported that the HOA had received a code enforcement violation from the city for failing to repair a missing piece of soffit in building 4205, thus allowing birds to roost in this portion of the roof. There is no fine associated with this violation if we remedy the situation within a specified time period. Dry Bone Roofing was on site the day of the Board meeting to repair the soffit and alleviate the nesting issue.
 - d. Dead front sign plantings. Recently, the HOA hired Cutting Edge to rework the front sign planting area including planting four arbor vitae plants. This type of plant was chosen because it was advertised as low maintenance. Despite this, one of the four plants is now dead and three are stressed. There was no plan to water these plants during very dry times because they were believed to be very sturdy. Carrie will get Cutting Edge to replace the dead plant (\$165) this fall. Going forward, the Board will ensure that these plants are watered regularly during very dry weeks.
 - e. Summer newsletter. Ann reminded the Board that the summer newsletter is due to come out in August and asked for topics. The Board asked for a note stressing that unit owners need to break down boxes before placing them in the dumpster and they need to place trash into the dumpster, not on the pavement around it. She should also publish the date of the annual meeting (see next paragraph).
 - f. Annual meeting date. The Board agreed that the annual meeting would be held on Monday October 20th at 6:30 PM in the clubhouse. This is the date of the normal monthly Board meeting so the Board will likely meet earlier in the month to prepare for the annual meeting.
 - g. Dumpster issues. There was much discussion throughout the meeting about the failure of the city to provide regular (twice a week) dumpster emptying. Carrie has contacted the Lex Waste Management Supervisor and will also complain to our city council member (Whitney Baxter).
6. Adjourn. The next Board meeting will be held on August 18, 2025, at 4 PM in the clubhouse. The meeting was adjourned at 5:47 PM.

Topics Tabled at Previous Board Meetings

Tabled Item Description	Date Tabled	Reason Tabled	When to Revisit
Dialers for elevators	May 2025	Schedule a meeting in Sept to evaluate cost benefit of various options.	August 2025