

# Palomar Reserve Council of Co-Owners

## Board Of Directors Meeting

3/16/2026

The monthly meeting of the Palomar Reserve Council of Co-Owners Board of Directors was held on 3/16/2026. The following personnel were in attendance:

- Carrie Hoeller (President)
- Dexter Sprandling (Vice President)
- Baxter Napier (At-Large Member)
- Barry Tilden (Secretary)
- Ima Lane (At-Large Member)
- Ann Wesley (Property Manager)
- Donna Frazier (CH/Grnt/Wel committee)
- Brenda Sprandling (Gard committee)
- Rosemary McCrady (homeowner guest)
- Mark Sharp (DC Elevator) (partial)

Approval of Minutes of Previous Board Meeting. The meeting minutes from the monthly Board meeting held on 2/16/2026 were reviewed. Carrie moved for approval of the minutes, and Dexter seconded the motion. The motion was approved.

1. Financial Report. Ann presented the monthly HOA financial reports for February 2026.

a. Balance Sheet

- The total reserve account was approximately \$88.1K at the end of February. (~\$26.7K and \$25.3K in higher interest CDs and the rest in a lower interest account.) During the month, the \$860 from the chocolate raffle was transferred from the reserve account into the operating account. Also, \$500 down payment on CH loan refinancing was taken from the reserve account. The normal 10% of dues collected (\$1890) was deposited.
- The operating account was around \$6.4K at the end of February.
- The balance on the clubhouse loan was down to \$132.7 K at the end of February. The \$500 contributions from First Alliance Church in October 2025 and January 2026 were applied to the loan principal on 2/2/26. In addition, the monthly mortgage payment included \$884 of loan principal. Clubhouse rental was applied to the loan principal as well but only in the amount of \$100. The additional \$125 of February CH rental was received later in the month and will need to be applied to CH loan principal next month along with the \$860 from the Fall chocolate raffle.

b. Profit & Loss –

- The HOA expenses exceeded income by \$4.4K during the month of February. In addition to “expenses,” we paid \$1984 in February for principal for our clubhouse mortgage. So, total expenditures of the HOA in February was \$6.4K more than total income.
- HOA income overall was ~\$1.2K above budget in February. General assessment HOA dues collected were right on budget and late fees/other income was \$1.2K above budget.
- Utilities were \$700 over budget in February with electric being the largest contributor to the overage.
- Landscaping and Grounds expenses were ~\$5.1K over budget in February. Overall snow removal costs from Caudill were about \$6.9K versus a budget of \$2K. There was also

about \$200 worth of general cleanup costs from Ann's maintenance staff during the February storms.

- c. Profit & Loss Budget Vs Actual YTD. At the end of February 2026, several Year-To-Date expense categories were over or under budget as shown in the table below -

Expense Category	Amount Over Budget	Comment
Income	\$1300 over	Caused by collection of parking contribution from FA church in January and the December chocolate raffle.
Administrative	\$ 245 over	Legal expenses for Bylaws revision processing, offset by lower insurance bills.
Utilities	\$700 Over	Primarily higher electric bills, partially offset by lower water bills.
Repairs and Maintenance	--	Very close to budget.
Supplies	--	Very close to budget.
Landscaping and Grounds	\$ 2900 over	January/February snow removal higher than budget.

- d. Open Invoices –

- The report shows that there are 5 past due accounts for Palomar Reserve HOA at the end of February, totaling ~\$2.6K. This has increased by ~ \$200 since January.
- \$2.3K of this total is against a single account that has been delinquent since May 2023 (). The owners paid one monthly payment plus late fee last month but fell about \$300 further behind. Ann has contacted our lawyer and requested that they send another letter to both owners threatening foreclosure on this property. No other less severe action has produced any results in the past.
- One unit () continues to owe a late fee of about \$43. Another unit () still has not paid their fine of \$90.
- One unit () was charged \$50 for replacement of their mailbox key but has not paid this bill.
- One unit () consistently pays slightly less than the amount associated with their unit's square footage and therefore, their past due amount increases slightly every month. It is currently at ~\$209.

2. Old Business. Items a and b were actually discussed before the financial report, i.e. the first item of business at the meeting, for the convenience of our visitor Mark Sharp.

- a. Elevator capital improvement plan. Mark Sharp was a guest at this meeting. His contact information and the handouts distributed at the meeting are attached to these minutes. Mark is a certified elevator inspector and a project manager for our elevator maintenance contractor, DC Elevator. Mark performed an elevator survey of all five elevators at Palomar Reserve just prior to the Board meeting. He reported that the elevators are all identical in design and are in pretty good shape for 20-year-old units. He said that elevator usage appeared to be relatively low compared to many commercial installations. However, the Original Equipment Manufacturer (OEM) ThyssenKrupp has stopped providing parts support for key elevator parts such as the TAC-20 controllers, the fixtures and door

operators. Therefore, these parts are getting increasingly difficult to obtain. He said that the elevators could be upgraded to a newer design (modernization) that is supported by the OEM but this upgrade would cost about \$95K to \$100K per elevator (for the most basic upgrade). However, doing nothing is not a wise option either. If one of these elevators fails in a few years and the repair requires parts that are not available, there could be considerable down time waiting for equipment to perform the modernization upgrade as an emergent work item.

The Board communicated to Mark that we are not a commercial, money-making company that can just pass the cost of elevator modernization onto our customers like a hotel or hospital would do. We need a solution that provides reasonable assurance that our elevators would not be out of service for extended times in the future, but at a cost much less than that associated with modernizing all five elevators. After some discussion, the option that seemed most promising was to purchase a reasonable supply of key parts for the elevators now, while they can still be purchased. We would then store these parts in a safe, secure location as a contingency against future failures of the elevators. Mark will develop a recommended list of parts that he believes would be needed for this strategy and their cost. The Board will review this list and cost and make a decision going forward. The Board would also consider how to store these parts, perform periodic inventory and otherwise ensure they are available in the future.

- b. Elevator Dialers. Mark was positive about the company Kings Three that was mentioned in last month's meeting minutes. He knew of several local companies that had changed out their analog elevator phone systems with the dialers provided by Kings Three and were satisfied with the results. The dialer option would reduce our monthly elevator telephone bill from \$524 to \$395 (for 5 elevators). Mark also corrected our misconception that elevators had to have either an analog phone system or dialers. He said that Voice Over Internet Protocol (VoIP) technology would work fine for elevators. Ann will check with other phone providers and see if the VoIP option provides a cost even lower than dialers. The Board would like to pursue one of lower cost options for phone lines in the elevators.
- c. Elevator maintenance plan. Ann reported that our current elevator maintenance plan costs \$1250/month and includes trouble calls on nights and weekends as well as throughout the week. If we went back to the lesser tier maintenance plan it would cost the HOA \$825/month and would cover trouble calls during normal working hours. The HOA would still get elevators repaired when they broke after hours but we would pay extra for these trouble calls. Back in 2024 when we had this lower tier contract, we spent slightly less (~\$100/month) by paying extra for after-hours trouble calls versus paying for the highest tier maintenance contract. Note that both tier contracts include the same preventive maintenance activities. Ann also pointed out that our reserve fund is much healthier now than a few years ago so that we are better able to pay for emergent work items that may occur after normal hours. The Board decided to change our contract to the second tier maintenance contract (\$825/month) and save about \$325 per month against the elevator maintenance budget.
- d. Bylaws revision. Ann reported that she thought the bylaws revision would have been filed in the County Clerk's office by now. She will contact our lawyer and get a copy of this document. She will then get our website contractor to upload the revised bylaws to the Palomar Reserve website. Ann cannot upload this herself because it is in the "Documents" section of the website.

- e. Magnolia trees scraping in front of building 4205. Ann has spoken to Caudill and they will trim these trees as part of their Spring cleanup. Normally, this cleanup would have already been performed but weather issues and renewal of Caudill's contract as discussed below, has delayed this activity.
- f. Updating the Website document. Ann has the signed version of the revised Rules and Regulations and she will provide this to our web contractor along with the Bylaws revision to upload to the website. Doing both together will save the HOA some fees.
- g. Renewal of Caudill's contract for landscaping and snow removal. The current contract expires in March and Ann received a new proposed contract that reflects a 4% cost increase versus last year. Before the meeting, Ann provided a copy of an alternate bid from Lex Cut to Board members. This contractor provides landscaping and snow removal services for one of Ann's other properties that is smaller than Palomar Reserve. Their landscaping unit costs are slightly less than Caudill. They recently charged this other property in excess of \$9K for snow removal for recent storms even though this is a smaller property. Also, there were several complaints about their work. Caudill charged us about \$7K for snow cleanup for the same set of snowstorms and residents were generally satisfied with their work. Because of this, Ann recommended that we renew our contract with Caudill but replace the \$2600 cost for mulching with a \$500 charge for turning over the existing mulch (no new mulch). The Board agreed to this by email prior to the meeting.
- h. Spring Newsletter. Ann provided a copy of a draft Spring newsletter to the Board and asked for comments so she could distribute this to all unit owners in the near future.
- i. Dumpster rental. Republic Waste, who rents us our trash dumpster, has been constantly increasing cost over the last few years (up to \$216/month). As a result, Ann decided to not renew the contract with Republic and instead go with Rumpke, who will to rent the same size dumpster to us for \$65/month. This change takes affect the last day of March and we will see the lower cost in the April financials.
- j. The red truck parked in front of the clubhouse that was mentioned in last month's meeting minutes has been relocated.
- k. Refinancing the clubhouse loan. The closing for the refinance of the clubhouse loan occurred on March 12, 2026. The new loan is with Republic Bank (same as our other bank accounts). The interest rate is actually lower than expected at 6.5% for the first three years. After that, the interest rate will adjust to prime plus 0.5% for the remainder of the 10-year term of the adjustable-rate loan. The new monthly payment has gone down to \$1082; however, if we pay only the minimum amount for the term of the loan, we will owe a substantial amount at the end of the 10-year term. The Board has determined that we should continue to pay the currently budgeted amount (\$1526/month). This, plus CH rentals, parking contributions from FA church and fundraisers should result in the entire loan being paid off in 10 years or less. With the exception of the \$500 paid up front from the reserve fund, the closing costs for the loan were rolled back into the loan amount so no upfront expenditures were required for the refinance. The initial balance on the loan was listed as around \$141K in the loan paperwork. This includes the amount transferred from West Banco, the closing costs and the March mortgage payment. Barry and Carrie both thought that West Banco overstated the payoff amount for the loan at \$136.1K. It looks like the timing of the paperwork may have resulted in them not crediting our account with the February principal payments. Ann will contact

West Banco and get a complete accounting of the payoff amount that they provided for this loan refinance.

A hard copy of the closing paperwork was filed in the top drawer of the tall file cabinet in the CH office. In addition, a digital (pdf) copy of the closing files is saved in the HOA secretary files under the "CH Loan refinance 2-26" folder.

- I. Drier vent cleaning update. Donna obtained a quote of \$75/unit for drier vent cleaning if a significant number of units participate. This would include cleaning from the inside as well as using a ladder to access the vents from the exterior. She has 12 units committed to this cleaning now. Ann will include a note in the newsletter asking for any other interest. The Board has concluded that it would be within the governing documents to require that all units have their drier vents cleaned or even perform the cleaning for them and charge it back to the units. However, the Board decided not to make this mandatory at this time but may do so in the future

### 3. Committee reports

- a. Future grant committee. Ann will obtain an updated quote for the concrete sidewalk work in front of 4218. She will also include the installation of PVC pipe drains to direct downspout flow under the sidewalk to the parking lot drains. This includes both the drain in the section we are working and the drain on the other side of the building where a special concrete cut will be needed for installing this pipe.  
Carrie will contact Andy from Cutting Edge and arrange for the CH drainage improvement work to be done in early April, before the spring cleanup.
- b. Clubhouse promotion committee. The Board decided that the Spring cleanup event would be held on April 18<sup>th</sup> along with a potluck and chocolate raffle at 5 that Saturday afternoon. Carrie will purchase \$300 worth of chocolate (at a cost of \$150 using her employee discount). Donna will take the lead for raffle ticket sales.  
The Board also discussed the derby party on the first Saturday in May. Barry will take the lead in figuring out how to view the derby on the TV installed in the CH. Carrie will purchase some chocolate dollars to use for a fund-raising event at the derby party.
- c. Garden committee. Dexter presented the report of the Gardening Committee for Becky who was not able to be present at the meeting. Dexter said that the gardening committee had identified several activities that they would like to consider for this year. (1) Remove the rose bush that is out front near the entrance signs. It is dead and unsightly, (2) Remove the holly shrubs in front of the CH that are dead or almost dead, (3) Trim the magnolias in front of 4205 (already covered in the meeting minutes above), (4) Plant the Cana bulbs that Carrie obtained, (5) Remove the kudzu from the trees in front of the property, (6) Restore water for buildings 4205 and 4218 as discussed in last month's minutes and (7) Restore the flower pots using mostly perennials. The committee wanted to find out how much budget they could count on for this year so they could prioritize tasks and decide which could be done by resident volunteers with less cost for the HOA. The Board noted that we have about \$1000 in the budget this year for Grounds Supplies. We thought that about \$400 of this could be allocated to Gardening Committee tasks such as those noted above. (Note that item 3 and 6 should not be considered part of this \$400 budget since this work was already approved by the Board). The committee will develop a proposal for maximizing the work that could be completed with this budget in mind.

- d. Welcoming committee. Donna reported that the committee is working to revise their handout with the new 2025 cost information provided at the last meeting. They will also make sure that new residents have the codes to enter their own buildings and the CH gym after hours.

4. New Business.

- a. Plumbing issues in 4235. Ann reported that a resident in building 4235 had a clogged drain and hired a plumber to clean out the drain. The plumber accidentally sent his snake through the pipe trap in the adjacent unit's piping and created a leak there. The leak caused some flooding and wetting of the carpet in the adjacent unit. The plumber is correcting the damaged trap and the resulting carpet wetting. Ann reminded the Board that the piping in these units is not routed as most plumbers would expect and they really need to be careful when clearing clogged drains.
- b. Clubhouse appraisal. As part of the refinance of the CH loan, the HOA had to pay for an appraisal of the clubhouse and its adjacent property. The appraisal cost \$2100 because we had to pay the rates for a commercial appraisal versus a residential appraisal. However, the appraisal concluded that the value of the clubhouse and the property that it is located on is \$510K. This will be reflected in the Balance sheet going forward. The appraisal report digital file is saved in the HOA secretary files in the "CH loan refinance 2-26" folder.
- c. Dropped elevator keys in 4205. A resident of building 4205 recently dropped their keys into the elevator shaft. They contacted Ann and asked what it would cost to retrieve the keys. DC Elevator quoted a cost of \$350 to perform this task. In the meantime, the resident happened to run into the DC Elevator service rep and asked him to retrieve the keys. The service rep did so but DC Elevator charged the HOA \$350 for this task. The resident did not realize that we would be charged for this task since the service rep was already on site performing other maintenance activities. The lesson learned from this event is that residents should not ask our contractors (e.g. landscaping, elevator maintenance, fire protection maintenance, etc.) to perform a task. Only the Property Manager or Board may authorize work outside the normal routine scope that is included in our contracts. Residents should contact the Property Manager or submit a maintenance request for such an item. A reminder note will be added to the next newsletter to remind residents of this requirement.

- 5. Adjourn. The next Board meeting will be held at 4:00 on 4/20/26 in the clubhouse. The meeting was adjourned at 6:05 PM.

**Topics Tabled at Previous Board Meetings**

Tabled Item Description	Date Tabled	Reason Tabled	When to Revisit
Options for renewal of two reserve fund CDs	November 2025	Both CDs will mature in May.	April 2026

## Mark Sharp Contact Information

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## Elevator Controller



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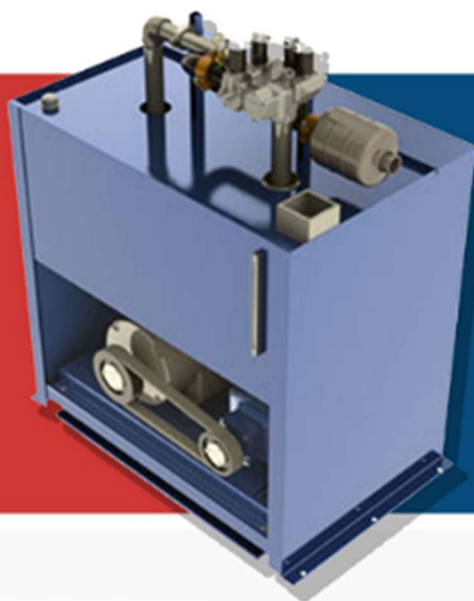
- ✓ **Intelligent Traffic Management:** Our elevator controllers intelligently analyze passenger traffic patterns and adjust elevator dispatching accordingly, minimizing waiting times and optimizing travel efficiency.
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- ✓ **Emergency Response:** Our elevator controllers are equipped with advanced emergency response systems, ensuring swift and efficient evacuation procedures during critical situations.
- ✓ **Access Control Integration:** By integrating with access control systems, our controllers provide enhanced security, restricting unauthorized access and ensuring only authorized personnel can access specific floors.
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## Elevator Door Equipment



### How Elevator Doors Work

If elevators could sweat, most of it would drip from the doors. The doors are definitely the hardest working part of the elevator. Each and every time the elevator stops at a floor, a car door and hatch door need to open and close efficiently without complaint. This hard working part of the average elevator opens and closes 200,000 times per year according to a major door manufacturer.

That produces a lot of wear and tear on the equipment that opens and closes the doors, especially if it is not properly maintained. As a result, elevator doors are the cause of over 70% of all service calls.

### Types of Doors

There are several different kinds of doors. They are usually described by the number of panels the door has, and range from single panel to four panel. The panels recess to the side when open, so the car must be at least twice as wide as the door to allow the full recess. If more door width is needed than the car provides, then multiple partial-width panels are used. They telescope together when open, so a 48" 2-panel door only needs a 24" recess.

The panel furthest from the edge where the door closes moves the slowest. The leading panel moves faster to "Catch up" when opening, so that all panels hit the fully recessed position at the same time.

While there is a single door on the car that travels with it, every stop has a door called a hoistway or hatch door that keeps people from falling into the hoistway when the car is not there. These hatch doors must open and close at the same time that the car doors do.



The clutch on the car door



Ball Race Hoistway Door



Wheel

### How the Doors Operate

Of course there is an electric impulse from the elevator controller (the brain of the elevator) that causes an elevator door to open and close when the car is safely at the proper floor; however, most action in the door's operation is mechanical.

The car top houses a machine called the door operator. When the car and hatch doors are lined up, a clutch on the back side of the car door slides down (or up) over pickup rollers on the back side of the hatch doors. The operator then drives the car door open, engaging the pickup rollers and taking the hatch door with it. To close, the operator drives the car door closed, pulling the hatch door along.

When the equipment is adjusted correctly, the opening and closing process is smooth and unnoticeable. However, when there are problems, it becomes very noticeable, such as doors not opening all the way or at all. These problems are usually caused by misalignment of the clutch, pickup rollers, and linkages, which can be corrected by adjusting them. The nylon or rubber wheels running along the overhead track and gibs at the bottom of the door can also cause problems if they are worn or obstructed, making the opening and closing of the door squeaky, grinding, bumpy, or preventing it from opening or closing. Misalignment caused by vandalism or forceful opening of the door can also cause the door to bind when opening.



Wheel in the upper car

The elevator controller signals an electric motor to activate, which moves arms attached to the door and opens it. The speed of the doors can be adjusted by a technician. The belts or chains that drive the door operator need to be changed every few years due to wear and tear. It is important to regularly inspect and maintain the elevator's moving parts to prevent potential breakdowns, such as cleaning the tracks and sills and inspecting the rollers and linkages. If there is a problem with the elevator doors, it is essential to call a technician for safety reasons. With consistent maintenance by a certified technician, the elevator will continue to operate well for an extended period.



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## Work By Others

Several construction services related to elevators are often not directly performed by elevator companies but are essential for the overall installation, modernization, and operation of elevators.

These services may include:

**Structural Work:** Elevator installation may require modifications to the building's structure, such as creating openings in floors, reinforcing walls, or constructing a machine room or pit. Structural engineers and contractors are typically responsible for these modifications.

**Electrical Work:** While elevator companies handle the installation of elevator control systems, electrical contractors are often responsible for providing power to the elevator components, including wiring, switches, and electrical panels.

**Fire Protection and Safety:** Fire alarm systems, emergency lighting, and other safety measures need to be integrated with the elevator system to ensure compliance with building and fire codes. Fire protection contractors handle these aspects.

**HVAC and Ventilation:** Elevator shafts and machine rooms often require ventilation systems to dissipate heat generated by elevator operation and ensure proper air circulation. HVAC contractors may be responsible for installing and maintaining these systems.

**Plumbing and Drainage:** Elevator pits can require drainage systems to manage water accumulation. Plumbers may be involved in installing drainage solutions to prevent water damage and ensure proper functioning.

**Security and Access Control:** Security measures such as card access systems, CCTV cameras, and intercoms may need to be integrated with the elevator system to enhance building security. Security contractors handle these aspects.

**Painting and Finishing:** After structural modifications and installation are complete, painting and finishing contractors may be required to ensure that the areas around the elevator installation match the rest of the building's aesthetics.

**Permitting and Inspections:** Building permits and inspections are necessary to ensure that the elevator installation adheres to local codes and regulations. Elevator companies often work with construction project managers to ensure proper permitting and scheduling of inspections.

**Architectural Design:** Architects are involved in planning the elevator's integration into the building's design, including determining the optimal location for the elevator shaft, doors, and car, as well as coordinating with the aesthetics of the building.

These construction services play a vital role in ensuring the safe and successful integration of elevators within buildings. Effective coordination and communication among various contractors and professionals are essential to complete elevator projects efficiently and with high quality.

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