

Palomar Reserve Council of Co-Owners

Board Of Directors Meeting

6/15/2026

The monthly meeting of the Palomar Reserve Council of Co-Owners Board of Directors was held on 6/15/2026. The following personnel were in attendance:

- Carrie Hoeller (President)
- Dexter Sprandling (Vice President)
- Baxter Napier (At-Large Member)
- Barry Tilden (Secretary) (by Facetime)
- Ima Lane (At-Large Member)
- Ann Wesley (Property Manager)
- Donna Frazier (multiple committees)
- Becky Lesch (multiple committees)
- Sandy Chinn (Grdn committee)
- Rosemary McCrady (Grdn committee)

Approval of Minutes of Previous Board Meeting. The meeting minutes from the monthly Board meeting held on 5/18/2026 were reviewed. Carrie moved for approval of the minutes, and Baxter seconded the motion. The motion was approved with one Board member abstaining because he was absent at last month's meeting.

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

a. Balance Sheet

- The total reserve account was approximately \$94.3K at the end of May. (~\$27.0K and \$25.5K in higher interest CDs and \$41.9K in a lower interest savings account.)
- The operating account was around \$7.6K at the end of May.
- The balance on the clubhouse loan was at \$136.7K at the end of May. The May monthly payment totaled \$1526 versus the required minimum payment of \$1082.46.
 - \$750.54 interest
 - \$775.46 principal (\$331.92 was part of the minimum mortgage payment, \$443.54 was considered to be "additional principal.")

In addition, the following amounts were transferred from checking to CH Loan principal for the reasons given –

- \$66.74 to make up for the shortfall in last month's additional principal payment
- \$147.40 received from WesBanco after closing to balance the loan payoff
- \$150 in CH rental income
- Last month, the Board voted to transfer \$5.2K from the reserve savings account and apply this amount to the loan principal. This would result in the loan refinance costs being paid from the reserve fund rather than having these costs financed under the loan. This transfer was completed in early June and is therefore not reflected in May financials.

b. Profit & Loss –

- The HOA income exceeded expenses by \$0.8K during the month of May. In addition to "expenses," we paid \$1.1K in May for principal for our clubhouse mortgage. So, total income of the HOA in May was \$0.3K less than total expenditures.

- HOA income overall was ~\$200 under budget in May. General assessment HOA dues collected were \$300 under budget and late fees/other income was \$100 above budget. Other income included \$150 in CH rentals.
 - Utilities were \$400 under budget in May with electric being \$500 under budget for the month.
Ann contacted KU about performing an assessment of the two buildings at Palomar Reserve that habitually have the highest electricity costs to see if they could suggest actions to reduce cost. KU informed her that we do not qualify for this service; only standalone homes qualify. In addition, Ann contacted Window Genie and they will provide an updated quote for lining windows to reduce solar heat into the buildings during the summer months. They quoted this for us a few years ago and will update that quote. Further discussion to be held on this topic during next month's meeting.
 - Repairs and Maintenance expenses were \$800 under budget in May. Elevator maintenance was charged at the lower monthly rate in May but there was an additional charge of \$189 to retrieve a homeowner's key. This should be recoverable from the homeowner.
 - Supplies expenses were about \$200 over budget in May due to the need to purchase electrical panels in 4218/4248.
 - Landscaping and grounds expenses were under budget by \$125 in May because the cost savings for not mulching in the Spring is being spread out over the rest of the year.
 - Administrative expenses were very close to budget in May.
- c. Profit & Loss Budget Vs Actual YTD. At the end of May 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	\$2600 over	Caused by collection of parking contribution from FA church in January/April and the December and Spring chocolate raffles.
Administrative & Supplies	--	Very close to budget.
Utilities	\$3100 Over	Primarily higher electric bills earlier in the year.
Repairs and Maintenance	\$1900 Under	Partly caused by the \$900 extermination fee budgeted for March but not spent yet, plus savings in plumbing repairs.
Landscaping and Grounds	\$ 2800 over	January/February snow removal higher than budget.

d. Open Invoices –

- The report shows that there are 9 past due accounts for Palomar Reserve HOA at the end of May, totaling ~\$5.9K. This has increased by ~ \$2.4K since last month.
- \$3.9K of this total is against a single account that has been delinquent since May 2023 (). The owners paid no HOA dues or late fees in May and fell \$900 further behind. Our

attorney is preparing foreclosure proceedings against these owners. Ann is trying to get a copy of this paperwork for our files. She said it often takes three or four months to complete this process.

- Five units () are newly delinquent, each owing a \$300 fine for not providing access to their units for the May sprinkler inspection. One additional unit () will be added to the list after the Board meeting. See the discussion under the paragraph on the sprinkler inspections below.
- One unit () must reimburse the HOA for the charge to recover their keys that they dropped down the elevator shaft -\$189.62.
- One unit () still has not paid their charge of \$90. This charge was to recover the HOA's expense for removing a washing machine from the unit's patio. The owner is pushing back saying they never received notification to remove this item and would have done so if they had been notified. Ann pointed out that she had notified the owner about a TV left in this same patio just before this occurred and the homeowner took no action. She thought it would be futile to notify them again about the washing machine. She added that the unit owner does not comply with the Rules and Regulations concerning renters (no copy of lease agreement provided to property manager, etc.) and Ann recommended that we follow the process to notify the homeowner of this violation, with a resultant fine if this information is not provided. If the homeowner fully complies, we should consider forgiving this \$90.
- 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 ~\$232.

2. Old Business.

- a. Clubhouse loan principal. This agenda item was discussed under the financial report
- b. Reimbursement from Lex Rooter. In previous meeting minutes, there was discussion of Lex Rooter performing work in one of the units in 4235 and damaging the piping resulting in water damage. One item that was damaged was a smoke detector. The HOA had to pay over \$770 to replace this detector and Ann is still working to recover this cost from Lex Rooter since they caused the damage.
- c. Elevator Dialers. Ann reported that Kings III will install the new elevator dialers in early July and we should start experiencing the cost savings about a month later. Once installed, the HOA should save about \$145 per month versus the analog phone lines we are now using.
- d. Sprinkler inspection. The sprinkler inspection was held on May 21st. There were five units that did not provide access to their units and these have been fined \$300 in accordance with the HOA Rules and Regulations. One of these five unit owners claims that they were present in their unit but nobody ever knocked on the door on the day of the inspection. Ann felt sure that all doors were knocked on very loudly multiple times. There was one additional unit that failed the inspection because they did not provide access to their bedroom sprinklers. Ann wanted to consult the Board about how this should be addressed. The Board felt that this unit should be fined just like the others since they failed to provide access to all the areas necessary for a satisfactory inspection. Ann said that several units had been found with damaged sprinkler heads amounting to

\$1450 to repair. As in the past, the HOA will coordinate these repairs with unit owners and pay upfront for these repairs but recover the cost from the unit owners.

- e. Fire extinguisher inspection. Ann reported that on the day of the Board meeting her maintenance staff was transporting the fire extinguishers to an offsite facility where they would be weighed and filled (if needed) and then returned.
- f. Reinvestment of reserve fund CDs. The \$27.0K CD was renewed automatically until April 11, 2027 at an interest rate of 3.44% (was at 3.92%). Carrie was disappointed that the bank had not contacted her to discuss renewal options prior to taking action to renew the CD. They had always made contact in the past. The \$25.5K CD will mature on July the 14th. This time, Carrie will contact the bank to make sure we choose the best option. This CD is currently earning 3.63% interest.
Ann said that some of her other properties invest large reserve funds in an ICS account. This provides an FDIC-insured method for reserve funds and often pays higher interest rates than CDs. They do require a rather large minimum amount. Carrie will ask about this type of account as well.
- g. Hallway door hydraulic closer in 4248. Ann's maintenance staff was installing the new hydraulic door closer in building 4248 the day of the Board meeting.
- h. Ceiling damage in 4205 garage hallway. Ann took note of the ceiling damage in 4205 garage hallway. She said that it looked like it had been there for a while and did not appear to still be deteriorating. The Board discussed that we had no budget for such repairs this year and whether it would be OK to wait until next year, when we can budget for this. The Board decided that, unless there was a specific issue (like a buyer demanding that this be repaired as part of an offer to purchase a unit), we could wait and budget this for 2027.
- i. 4218 sidewalk repairs status. Ann is waiting until there is a 4 or 5 day period with no rain predicted to schedule this work. She hopes this will come in the next couple of weeks. She still plans to post fliers in this building to inform residents when she knows the dates for the work. See discussion of Reach Alert under New Business below.
- j. Noise complaint in 4235. Ann reported that she had not had the chance to address this issue but also had heard no further complaints. She will call them and remind them about the HOA Rules and Regulations about Noise.
- k. CH drainage improvements status. This work was in progress and should be finished in the next couple of days. Carrie spoke to Andy of Cutting Edge and he told her that we should not start watering until the grass becomes barely visible above the straw. Then we should water twice a day until the grass is well established. Carrie will go to Lowe's and purchase impulse sprinklers, timers and additional hoses if needed (Becky said there were a few hoses available for this that she would show Carrie). Andy also warned about watering two areas at the same time. This often results in lower than needed water pressure for the sprinklers. Barry suggested buying dual timers that allow two hoses and two programmed start/stop times so that no two areas would be watered at the same time. Ann agreed to have Ann's maintenance staff monitor the hoses and sprinklers and make adjustments as needed. (We would pay for this service by the hour.) Ima suggested that the areas be marked off with yellow tape to avoid people walking on these and mowers disturbing them. Carrie will ensure that Cutting Edge is planning to mark off these areas as part of their

scope of work. Ann will contact Caudill to ensure they know that they are not to mow these areas until the grass matures.

3. Committee reports

- a. Future grant committee. Neither Donna nor Carrie have received any information about this year's NMPC grant application. Potential jobs to include in this application include the following –
 - Removal of diseased ash trees at each end of 4218 and possible replacement of these trees.
 - Replacement of damaged sidewalks adjacent to building 4205
 - Replacement of CH patio damaged concrete.
 - Improve drainage between 4235 and 4219.
- b. Clubhouse promotion committee.
 - Belmont stakes party was held on June 6th and was a success. Just prior to this event, the TV in the CH stopped working. The Board voted by email to approve replacement of the television and the TV was replaced at a cost of less than \$300.
 - Donna asked for approval to hold a July 4th social event for all residents, with a patriotic, nonpolitical theme. Donna again offered to oversee the event and ensure the CH is clean afterward. Ima donated five patriotic wreaths to be raffled off at the social event. Donna and Becky will sell raffle tickets for \$5 each to raise funds to pay down the CH loan principal.
 - Donna reported that recently some residents rented the CH for a private event and left it in poor condition afterward. The kitchen floor was very dirty and there were stains on the carpet. Ann will contact the residents who were responsible for this party and have them clean up or forfeit their cleaning deposit.
 - Donna offered her service to coordinate CH rentals for residents, including scheduling, collecting rent fees and ensuring that the CH is properly cleaned afterwards. After some discussion, the Board thanked her and accepted the proposal but only for the after-the-event checks of the premises. The Board felt that it might confuse owners and residents to switch the method of scheduling and collecting rent if we change this now. People are just now getting used to the web site. Donna pointed out that the web site still does not show scheduled events at the CH as intended. Ann will address this.
- c. Garden committee. Becky reported that the committee has been watering the flower pots and bulbs planted around the property and the Board thanked them and agreed that these flowers enhanced the appearance of the site. She also reported that the committee had expressed concerns (a written petition) about watering the newly planted grass around the CH. This topic is discussed under the CH committee paragraph above.
- d. Welcoming committee. Becky reported that the committee had prepared an information package specifically designed for renters. Some of the standard information is of no interest to renters because they do not pay HOA dues, etc. The committee also gives new renters a copy of the HOA Rules and Regulations in case the landlord neglected to do this. The welcoming committee also emphasizes that renters need to contact their landlord for maintenance requests, complaints, etc. The HOA Board and property manager do not get involved with such issues unless contacted by the homeowner.

4. New Business.

- a. Reach Alert. This topic came up during Old Business discussions but is presented here because the topic is new business. Ann reported that some of her other properties use a system called Reach Alert to broadcast text messages to all homeowners and residents. This is used for official communications such as meeting announcements, sprinkler inspections, etc. All homeowners' and renters' phone numbers would be entered into the system. Multiple numbers can be entered for the same unit (up to four), e.g. homeowners' cell phones, renter cell phones, land lines, etc. Messages can be targeted at specific named groups of people (e.g. one building only). The cost for this system is \$35 plus \$3 per unit (total of \$215) annually. Dexter moved that we purchase this system to improve HOA communications. Carrie seconded the motion and the motion carried with no dissenting votes.
- b. Ash trees dying at either end of 4218. Dexter reported that two ash trees were dying at either end of 4218 and these need to be removed and replaced. After some discussion, it was decided to consider including this job in the NAMP grant application for 2027. See discussion above under Grant committee.
- c. Wasp nests under roof peaks of several garages. Dexter had also reported that there were large wasp nests under several garage roof peaks. Ann's maintenance staff were on site the day of the Board meeting removing these.
- d. Chain separating us from Palomar View apartments. Dexter reported that the chain separating our HOA from the Palomar View apartments had fallen down and he had reinstalled this again. He asked Ann to contact the apartment's property manager and ask them to repair the fence where this chain is attached and reinstall the chain. Both parties want this separation to prevent vehicles from passing through.
- e. Zoning variance. Ann reported that two zoning variances would be discussed at an upcoming public meeting on 7/9/26 at 1:30. The first does not affect our HOA greatly (Goodwill Store to move into the location on Clay's Mill Road where the Bargain Hunt was previously.) The second zoning variance involves installation of a solar energy system in our area. This could affect the HOA, but the information provided did not specify where the solar panels would be located. Solar glare from panels located alongside major thoroughfares has caused issues in other areas. Dexter stated that he planned to attend the zoning meeting and would let us know more details.

5. Adjourn. The next Board meeting will be held at 4:00 on 7/20/26 in the clubhouse. The meeting was adjourned at 6:07 PM.

Topics Tabled at Previous Board Meetings

Tabled Item Description	Date Tabled	Reason Tabled	When to Revisit
Elevator Capital Improvement Plan	April 2026	Need to present proposed plan at annual meeting in October and obtain feedback.	September 2026