

Lexington Lakes Condominium Association
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Stuart, FL 34994
772.781.4102

BOARD OF DIRECTOR'S MEETING September 21st, 2021

PRESENT;	Terry Hennessey	President
	Marc Goldberg	Vice President
	Tony Bartholomew	Treasurer
	Virginia Lavish	Secretary
	Tim Haas (via phone)	Vice President

The meeting was called to order at 5:30 PM. A motion was made by Marc to accept the minutes of the July 20th meeting, seconded by Tony. Motion passed.

August financials.. the largest "problem" is the replacement insurance policy premiums. The accountant stated that the refund from the State was \$11,644 which was applied to the remaining balance of \$17,083 that was remaining in the prepaid insurance. The remaining balance was \$5458 after the refund was applied. If not for the insurance issue we would be about \$1,300 overspent for the year. But year to date we are overspent by \$31,3060.

What is helping us this year are the grounds underspend. We budget \$9,000 for the year for tree trimming. To date we have not used that account.

We had a Reserve study done in July and at the July meeting we noted that inflation is a worry. Currently, this year, we are transferring \$242,000 to Reserves. The biggest impact is inflation in July was 5.4%. The last study, two years ago, inflation was at 1.6%. We did speak to the engineer and he agreed to keep a 3% inflation, but it is still double what it was in 2019. Also, due to the supply chain being interrupted, labor and materials are up and in 2019 we were getting 2.5% return on the money in the Reserves accounts. He applied .5 of 1% which reflects what is happening with interest rates.

That Reserve study forecasts 30 years. The net result of the updated study will be an increase from \$242,000 to \$395,000 per year starting in 2021. We anticipate that the number will come down in the following year after the market settles and hopefully inflation comes down. But unfortunately, that increase will raise the cost per unit of \$48 per month.

Our attorney said there is no wiggle room. So we will have to raise the HOA fees in January. Our insurance policy expires May, 2022 and we have no idea what the renewal policy will cost.

There may be a way to deal with this. The main component of our impact is the roofs in the increase to the Reserves.

We could present to the owners a change in the roofing material to save money down the road. A architectural asphalt shingle roof will be about \$600 per square

(one square is 100 sq feet,). Metal will be \$950 per square, the exact roof we have now would be \$1,250 per square. We will examine this further. We will look into updating our Reserve study next year instead of 2 years. The cost of roof repairs has also been very high.

We have two good quotes for a new playground. We were unable to get a third quote. One quote from an owner, who represents the Miracle Co., was \$22,584 excluding the permit. The other quote was \$28,923. The Reserve allows \$25,000 for replacement.

The lower quote is with a company called Miracle. Terry made a motion to award the contract to Miracle. Seconded by Virginia.. Motion carried.

Next on the agenda is Violations! We have an issue with an owner. We need to set a hearing date. We are required to give them two weeks' notice. So, we will set the hearing for October 8th.

Terry made a Motion to set the fine at \$100.00 per day for 10 days for a total of \$1,000.00. Marc seconded, motion carried. Will direct Maureen to get the necessary letter out.

Police have been here and they issued trespassing citations. There has been a problem with noise and now trespassing.

We set the Annual meeting for December 7th at 6 PM. We need to give people information regarding the Reserve study and the fact that there may be alternatives to reduce the cost.

Marc.. no report

Virginia .. no report

Tony.. CD with Bank of America is coming due at 0.05%. already in the Reserves.. We will transfer it to Center State.

Trust co has \$248,000 at .06% also in the Reserves.

Tim.. reported on Comcast. He requested a letter of the change and new contract . They are supposed to send letters to the owners, but the letters should go to the tenants. The changes will only affect those that utilize Comcast. They will allow 3 HD boxes without additional cost, and those that already have them will see a reduction in their monthly bill. The contract was signed in July, so people should be getting letters in October.

NEW BUSINESS.. Building painting is due. The quotes came in as \$243,000, \$315,000 and \$484,455. The quote for \$315,000 came in from Twin Palms. We are not sure Pinnacle, the lowest bidder, would be able to do the work. We have a project manager who represents Benjamin Moore, and she will oversee the work. This at no charge to the Association, and she is responsible to insure that the vendor will prepare the surfaces, apply the right amount of paint. etc. Benjamin Moore assumes full responsibility if anything goes wrong, and warranties the work. Terry met with her and asked about Pinnacle (low bidder). She has the same concerns about their ability to complete the work satisfactorily. We will be err on the side of caution and award the work to Twin

Palms. She was able to negotiate an upgrade to 10 year warranty paint (value \$3600) gratis. We should be able to start January or February. We will discuss the shutters at another time. The shutters are due to be replaced, so we are thinking of painting the buildings without the shutters and we will look into new shutters which is covered in the Reserves. We need to look at the gazebos as well to see if they need to be painted UNDER the roof. The metal exit and entrance gates are included, the pool area metal fence will be extra for \$3,500 and the playground \$1,400. Lamp Posts are \$45 per lamp post.

A motion was made by Marc to go with Twin Palms, seconded by Tony.. Motion carried.

Owners... Can anything be done to clarify the building numbers to make it easier to find buildings.

The NO PARKING signs wither need to be fixed or replaced.

Terry.. The meeting in October will be on the 19th at 6 PM and will include the Budget Meeting

Terry made a motion to Adjourn at 6:27 PM.. seconded by Marc.. Motion carried.