

Save for 7 years per FLA Statute 720.303

Minutes from the Annual Terraces HOA Meeting – December 3, 2012

Board Members In attendance: Marcos Sola Cruz – President, Jeremy Jensen – Vice President, Jim Eriksen – Treasurer and Casey Holscher – Secretary

Homeowners present: Robert Hendrickson, Alice Seeley, Tina and Don Ringled and Cindy Snook.

The primary purpose of the meeting was to certify that the current Board of Directors for the Terraces HOA would remain in office for the coming year. No nominations were made other than for the current board so the need for an election was thereby eliminated and the current board will continue to serve.

Jim Eriksen presented the Treasurer's Report and Budget. Copies of both are hereto attached. The Budget was presented and accepted.

The new entrance lights were discussed. New LED energy efficient lights that were purchased by the HOA for both entrances and installed by Marcos and Jim. Thank you to Marcos and Jim for their efforts in that regard.

Jim also explained that whenever a home changes owners, the title companies request an Estoppel from the HOA and time and effort has to be put forth for that. A motion was made and was passed that a \$25 fee shall be attached to each estoppels with the funds going into the reserve monies.

There was also discussion regarding the difficulty in collecting the homeowner dues. Not only does the Treasurer have to bill and handle the payments for the dues, he is also having to act as a debt collector. Considering that the board members are all volunteers and Jim, as Treasurer already has the bulk of the administrative workload, having to chase down delinquent payments has become an issue. The motion has been made, and passed, that beginning in 2013, there will be a late payment of \$25 rather than the small percentage that was previously being charged, which seems to have no effect in bringing in the dues on time.

It was further discussed that, in accordance with Florida Law, the association has the right to file a lien against the homeowner, only with the use of an attorney, however, those charges (which would be substantial) can legally be passed to the homeowner as well if a consideration of the \$25 fee is not effective in getting the dues in on time. The object is not to cause the homeowner grief. The object is collect the funds required to run the Association on a timely basis and eliminate the substantial effort currently associated the collection off dues. Jim Eriksen will analyze the situation and present a final proposal to the board on this item.

Don Ringled has agreed to act as block captain in place of Janine McCann in the event she no longer wants that position.

Don has also suggested that a neighborhood party be held and will be in charge of that endeavor. The object of the party is for the neighbors to get to know one another and hopefully become more involved in the goings on of the association.

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It should be noted that the board investigated turning over the board duties to a Management Company. The additional cost of using a professional management company would be an additional \$54 per household per year. This was the most reasonable quote we got for this service, and it was determined that the board would continue to serve, at least for now, but we must ask that homeowners get more involved and take a turn at serving.

Marcos asked for any new business and Cindy Snook (our newest resident) has an issue with her back fence considering that she has dogs. Jeremy and Marcos have agreed to visit the site and help her come up with a suitable resolution.

There being no further business, the meeting was adjourned by the past and present President, Marcos Sola Cruz.

Casey Holscher
HOA Secretary

Terraces HOA Treasurer's Report: December 2, 2012

Financial Status: The Terraces at North Pointe Homeowner's Association is in healthy financial shape at this time. Total assets of \$12,789.30 as of December 2nd, 2012 exist in two forms, a checking account with a current balance of \$10,514.30 and a savings account with a current balance of \$2275.00. Both banking accounts are with Wells Fargo. The savings account accrues five cents per month in interest. All received bills have been paid. The increase in assets relative to 2011 is largely due to the increase in annual dues established to build up the reserve fund in anticipation of perimeter fence repair and replacement.

Expenses and Income: Our estimated yearly expenses are \$8624, assuming no inflationary impacts on non-discretionary expenses. Our estimated income is \$11,154 if all homeowners pay their dues, the difference being \$2530 for the reserve fund.

Primary recurring budgeted expenses:

- Liability insurance expenses of \$1216.15 per year were paid on January 25th of 2012 with Ranew Insurance Agency.
- Cost of treatment of the retention ponds by Lakes Alive is \$85.00/month or \$1020 per year.
- Maintenance of the common area by Dan's Lawn Service costs \$350.00 per month or \$4200 per year.
- Maintenance of common area grounds and equipment, primarily the sprinkler system near the corner of Croton and Parkway, but also including the lighting, trees and fence surrounding the subdivision. We have budgeted \$260 per year for sprinkler system maintenance and \$1230 per year for pesticide and weed & feed applications by Expert Pest and Lawn Control, at \$205 every two months. A one-time expense of \$181.28 was incurred in Nov. 2012 for new lower energy LED lighting at the entrances.
- FPL electricity bills for the entranceway lighting and for the pump on the common grounds. Budgeted monthly cost is \$35.00, though this figure may be reduced by the recent installation of the low energy LED floodlights at both Terraces entrance signs.
- Florida corporation filing fees are \$61.25, payable prior to a May 1st deadline.
- Administrative expenses for the website (@\$46,99), stamps, envelopes and miscellaneous expenses are projected to total \$117.00.
- A general fund miscellaneous expense allocation of \$100.00.
- A reserve fund allocation of up to \$2530 per year, which may be reduced by the need to cover additional unplanned expenses and/or failure to collect all amounts due to the HOA.

Issues: Two issues exist within the responsibilities of the HOA treasurer worth noting/discussing:

1) During title transfer for homes being bought within The Terraces, title companies request estoppel letters from the HOA treasurer requesting information regarding past-due and future HOA-related expenses to pass on to the new homeowner. In the past, this information has been provided at no cost to the title companies involved. However, Florida statutes permit the charging of administrative fees, and it is recommended that this HOA now charge a minor fee for generation and submittal of estoppel letters.

2) Presently, 48 homeowners out of 51 are current with respect to dues payments. The treasurer would request that the board and the homeowners present permit additional punitive measures be taken to dissuade homeowners from consistently being late on payments to the HOA, such measures being open to debate and allowable within the restraints of the Florida Statutes, Section 720.

The HOA treasurer requests acceptance of this financial report.