

Communiqué

BOD Meeting for October 19, 2022

President's Report: Sally Giar

Pool Party - Sally Giar, thanked Tom Ruddy and Ed Giancola for the excellent Pool-a-Paloosa party for our residents. There were approximately 50 residents in attendance, the weather was perfect, the food from Aqua Alta was outstanding, and the wine was provided by Ed's Fine Wines. A good time was had by all.

Budget - The monthly BOD meeting was basically about our 2023 budget. We, as a board, have made a concerted effort to project our monthly maintenance fees with a minimal increase. Detailed information below.

Irrigation - This year we contracted with Aqua Pro to service the common grounds, both entrances and the area around the pool, and to also check the irrigation heads on each of the resident's properties. A report was provided by Aqua Pro noting that they received only a minimal response from residents. A decision was made to have Aqua Pro service only the common ground areas, the cost will be \$2,400 annually for a bi-monthly service. Aqua Pro will continue to respond and service homeowners if they call with an issue, this will be at the homeowner's expense.

Pool - To avoid a significant increase in pool maintenance cost for 2023, the board decided to convert the pool to a saltwater pool. This will lower the cost for repairs to pool equipment and reduce the frequency of weekly maintenance from 3 times a week to twice a week.

Revised Rules and Regulations - Included is Item 3.7 on rental leases. Also included was a Registration Form for resident leasing. Any further question on leasing and/or the new form, reach out to Kim Hayes at Management & Associates, khayes@mgmt-assoc.com or call (813) 433-2000.

All proposed leases and tenancies must be registered with the Association at least fifteen (15) days in advance of commencement. Registration submissions should include a copy of the written lease agreement as well as submission of a completed registration form, which said form shall be promulgated by the Association from time to time and shall be available upon request from the Association. Failure to complete the registration form and submit same in the time required shall subject the owner and lessee/tenant(s) to possible fines and enforcement action from the Association.

Treasurer's Report: Ed Potter

Operating Account Expense Review

The balance in the operating account as of September 30, 2022, is \$97,255.98 which is \$15,511.73 more than was in last month's net balance of \$81,744.25. However, that includes \$7,162.35 for three checks issued from the operating account to various vendors but uncashed as of the end of September. Operating income for September, at \$39,052.55, is close to the average amount received per month. Monthly expenses for September are \$36,855.67 which is slightly higher than average for monthly expenses and \$2,196.88 less than the monthly income.

Reserve Account Expense Review

The reserve balance as of the end of September is \$464,567.59. The increase in the reserve balance is the result of the \$14,666.67 monthly transfer to the reserves plus miscellaneous interest of \$86.37. Expenses paid from the reserve are \$8,675 which were paid to the Daily Group for house painting (Phase 1).

Variiances

Irrigation repairs for this month are \$960.42 over budget for September. The variance to the repairs, though over budget, will be covered by an underspending in monthly maintenance fees.

Grounds Maintenance General, which is the Millennium expenses, are \$123.58 over budget this month and \$4960.97 over budget year-to-date... The monthly variances are because the contract with Millennium was finalized after the budget was approved. However, it is expected that excess in the Irrigation and Repair and Maintenance budgets will cover the shortfall in the Millennium budget. The other significant variances for the month of September include increases in the price of electricity by TECO and trash pick-up by County Sanitation. The County Sanitation increase is due in large part because of a fuel surcharge. These variances will continue for the rest of this fiscal year.

Projects Review

Operating projects costs for September are \$1,306.25 for irrigation repairs.

The reserve project expenses this month are \$8675 paid to the Daily Group for house painting (Phase 1).

ARB: Rosette Bowsky – No application approved this month.

Manager's Report: Kim Hayes

Collection status report through 09-30-2022 totaled \$1,752.11. One account is in pre-lien status, incurred one small interest charge. The homeowner did receive a late letter, and M&A will reach out to the homeowner. If the collection account was called on through today, there would be a total of \$4,844 outstanding. There are two pre-lien charges, \$70.00 and \$37.00, in interest, one account is 45 days late.

Maintenance: Tom Ruddy

Tom Giar cleaned and replaced the dirty globes at the pool and reset fountain controller at big pond (light was on all night). Tardif repaired low voltage at GFCI at the Woodstream entrance. Tom Ruddy thanked Tom & Sally Giar for their help at the pool party.

Old Business: N/A

New Business: Changes to Budget for 2023

The Reserve Allocation was reduced by \$5000

The reduction was brought about by the decision to reduce the mulch replacement costs by \$7250 because that is what we have experienced in the last two mulch applications. The cost for replacing the cluster mailboxes was eliminated because those costs are borne by the US Postal Service which owns those mailboxes.

Insurance estimates increased by 20%

The 20% increase was in response to conversations with the insurance agents and research of news reports that indicate insurance rates are going to rise significantly because of Hurricane Ian and the destruction it caused.

Legal Fees Reduced by \$1000

The fees were reduced to the spending level of 2022 and no significant legal requirements foreseen for 2023.

Repair and Maintenance – General reduced by \$4000

The budget for this account was reduced by \$000 to the approximate spending level of 2022. Much of the savings have been achieved by the work that has been done on the pond and landscape by volunteers.

Grounds – All Lawn Services – adjusted by \$7500

The adjustment was made so that this budget item agrees with the contract price. The Millennium contract was settled last year after the 2022 budget had been approved.

Grounds – Irrigation Repairs reduced by \$8800

The estimate for 2023 is calculated based on Aqua Pro only doing monthly maintenance on common properties. They will continue to respond to requests for service from homeowners. The estimate for bi-monthly service on common properties is \$2400 annually. Estimates for service work in 2023 were calculated to be \$16,000 which is 75% of the projected service costs for 2022.

Pool Service – General costs remain the same as 2022

This has been highlighted because, to avoid a significant increase (\$600) in pool maintenance costs for 2023, the Board has decided to convert the pool to salt water. That conversion is also expected to lower costs for repairs to pool equipment. The conversion will be done in 2022 at a cost of \$2200.

Utilities – Cable TV increased by 5%

The cable costs have been increased by 5% for 2023 to reflect the increase that was included in the current contract.

Utilities – Street Lights and Refuse Removal

The largest budget account for Street Lights was increased by \$2822 to bring costs in line with what was charged in 2022. The budget account for Refuse Removal was increased by \$1429 to bring it in line with what was charged in 2022.

Summary of Budget Changes for 2023

The costs of goods and services have increased in 2022 and those increases will carry into 2023. In response to those increases we have recommended some changes to contracts and a reduction in services to offset the impact of those changes. The net result of those changes is an increase of \$5.00 per month (1.1%) to the individual assessment or \$445 a month.

Approval for New Investing Procedure - Change in Investment Strategies

In addition to the operating and reserve budget changes, the board is considering recommendations to change our current investment strategies to facilitate the increase in interest income. The proposed changes are within the guidelines for protecting the capital investment of the association, are practiced by other HOA's, and will avail our association of the opportunity to increase interest income without compromising the safety of our capital investment funds.

Our next scheduled BOD meeting will take place Wednesday, November 16, 2022, at 5PM via Zoom.

Mission Statement Cross Creek Homeowner Association's mission is to preserve and enhance our community through effective and efficient management of the association's assets, enforcement of rules and covenants that preserve property values, and support initiatives and capital improvements that benefit the greater good of the community. The board will serve the homeowners by taking a fair, ethical, and objective approach in representing the interest of all homeowners.