

PINEAPPLE PLANTATION POA, Inc.

Board of Directors Meeting – 6:00 PM

Wednesday, July 24, 2024

Location: THIS MEETING WILL BE HELD VIA ZOOM and at
Coastal Property Management Office
10 SE Central Pkwy., Suite 400
Stuart Fl. 34994

AGENDA

IMPORTANT - Coastal Property Management Building Access - A new access code has been implemented for entry into our office building after 5:30 PM. To access the building, please use the keypad located to the right side of the front doors and enter **7070#** to gain entry into the building.

Call to Order:

Roll Call:

Minutes of Previous Meeting: June 26, 2024

Property Report (Ron M & CPM)

Treasurer's Report (Ron M)

Committee Reports:

- ARB (Ron H)
- Safety (Peggie K)
 - – Investigate bus stop pedestrian and vehicle safety
 - – Halloween event
 - – Speeding and stop signs
- Documents (**Tabled**)
- Community Inspections & Violations (**Ron M & CPM**)

Old Business:

- Playground update (Kevin S)

New Business:

- None

Homeowner Forum:

Adjournment:

Next Meeting: Tuesday, August 28, 2024 at 6:00 pm

Zoom Meeting Information for the current Meeting

<https://us02web.zoom.us/j/88599963216?pwd=gMe6JG7XWTaRclH1UsOvMMxSbSFYqg.1>

Meeting ID: 885 9996 3216

Passcode: 519614

Dial by your location: • +1 305 224 1968 US or • +1 929 205 6099 US

**PINEAPPLE PLANTATION POA
BOARD OF DIRECTORS' MEETING**

June 26, 2024 / 6:00 PM

Location: Coastal Property Management Stuart Office & via Zoom

BOARD MEETING MINUTES

Call to Order: President Ron Marcucci called the meeting to order at 6:06 PM.

Quorum: A quorum was established with the following directors: Ron Marcucci, Ron Hearn, Heather LoGalbo, Kevin Sullivan and Greg Timmer. Also in attendance was Hayley Witkowski from Coastal Property Management (CPM).

Proof of Meeting Notice: Ample meeting notice/agenda was provided.

Approval of Meeting Minutes: May 22, 2024

Motion: To approve the minutes of the May 22, 2024, board meeting.

Made by: Ron Marcucci **Seconded by:** Greg Timmer

Motion Passed

Treasurers Report: Ron provided a review of the association's finances (see attached report).

Property Report:

- Homeowners have been reported going through the white line at stop signs, posing safety concerns to pedestrians.
- Deer, cranes and turtles have been hit by cars going too fast in the neighborhood. The board is asking homeowners to slow down and drive safely.
- Landscaping was planted unintentionally by a homeowner on common area land. The association attorney has drafted an agreement to this homeowner. The owner has agreed to pay legal fees and take responsibility for maintenance to keep the landscaping in place.

Motion: For the president to sign the drafted agreement from the attorney on behalf of the board.

Made by: Ron Marcucci **Seconded by:** Kevin Sullivan

Motion Passed

- In preparation for hurricane season, homeowners are asked to start preparing now by picking up loose items around their homes and trimming trees and hedges now.
- Stuart police sent out emails warning homeowners of vehicle theft reported in the area.
- The playground will need another picnic table that is ADA compliant. Park and bus stop benches will also need to be purchased.

Motion: Was made to purchase benches and a picnic table for park and bus stop, cost not to exceed \$6500.

Made by: Ron Marcucci **Seconded by:** Ron Hearn

Motion Passed

Community Inspections & Violations: Board reviewed the list of 7 homeowners who had already received 2 trash violation notices. President Ron recommended sending a 3rd and final notice.

Motion: For CPM to send out a final notice with a 7-day cure period and \$100 daily fine if violation was not corrected.

Made by: Ron Marcucci **Seconded by:** Kevin Sullivan

Motion Passed

Committee Reports:

ARB – Ron Hearn, the chair of the ARB committee reported that last month 14 applications were received, and all were approved with the exception of 1 solar panel application being denied.

Safety – Tabled

Documents – Ron stated that FL legislature laws are constantly changing, and it can be a challenge for boards to keep up with current requirements. The board will need to take 4 hours of training starting July 1st.

Old Business:

Playground Update – Kevin Sullivan reported that the playground permit was approved in early May. Currently, 20 packs of mulch will need to be temporarily relocated so the playground equipment can be set up and the ground will also need to be leveled. The playground will be fenced in and eventually sprinklers will be added once everything is complete. Kevin is optimistic that in mid-July this job will commence.

New Business:

Director's Resignation and Filling of Vacancy – Greg Timmer spoke about his rewarding experience participating as a board member and the importance of volunteering. He encouraged homeowners to become involved. Greg gave his verbal resignation to the board of directors effective June 30th, 2024. The board appointed a successor Margaret Konnick who agreed to step in to take over the vacant position on the board of directors.

Motion: To appoint Margaret Konnick as assistant secretary on the board of directors and chair of the safety committee.

Made by: Ron Marcucci **Seconded by:** Greg Timmer

Motion Passed

Ron Hearn would like more ARB members to join the committee. Kevin Sullivan suggested asking for volunteers to join and having CPM send out an email to the members asking for volunteers.

Owner Forum:

Halloween: Homeowner asked if there was a plan in place for Halloween safety and how the association was going to handle this. The board will send out a community email with safety information closer to this event.

New Facebook Page: Justina Tedesco created a new Facebook page for the community. The board stated they would not be affiliated with this group and the content that is posted.

The next Board meeting will be held on Wednesday, July 24, 2024, at 6:00 PM

Adjournment:

Motion: To adjourn the June 26th board meeting.

Made by: Ron Marcucci **Seconded by:** Greg Timmer

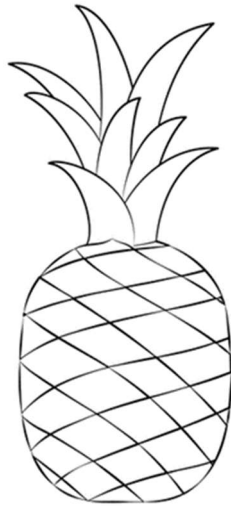
Motion Passed

The meeting was adjourned at 7:22 PM

By: Hayley Witkowski, LCAM

Coastal Property Management

DRAFT



PINEAPPLE PLANTATION POA

July 24, 2024 Board Meeting

TREASURER'S REPORT &

MAY 2024 FINANCIAL STATEMENTS

TREASURER'S REPORT FOR MAY 2024 FINANCIAL STATEMENTS
GIVEN AT THE JULY 24, 2024 BOARD MEETING

MAY 2024 Financial Statements

Balance Sheet Review:

Operating Funds: The balance sheet continues to be strong. The operating cash balance is \$278,860. For additional A/R information see Delinquent Accounts below. Remember, the POA's cash and A/R balance varies based on which month of the quarterly billing cycle we are in. This being the second month of the quarterly cycle, cash, A/R and Unearned Maint. Fees are still high. The cable agreement was signed by Comcast at the end of March; and the \$110,800 payment was received in May 2024. See the discussion on the cable agreement below. Prepaid Expenses relate mainly to two items: (1) the fertilizer, pest and weed control vendor's annual prepaid contract and (2) the annual insurance premiums paid in advance. Owners' equity fund balance (operating surplus) is strong at \$116,887.

Reserve Funds: Most of the reserve cash is invested in CDs with Merrill (\$663,000) making about 4% annually. One \$72,000 CD matured on Feb. 2, 2024 and the POA reinvested the proceeds, \$84,000, into a 9 month CD earning 5.1%. Another, \$81,000 CD matured on March 8, 2024 and the POA reinvested the proceeds, \$85,000, into a 6 month CD earning 5.3%. In 2024, the POA is funding reserves at a rate of \$124,548 per year or \$10,379 monthly. Reserve expenditures YTD are \$32,107 - \$28,677 for deposits on the installation of the playground and \$3,430 for the repair/replacement of the lake aerators. There is \$78,487 of cash that is not invested because these funds are earmarked for the expenditures to complete the playground and make the final payment on the refurbishment of the street/stop signs. See the detail reserve page for more information.

Operating Statement Review:

For the month there was an Operating Surplus of \$203 which was below the Budgeted Surplus of \$2,749 by \$2,546. This difference was caused by the \$3,100 paid in May for the Audit and Tax Returns for the POA. This expense was budgeted back in March. There was a delay in the completion of the work and thus the late payment. Revenues continue to be at Budgeted levels. Expenses are \$3,007 over budget due to the Professional payment noted above. General R&M costs are \$2,212 over budget; however, are on budget YTD. YTD there is an Operating Deficit of \$8,921 which is \$8,159 better than the Budgeted loss of \$17,080. Irrigation expenses are under budget due to the high level of rain early in the year, reducing the need to run the irrigation system and low repair costs. Professional Fees are \$1,847 under budget due to low legal costs. YTD a significant amount of tree and landscape work was completed causing that expense to be \$7,854 over budget. There is \$6,000 of budget remaining in July/August to cover most of this overage.

The new Lake/Preserve Maintenance vendor, SOLitude, is doing a good job working through the preserves and lakes treating the exotics, invasives and the lilies in the lakes. They are currently working in north of the Fetterbush area.

Delinquent Accounts: As of May 30, 2024, the account receivable balance was \$17,033 and the 90 day balance is \$9,785 or 58% of total A/R. Four (4) delinquent accounts make up 88% or \$8,623 of the 90 day balance. Three (3) of the accounts are with the attorney and 2 have liens on their property. One account has agreed to payment plans which will have the account paid by the end of 2024. Collection efforts will continue with the rest of the delinquent accounts. The Treasurer met with the POA's attorney to discuss foreclosure on two (2) of the accounts which total \$6,815 of outstanding A/R. The attorney has started foreclosure proceeding in May 2024.

Collection Process: If Assessment Billing is not paid within 15 days, a late fee of \$25.00 and interest at 18% annual rate will be charged to an owner's account. Once an owner's account is 15 days past due, a Courtesy Notices will be sent as a reminder to the owner to make a payment. If the account becomes 30 days past due, a certified Final Notice will be sent requesting payment and informing the owner his/her account will be turned over to the Attorney if payment is not received. There is a fee of \$114.95 associated with sending this Final Notice that will be charged to the owner's account. At 60 days past due, a certified letter will be sent from the Attorney requesting payment and informing the owner that if payment is not received in 45 days a lien will placed on the home and foreclosure proceeding may start. The first letter from the Attorney currently costs \$175.00 and filing a lien cost \$475.00. Both of these legal fees and any other fees incurred will be charged to the owner's account.

Owners need to keep their account current to avoid the late fees and high Attorney fees. If you get a letter from the POA concerning your account, respond to it. If you are experiencing temporary financial issues give the POA a call, within reason we will work with you. The best way to keep track of your account is to get on Coastal's Portal which allows owners to see their account activity and make payments. And yes, the POA does accept credit cards.

Remember the Annual Assessment is due quarterly – January 1, April 1, July 1, and October 1. The current 2024 quarterly assessment is \$248.00. The Annual Assessment is determined by the annual budget and notice of the new Assessment is provided in December every year.

QUARTERLY STATEMENTS

The POA did not issue Coupon Books for 2024. Instead, each owner will receive a Quarterly Statement of their account showing the amount owed. It is highly recommended for every owner to log on to the Coastal's Portal and establish an account so you can view your balance. If you are not receiving a Quarterly Statement, please contact CPM. Note CPM uses a third-party service provider to create and mail/email the Quarterly Statements because it is more cost effective than doing it in house. Given that, you do have to establish an account with that third party service provider to manage how you want to receive your future statements. The Board is urging all owners to change the statement delivery method from a paper statement which is mailed to an electronic statement which is emailed (paperless). The statement you received contains all the information you need to establish an account in the upper right corner. The website you need to go to is <https://www.estmt.net> and the registration ID is in the right upper corner of the statement. Once you login please select the Statement Delivery option "Please send an eDocument to the email address provided below." You can add additional emails to receive the statement too.

Cable Agreement: The POA's Revenue Sharing agreement with Comcast ended as of December 31, 2023 and Comcast would not renew it. The POA's cable consultant was able to negotiate a 11 year exclusive marketing agreement with Comcast effective February 1, 2024. Under this agreement, the POA will receive a onetime lump sum payment of \$110,800 (\$200 per each of the 554 homes). The cable consultant will get 25% of the Comcast payment or \$27,700. The agreement, easement and other required documents were completed at the end of March. 90 days after all the paperwork is complete Comcast will make the payment. Since the agreement was completed in March a receivable of \$110,800 was booked and a deferred revenue amount of \$110,800 was also recorded. Starting with March a monthly journal entry will be booked to record \$839.39 in cable income and \$209.85 in cable consultant expenses.

Sale of Martin County lot at 2230 NW Windemere Drive:

On September 21, 2023 at 5 pm, Martin County auctioned off the Lot they owned in the Pines. That lot has been the home to a significant number of Gopher Tortoises for about the past 10 years. The developer sold the lot to the County back in May of 2006 which was going to put "wells" on it. Before and after May 2006, the developer used the lot as a construction and landscaping staging area. When the City of Stuart absorbed the Pines and most of Windemere/Reserve, Martin County's "well" plans were stopped. The POA's attorney stated the lot was purchased by an individual, Jeffrey Haertjens, for \$139,000 plus 10% commission of \$13,900 for a total of \$152,900 and closed on Oct. 23, 2023.

The lot backs onto wetlands and has a 10 foot drainage easement along the back property line. POA requirements: signal residential home of at least 1,200 square feet that fits into the look and feel of our community, gopher tortoises must be properly relocated under a Florida Permit, all plans (home and landscaping) must be approved by the Board/ARB, removal of any oaks trees must be approved by the Board and the POA will have to file for a permit from the City of Stuart – all costs to be paid for by the owner, copy of all contractors' insurance certificates (liability, auto and workers comp) and a \$10,000 construction deposit to ensure any and all damage to common property is properly repaired.

The owner has put the lot up for sale on Zillow for \$180,000 in mid-January 2024. Currently, price has been reduced to \$173,900 and owner is giving 2.5% towards closing costs. Recently, the owner had an official wildlife inspection and survey of the tortoises on the lot – approximately 20 tortoises were identified. The cost to relocate a single tortoise is between \$5,000 to \$6,000.

**PINEAPPLE PLANTATION POA
BALANCE SHEET**

May 2024	Current Month Operation	Current Month Reserve	Current Month Total	Prior Month Total	Net Change	
Assets						
Cash	278,860	78,487	357,347	274,882	82,465	
Reserve Investment - Merrill	-	663,000	663,000	663,000	-	[A] POA invested reserve cash into CD's with Merrill. see note below.
Unrealized Gain (Loss)	-	(13,410)	(13,410)	(12,002)	(1,407)	
Investments, Net	-	649,590	649,590	650,998	(1,407)	
Accounts Receivables, Owners	17,033	-	17,033	21,566	(4,533)	[B] A/R balances over 90 days total \$9,785.45 or 58% of total A/R. There are 4 owners that make up \$8,623 or 88% of the 90 day balance and 1 of them is on payment plans.
Allowance for Bad Debts	(6,000)	-	(6,000)	(6,000)	-	
Accounts Receivables, Net	11,033	-	11,033	15,566	(4,533)	
Receivable, Other	-	5,636	5,636	114,831	(109,195)	[C] A/R Other - Prior month, funds owed by Comcast.
Prepaid Expenses	22,331	-	22,331	19,669	2,662	[D] Prepaid expenses consists mainly of annual Insurance premiums and deposits for the pest & fertilizer services and insurance premiums.
Prepaid Consult Fees	-	-	-	-	-	[E] A/P and Accrued Expenses will depend on the timing of invoice receipt, processing and payment.
Total Assets	312,224	733,714	1,045,938	1,075,946	(30,008)	
Liabilities & Equity						
Accounts Payables	-	-	-	-	-	[F] Prepaid Maint. Fees represents future quarterly Maint. Fees that owners have already paid. Balance will fluctuate based on the billing cycle.
Accrued Expenses	15,832	-	15,832	12,108	3,724	
Def. Cable Fees	107,442	-	107,442	109,121	(1,679)	
Prepaid Maint. Fees	26,017	-	26,017	23,655	2,362	[G] For detail of Reserve Fund balances see Reserve Schedule.
Unearned Maint. Fees	46,045	-	46,045	92,091	(46,045)	
Total Liabilities	195,337	-	195,337	236,975	(41,638)	
Equity & Fund Bal.	116,887	733,714	850,601	838,971	11,630	
Total Liabilities & Equity	312,224	733,714	1,045,938	1,075,946	(30,008)	

Reserve Fund Investment: In 2023, the Association invested a significant amount of its replacement funds in to Certificates of Deposit in a brokerage account with Merrill. In accordance to accounting standards, these investments are recorded at market value which requires a monthly adjustment to be made to bring the G/L balance in line with the current market value. This adjustment will be recorded as Unrealized Gain (Loss). Remember this is just a bookkeeping entry unless the POA sells a CD before its maturity date. The certificates of deposit have original maturities of 7 to 48 months and earn interest at annual rates of approximately 3.9-5.3%.

**PINEAPPLE PLANTATION POA
STATEMENT OF OPERATIONS**

<u>This Month Actual</u>	<u>This Month Budget</u>	<u>Fav (unfav) Variance</u>	<u>This Month Prior Year</u>	<u>May 2024</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Fav (unfav) Variance</u>	<u>YTD Prior Year</u>	<u>Budget Total Year</u>
Revenue									
35,666	35,584	82	30,495	Maintenance Fees	178,131	177,920	211	153,645	427,004
1,679	839	840	2,417	Cable Access Fees	10,179	9,318	861	12,083	15,191
197	657	(466)	587	Late Fees, Fines & Other	2,656	3,585	(734)	2,596	11,784
<u>37,542</u>	<u>37,080</u>	<u>456</u>	<u>33,499</u>	Total Revenues	<u>190,966</u>	<u>190,823</u>	<u>338</u>	<u>168,324</u>	<u>453,979</u>
Expenses									
4,236	4,850	614	6,250	Management Services	22,550	24,600	2,050	31,250	58,900
3,695	752	(2,943)	3,249	Professional Fees	7,056	8,903	1,847	12,436	14,871
1,611	1,642	31	969	Insurance	8,055	8,210	155	4,846	19,708
612	330	(282)	117	Supplies, Postage & Website	5,513	5,510	(3)	5,446	11,960
0	0	0	0	Board Projects	1,540	2,000	460	0	13,522
166	442	276	470	Misc. Expenses	524	1,910	1,386	3,316	5,708
2,962	750	(2,212)	258	General R&M	13,610	13,625	15	(1,349)	17,475
2,861	2,993	132	2,850	Street Utilities	14,053	14,965	912	18,325	35,920
5,921	5,921	0	6,009	Landscape Services	51,829	43,975	(7,854)	38,058	101,231
9,354	10,508	1,154	10,227	Irrigation Utilities/R&M	45,735	52,540	6,805	41,841	126,104
5,922	5,843	(79)	782	Lake/Preserve/Stormwater Mgt.	29,371	30,915	1,544	7,414	71,820
0	300	300	456	Security	53	750	697	2,034	2,000
<u>37,338</u>	<u>34,331</u>	<u>(3,007)</u>	<u>31,637</u>	Total Expenses	<u>199,887</u>	<u>207,903</u>	<u>8,016</u>	<u>163,618</u>	<u>479,220</u>
203	2,749	(2,546)	1,862	Operating Contribution (Deficit)	(8,921)	(17,080)	8,159	4,707	(25,241)
0	(2,749)	2,749	0	PY Ops Surplus Used for Shortfall	0	17,080	(17,080)	0	25,241
<u>10,379</u>	<u>10,379</u>	<u>0</u>	<u>6,002</u>	Reserve Fees	<u>51,897</u>	<u>51,895</u>	<u>2</u>	<u>30,011</u>	<u>124,552</u>

Professional Fees include legal, accounting, tax, reserve study, and cable consulting expenditures. The largest being legal.

Landscape Services include mowing, edging, shrubbery & tree trimming, mulch, weed control, pest control, and fertilization.

Irrigation includes the purchase of gray water from Martin County, repairs & maintenance, and electric for the equipment.

The largest item is the gray water which is budgeted at \$69,000 for the year. The irrigation system and piping is getting older and as such, R&M costs have increased. 2024 Irrigation R&M budgeted amount is \$35,000.

Lake/Preserve/Stormwater Mgt.: A new Preserve/Lake Maintenance company started in Sept. 2023 increasing this expense. Before Sept. 2023 there was no expense in 2023.

**PINEAPPLE PLANTATION POA
RESERVE BALANCE ROLL FORWARD**

2024 Annual funding: \$124,552

As of May 2024

	3102 <u>ROADS, CURBS & SIDEWALKS</u>	3105 <u>WALLS, FENCES & GATES</u>	3106 Landscape	3101 <u>INFRASTRU CTURE</u>	3104 <u>WATER SYSTEMS</u>	<u>DRAINAGE</u>	<u>RECREATION</u>	3103 <u>Common Other</u>	Sub-Total	3196, 3197, 3199 <u>Earned & Accrued Interest</u>	3198 <u>Unrealized Gain (loss)</u>	Total
Beg. Bal Jan. 1	223,675	6,904	8,194	20,222	10,000	0	0	402,441	671,436	44,101	(13,353)	702,185
Funding								51,897	51,897	14,874	(57)	66,714
Transfer & Other									0	(3,266)		(3,266)
Exp - Sidewalks & Street/Stop Signs & Aerators				(3,430)				0	(3,430)	188		(3,242)
Expenditure - Playground								(28,677)	(28,677)			(28,677)
Adjustment									0			0
End. Bal	223,675	6,904	8,194	16,792	10,000	0	0	425,661	691,226	55,897	(13,409.60)	733,714
Replacement Costs	4,186,000	80,000	20,000	78,000	195,000	1,049,000	76,000	0	5,684,000 (per 2022 Study)			
Est. Useful life	20 to 55 Yrs.	8 to 30	various	30	10 to 20	60	20	various				
Est. Remaining Life	5 to 32 Yrs.	7	various	7	12	37	20	various				

The Board utilizes a Reserve Study to assist with establishing the Reserve Funding. About every 5 to 7 years, the Board will contract to have a new study to be performed. In between studies, the Board will adjust Reserve Funding based on current trends in construction costs. The 2017 Reserve Study estimated Replacement Costs to be \$1,666,000 and a required Annual Reserve Funding of \$72,000. This Funding was used for 2018 through 2023. Late in 2022, an new Reserve Study was performed which estimated Replacement Costs at \$5,664,000 and an annual Funding level of \$149,000. The \$4,000,000 increase in Replacement Costs is attributed to improved practices by the firm performing the Study and the significant escalation of construction material costs experienced since 2018. The Board discussed the Study with the consultant who performed it and it was determined that some of the \$4 million increase could be avoided. Due to this, the Board established Reserve Funding for 2024 to be \$125,000. This raised the 2024 quarterly Assessment by \$24. The Study also analyzes what the POA's Reserve balance should be based on the estimated useful life and the remaining life. The POA's actual Reserve balance is compared to the estimated value to determine the POA's reserve funded percentage. Industry standards say that the Funded percentage should be at a minimum 30%; however, best practices indicate the percentage should be 50% to 70%. Our POA Funded percentage in 2022 was at about 22%. To achieve a 30% funding percentage additional reserves of \$220,000 would be required. To get to 50% funded, \$800,000 additional reserve funds would be needed. This does not mean that we need to actual generate these additional funds. It is just an indication of the financial strength of the POA to meet its future capital needs.