

# Jacaranda Country Club Villas Condominium Association, Inc.

Board of Directors Meeting September 18, 2023, at 10:00 a.m.  
Via Zoom Teleconference Services

**CALL TO ORDER:** The meeting was called to order by President Joe Claro at 10:00 a.m.

**BOARD MEMBERS PRESENT:**

Joe Claro, President  
Judy Liston, Treasurer  
Katie Derrohn, Secretary

**SUNSTATE MANAGEMENT GROUP STAFF PRESENT:**

David Altiero along with 7 residents via zoom.

**DETERMINATION OF THE QUORUM:**

President Joe Claro determined that a quorum was established.

**PROOF OF NOTICE:** Meeting Notice was posted in advance in accordance with the Association's Bylaws and Florida Statute 718.

**APPROVAL OF THE PREVIOUS MINUTES:** Katie Derrohn **made a motion** to approve the June 26, 2023, Board Meeting Minutes as presented. Judy Liston seconded the motion which passed unanimously.

Katie Derrohn **made a motion** to approve the June 8, 2023, Board Meeting Minutes as presented. Judy Liston seconded the motion which passed unanimously.

Katie Derrohn **made a motion** to approve the May 15, 2023, Board Meeting Minutes as presented. Judy Liston seconded the motion which passed unanimously.

**PRESIDENTS REPORT:** Joe Claro gave a brief report. Highlights include repairing the lamp post and looking for volunteers to help maintain the lights.

**FINANCIAL REPORT:** Judy Liston gave a brief report on the financial. Report Attached.

Judy Liston **made a motion** to move funds into an ICS program with Centennial Bank to ensure all funds are covered by FDIC insurance. Katie Derrohn seconded the motion. Motion passed unanimously.

**CORRESPONDENCE:** NONE

**COMMITTEE REPORTS**

**Irrigation and Buildings** – Nothing to report.

**Grounds** – Joe reported we are getting quotes for sod for areas that are not recovering.

**Compliance Committee:** Nothing to report.

**Welcome Committee:** Nothing to report.

**Insurance:** Nothing to report.

**Pool Areas/Pest Control:** Lee has received quotes to resurface the pool. Interior pest control is

scheduled for November 15, 2023.

**Safety Report:** Nothing to report.

**JWHA #1-** David Prince reported that JWHA#1 is changing management and switching banks.

**ARC Request -** Katie Derrohn **made a motion** to approve the ARC request for 834 and 888.

Judy Liston seconded the motion. Motion passed unanimously.

**UNFINISHED BUSINESS:**

**NEW BUSINESS:**

**RESIDENT COMMENTS/INQUIRIES:**

- The question came up regarding fining and fees. There was a brief discussion following.
- There was a brief discussion regarding the update of the rules and regulations.

**NEXT MEETING:** October 16, 2023,

**ADJOURNMENT:** With no further Association business to discuss, Katie Derrohn **made a motion** to adjourn at 10:35 a.m. Judy Liston seconded the motion which passed unanimously.

Respectfully submitted,

*David Altiero*, LCAM

For the Board of Directors for Jacaranda Country Club Villas

## **JCCV Variance report of August**

To the JCCV Board:

**NOTE: Ignore net income for Jan-Aug since total expense also includes hurricane expenses (accounts 795X.XX) which are funded from the Hurricane S/A, not from dues. This makes net income too low.**

**Ignore the financials for June since Total Income is wrong in June which means Net income is also wrong.** The reason for this is the Insurance s/a had the entire \$57,456 booked in June and a reversing entry to correct that in July. So when this shakes out, corrected Insurance S/A Income will be 0 for Jan-June and \$9576 for Jul-December.

**The variance report for August is:**

1-Legal Fees are **\$3114 vs an annual budget of \$3000**. Detail by month is \$370 in May, \$9 in April, \$1961 in March, and \$775 in January to provide legal advice on the LOC contract.

2-Administrative is \$2143 vs \$2300 budgeted. This includes handouts and postage for several Hurricane & Insurance Special Assessment meetings and the Annual meeting (2 mailings in January and March). Detail by month is \$68 in August, \$350 in July, \$240 in June, \$95 in May, \$101 in April, \$468 in March, \$605 in February, and \$216 in January.

**3-Insurance is \$145,152 YTD which is \$966 under the annual (revised by the Insurance s/a) budget. (\$145,152 YTD expense - \$126,966 YTD budget - \$19152 insurance s/a income YTD = \$966 under (revised) budget. That overage needs to also recover the additional Interest Expense on the Insurance loan which runs about 3% of the loan and that's how it was budgeted as part of the Insurance S/A.**

We budgeted for a 30% increase in June but our policies went up 196% so the Board passed an Insurance S/A due 7/1 and 10/1 of \$399 to pay for this shortage. We expected to be over budget on

insurance in June since the **new policies meant a -\$8887 loss in June because the insurance s/a didn't include collecting that shortage (because June insurance is collected in April 1 dues and this increase wasn't known until early June).**

We expect the the new policies compared to money budgeted for insurance as part of qtrly dues PLUS the insurance s/a to track each other (and partially offset the increase in the Interest Expense on the Insurance Loan) so we would end up the year about \$8221 over budget which is the June policy increase that wasn't included in the insurance S/A, less the fact that our policy is actually with Heritage (The Insurance s/a was calculated using the American Coastal quote June 2023 but at the last minute Heritage came in \$12K lower for the June 2023-June 2024 policy year, so we went with them). Heritage saves us about \$1000/month over the June 2023-June 2024 period. So that is a \$6000 savings in 2023 offset by the expected \$8221 June loss = loss of about \$2221 by eoy.....and then there is the Interest Expense on the Insurance loan.....is the 3% included in the S/A enough?

4-Interest on the Line of credit is \$2435 YTD. By month it is \$103 for June, \$180 for May, \$1285 for April, \$867 for March and 0 for other months. This is budgeted \$17,500 for the year so **this will be a source of around \$15K of funds** as we are keeping the LOC with a zero balance and paying claims directly from the s/a income stream. At the end of the year the board can vote to move the leftover funds to Pool Liner reserves at EOY since the pool liner is underfunded by \$20K so this would enable us to have funds to replace the liner by December 2024 if necessary. (Note this "savings" is included in the net income figures discussed below, it is NOT additive.)

**We paid off \$176,581 of the LOC loan on 4/18/2023 and \$22,352 on 6/5/2023 leaving a balance of zero owed. Remaining claims are paid directly from the Hurricane S/A income stream.**

5-The pool license renewed in May for \$425, budgeted at \$500.

6-Maintenance repairs general is \$1152 YTD vs \$2000 budget. This was \$95 in June for backflow testing, \$117 in May for material to install pavers in front of several mailboxes, -\$103 in April because we moved the \$530 for pool fans in February to be paid from reserves and charged \$427 to this account to replace the secondary retainers for the pool chemical tubs in April. This is required for our Environmental Insurance policy. March was \$399 (fire extinguisher inspection \$285 and \$114 for replacement lamp post lights), \$115 in January to replace electric cells for lamp posts.)

7-Pest control was \$520 in August and in May for quarterly outside treatment, \$504 in March for semi-annual interior treatment and \$530 in February for quarterly outside treatment.. This annualizes to \$3128 vs \$3080 budget.

8-Rodent control is \$44 each month in Jan thru July which is on target..

9-Landscape Replacement supplies is \$0 YTD, budgeted at \$1200. None of the 4-5 new hibiscus Snells planted at the front wall were reimbursed because they never submitted a bill. (\$42 of flowers for the front wall was journaled to hurricane landscape recovery).

10-Common area mulch was \$2016 which is a \$700 increase in what we budgeted, due to the cost of material increasing the past year.

11-Repair lamp poles was \$111 in August and \$57 in July and \$0 in prior months vs an annual budget of \$700. It is \$532 under budget.

**12-Irrigation repair was \$1200 in April ( to replace the clocks at stations 12 & 24), \$305 in January (to repair a 2" line break under pool pavers and \$130 for a smaller break behind 894. This totals \$1505 YTD vs \$2500 budget.**

13-Pool Contract YTD is \$3377 vs \$4600 budget. **We are \$310 over the monthly straight line budget.** This was \$310 in August, \$501 in July (which was \$310 normal monthly plus \$191 to replace a barb fitting in the Symbiont geothermal heater, \$310 in June and May, \$580 in April (\$310 for pool service and **\$270 for black algae treatment**), \$425 in March (\$310 for pool service and \$115 for a new buoy, feeder tubing, and chemical bucket), \$630 in February which included \$290 to replace a breaker in the Symbiont geothermal heater for the pool in October 2022 (but we didn't get the bill until 2/27/23), and \$310 in January for pool service.

14-Pool cabana cleaning is \$1750 YTD vs \$2600 budget.

15-Pool pavers were \$350 in April to reset 10 pavers in February. We have received no bill for the 6 month paver soft wash done in March and another done 9/8/2023 vs \$1000 budget. These will be \$500 each.

16-Water/sewer is \$1053 YTD vs \$1545 annual budget. This was \$240 in August, \$86 in July, 99 in June, \$171 in May, \$105 in April, \$129 in March, \$119 in February, and \$102 in January. On a weekly visit our LCAM noticed the toilet in the ladies restroom was running continuously and that explained the high water bill for August, and was repaired. Accounting noticed the high water bill as it takes a month for it to get to the financials where the board can see it. So kudos to Sunstate's employees on this one.

17-Electricity is \$4985 YTD vs \$5869 annual budget. FPL is taking numerous rate increases based on their cost increases and in July started taking price decreases to reflect the lower cost of natural gas. Detail by month is \$664 in August, \$413 in July, \$475 in June, \$476 in May, \$600 in April, \$727 in March, \$768 in February, and \$859 in January.

18-Interest expense Insurance loan is \$4974 YTD vs \$3810. By month this is \$358/month for Jan-May and \$1061 for June-August due to the higher price of the new insurance policies. This increase is being collected as part of the Insurance S/A for Jul-Dec.

19-Hurricane repair/drywall was \$2600 in January. This was paid out of working capital because the LOC was not yet available. This is budgeted in the Special Assessment \$277K and will be repaid to WC out of the hurricane assessment income stream at EOY.

20-Hurricane Damage-Trees is \$410 in May (\$300 to remove 1 tree and repair another 2/3/2023 and \$110 to rebrace the palm at the front wall which is bent over from the hurricane).

21-Hurricane Debris Removal was \$2000 in February due to late billing of vegetation removal done in November, and \$375 in April This was paid out of working capital because the LOC was not available. This is budgeted in the Hurricane Special Assessment \$277K and will be repaid to working capital out of the assessment income stream at EOY. (The LOC was available 2/22/2023)

22-Landscape Recovery was \$2442 in April for sod (\$42 is for flowers at the front wall) and \$250 in June for removing a damaged palm tree. This totals \$2692 which will be paid out of the hurricane assessment income stream at EOY.

Remaining items either were on target or had no expense.

Reserves balance is \$93,544 including the \$4325 reserves contribution thru Sept 30 minus \$530 to replace pool cabana ceiling fans on 2/7/23 and \$1861 to replace pool shower water heater 5/11/23.

Three owners haven't paid the 7/1/2023 Insurance S/A of \$399, one owner hasn't paid 7/1 dues (\$1123). and one owner hasn't paid the Hurricane S/A that was due 6/1. Two others owe \$244 and \$188 that was due 60-90 days ago.

The Hurricane special assessment collections thru July total \$275,918. (One owner hasn't paid the June 1 payment) We have paid out \$206,774 in claims. This is \$112,545 for the roof contract, \$64,036 to 12 owners for drywall reimbursement, \$12,928 to 2 owners and \$924 to two owners for drywall reimbursement, \$8500 to one owner in May and \$7840 to two owners in June. **There are still 2 units that are in the quote process.** We will repay working capital in September so we have "clean" financials for the budget in October and for the EOY financials (needed for the tax return). This will repay working capital for \$13,910 in 2022 expenses and \$8,077 thru July 2023 for a total of \$21,987. This is for debris removal, palm trees, roof tarps in 2022 and for landscape recovery in 2023.

The board agreed in early April that we should pay down the LOC when we had received enough hurricane assessment income and we ratified that in the May 15 meeting. On 4/17/2023 we paid down the LOC by \$176,581 saving us \$1,214/month at the current interest rate of 8.25%. We paid the remaining \$22,352 balance 6/5/2023 and remaining claims are being paid from the hurricane s/a income stream.

**Net income is \$2069 for January, \$2087 for February, \$1253 for March, -\$654 for April (because we**

spent \$1200 replacing an irrigation clock), \$4377 for May,

**-\$5284 for June (because the new insurance policies kicked in, but we purposely didn't include the June increase in the insurance s/a since June insurance was collected in April 1 dues and the insurance s/a was collected July 1, so we budgeted that as a loss of -\$8887 for June which was lessened because Heritage gave us a \$12K lower quote so that lowered our insurance by \$1K/month June 2023-June 2024),**

**\$1893 for July and \$1415 for August with YTD net income of \$7,156 after backing out hurricane expenses (7950.xx) which will be repaid from the hurricane s/a income stream (not from quarterly dues) and including \$9576/month of income from the insurance s/a in July and August. (The computerized Revenue & Expense report has **incorrect net income because it includes some \$8k+ expenses that are hurricane related (7850.xx accounts) so they will be paid from the Hurricane assessment income stream, not from quarterly dues.**)**

**Keeping the LOC at zero contributes \$9232 to the \$7,156 YTD net income thru August. (\$17,500 budgeted / 12 \* 8 mos = \$11,667 budgeted thru August - \$2435 spent = \$9232.)**

Judy Liston  
Dir Finance & Insurance  
JCCV COA