



Summerfield at Meadow Woods

OCTOBER 2023 NEWSLETTER – SPECIAL EDITION

Message from the Association Regarding Assessment Increase

Dear Homeowners,

It has come to our attention that there is a lot of confusion concerning why the assessments needed to be increased mid-year. We want to address these concerns in a series of articles in this special edition of the newsletter so everyone understands why there is a need for this increase. This first article will concern what the top 5 expenditures are for the community and why they have increased this year. Then we will address each of these expenditures with separate articles and provide additional details regarding the increase in costs. We have also included other articles in this edition of the newsletter addressing more subjects related to the budget and the community.

The top 5 expenditures in your budget are as follows:

Expenditure	2023 Budget	Amount That Will be Spent in 2023	Amount Over Budget in 2023 at Current Spending Rates
Water	\$ 65,000.00	\$ 80,259.98	\$ 15,259.98
Insurance	\$ 64,744.84	\$ 106,856.89	\$ 42,109.05
General Repairs	\$ 60,000.00	\$ 83,392.44	\$ 23,392.44
Loan Repayment	\$ 57,000.00	\$ 57,000.00	\$ 0.00
Landscaping	\$ 52,800.00	\$ 52,800.00	\$ 0.00

As you can see, there are three items with major overages. Two of these are lines that cannot be controlled by the Association or management at all (water and insurance). One line item the Association has some control over (general repairs).

The first one is the water bill. This bill is from Orange County Utilities and, per the County, it will be increasing every year for the next 5 years.

The next line item is the insurance. The insurance industry has seen a dramatic spike in insurance rates, and this is impacting all communities in the state of Florida. Please refer to the article below discussing the increase in insurance rates this year.

The last one is general repairs. This line is used for all repairs except roofing. This includes all of the repairs to the buildings, the plumbing, etc. As you know from the number of times the water was turned off during the course of this year, we have needed to complete a high number of plumbing repairs this year. The last two plumbing repairs totaled about \$3,000 alone. We'll discuss the much higher costs for plumbing, roofing and the other trades in articles detailed below.

Just on these three expenditures (water, insurance, and general repairs), you will be over budget this year by \$80,761.47. If you evaluate this number, this means the Association needed to assess \$43.99 more per unit per month, just to break even. Why are these numbers so overbudget? That is what we will look at in the next series of articles.

Water Bill and Water Usage (Expenditure 1)

The water bills for the Association continue to climb every year. Some of this is due to more usage, and some of it is due to higher rates charged by Orange County Utilities. Let's look at both sides of this problem.

When DWD started managing the Association in 2017, it was only a few years before the pandemic. When the pandemic started many people stayed home due to the quarantine requirements implemented by the government. This created a huge issue with parking and the water usage rates increased as some of the units had more people in them than normal and more people were staying home (thus, using more water).

As the pandemic restrictions eased, many people went back to work or were able to move to their own homes. The reduction of the people helped slightly reduce the usage rates. However, they still remain higher than pre-pandemic levels.

The Association has put articles in the newsletters asking all homeowners and tenants to conserve water and to change out leaking showerheads, faucets and toilet flaps. Each leaking plumbing fixture can add \$50 or more to the bill. With 153 units, that is a lot of potentially bad sinks, toilets and showers which can add to the water bill. If you have a leaky plumbing fixture, please get it repaired immediately.

Please remember that the outside irrigation does not count towards the water bill as the irrigation system is fed by the two wells. The water bill is strictly for the water used in the units and the hose bibs outside. So, if you are washing your car with a hose, then you are using the Association's water and all 153 owners are paying for you to wash your car. That is why no one should wash their cars excessively with the Association's water.

On the other side of the coin is the rate you pay per gallon for the water charged by Orange County Utilities (OCU). Over the years this rate has increased. Also, the rate you pay for the wastewater portion of your bill increased as well. The wastewater portion is the amount OCU charges you for sewage. OCU says if you used 5,000 gallons of water then you put 5,000 gallons of water down the sewer and they charge you accordingly. That is another reason why owners should not wash their cars with the Association's water. You are pouring that water out on the ground and you are paying the water rate. However, you are also paying the wastewater rate.

The wastewater portion of the bill can actually be more than the water portion. And, starting in 2024, OCU has announced that all commercial users of the wastewater system (and Summerfield is considered a commercial account) will have their wastewater rate increased by 10% per year for the next 5 years.

So, let's do some quick calculations on that increase. In 2023 you budgeted \$65,000 for water and sewer; however, Summerfield is on track to use \$80,260 of water in 2023. Half of that bill will increase by 10% next year. Your new water and sewer budget amount will need to be at least \$84,250 for 2024. That is an increase of almost \$20,000 just for the water and sewer bill. The following year in 2025 that budget line will need to be at least \$88,415. In 2026, it will be \$92,850. In 2027 it will be \$97,500 and finally in 2028 it will be \$102,350. That means there is the potential for this one single line item to grow by about \$37,350 over the next five years. That is equal to around \$20.35 per month for each unit. These calculations are preliminary and not set in stone, and they do not include any rate increase to the actual water side of the bill as OCU has not announced any increase for the water as of today.

The Association is looking into ways to mitigate these bills in the future, but in the meantime please make sure all of your plumbing fixtures are in proper working order and please keep your outside water usage to a minimum. This is an increase that you can help control by making sure no water is wasted.

Insurance (Expenditure 2)

The insurance has increased dramatically over the last few years. Although some of the increase we saw this year was anticipated when we completed your 2023 budget last year, the actual magnitude of the increase was not foreseen by the insurance industry. According to insurance industry experts, the factors that led to the historic increases this year are as follows:

The Surfside Condominium Disaster

The loss of this condo building on the Florida coast was an unimaginable tragedy for all the families involved, and resulted in a huge shock to the multi-family property insurance industry. This disaster cost the insurance industry well over one billion dollars, and the insurance industry realized there are thousands of these buildings along the coast of Florida alone that are governed by volunteer Boards who want to keep costs down and not properly fund their Reserves. The State has now corrected this and has mandated that Reserves get fully funded and maintenance is funded for these types of Associations. Once a law of this magnitude is passed for Condominium Associations, it will not be too far in the future when these laws will be passed for Homeowners' Association as well.

Too Many Natural Disasters and Manmade Demands on the Insurance Industry

There were several hurricanes worldwide last year, and two of them hit Florida. There were wildfires that destroyed many areas out west. Across the globe, flooding and earthquakes damaged many places. Also, the roofing crisis in Florida is affecting property insurance rates. The roofing crisis is a prime example of a local, manmade issue. All of the roofs replaced by insurance companies have driven up rates as more and more roofers were getting the assignment of benefits to replace roofs that may not have been damaged at all. All of these disasters worldwide and local manmade issues affect Central Florida through something called the reinsurance market.

Issues with Reinsurance Treaties and the Reinsurance Market

When you buy insurance, these companies are pledging to pay you for any losses you incur. When fire, storms, and any other disaster befalls you, you should be covered and paid by your insurance company. However, when a large area is affected by a hurricane, or like the fire in Maui, an insurance company may have to pay out large sums. How can they afford this? They buy their own insurance called reinsurance.

Huge companies like Berkshire Hathaway, Swiss Re and Munich Re each pledge tens of billions of dollars every year to ensure the primary insurance companies like Progressive and Geico have the funds they need to pay out in the event of a statewide or region wide emergency. These pledges are called reinsurance treaties. They are contracts to provide coverage to other primary insurance carriers in case of excessive losses in the primary insurance carriers' portfolios.

This year these reinsurance companies did not release sufficient funds to cover the entire primary insurance market. Because of this, there was a major imbalance in the insurance system. Due to all of the natural disasters in the past 12 months, the demand on the primary insurance carriers is significant. However, their ability to supply insurance to everyone is now greatly reduced. Basic economic rules state that when you have a large demand for a product, but a small supply of the product, prices increase. As the year went on and the demand grew for insurance, the supply dwindled and the prices increased faster than anyone could anticipate. Since Summerfield's insurance renews in May, right before the start of hurricane season, the demand was significant but the supply had fallen for several reasons. One is the reinsurance treaties that renewed in June were smaller than hoped for, and another is the collapse of several commercial insurers in Florida.

Commercial Insurance is Not Residential Insurance

Homeowners' Associations are not residential entities; they are commercial entities. Unfortunately, they cannot go to the aforementioned companies like Progressive or Geico. A townhome community the size of Summerfield needs \$23,000,000 or more in coverage. Therefore, they go to specialized commercial insurers for this. The insurance brokers we deal with have stated that before the pandemic there were over 30 of these commercial property carriers in Florida. Now there are between 5 to 10.

Some of these companies will only insure new communities, and some will only insure smaller communities with less than \$20,000,000 in total coverage. This leaves only a small fraction of the pre-pandemic number of insurers for all of these communities to buy insurance from. With less competition and a big demand for their products, the prices increased.

Why do you need that much insurance? The values of your homes have increased significantly in the past 7 years. According to several Real Estate valuation companies the average price for a typical Summerfield townhome in August, 2017 was around \$145,000. It now stands at \$302,000. When an asset doubles in value in just 6 years, the cost to insure it goes up as well. Also, with all of the new people moving into Central Florida from all over the world, the costs for building supplies in the local market is very high. This is another factor that the insurance companies take into account when setting a new rate. If it will cost \$10,000 for a new roof now that only cost \$5,000 in 2017, then the insurers need to make sure their rates reflect this fact.

Commercial Insurance Brokers and What They Do

As we stated, the insurance brokers have looked through the market to find us the best deal. Some of the residents asked why we didn't get more quotes. The brokers do that for us. The brokers went to all of the available carriers for the property policy. If we asked another broker to get quotes, they would be going to the same 5-10 carriers and getting the same answers as before. It is like sending two shoppers into the exact same

stores in the mall on the exact same day, tell them to come out with the exact same products, but the second one somehow saved money.

Unfortunately, it isn't like the residential market where you can get quotes from Allstate, State Farm and Farmers, then the next day ask someone else to get quotes from Progressive, Geico and the General. The commercial brokers will ask all carriers, even when they know they probably will get turned down. That way they can show they have approached all the carriers they could. In the commercial market, the brokers go through every carrier available and get all the quotes they can.

Even residential carriers are leaving Florida. AAA and Farmers are just two examples of residential carriers who will no longer write certain policies for the residential market in Florida.

In Conclusion

The insurance industry in Florida is in turmoil due to many factors. Florida accounts for about 8% of the population of the U.S., but about 80% of the litigation for liability claims. Until this year, the roofing industry was allowed to have you assign over your claim to them and they would go after the money from the insurance company. This was one of the factors that caused the price of a roof to double in the past seven to ten years.

Natural disasters all over the world have helped to fuel this crisis. In the past few years, major hurricanes came ashore in Florida, Louisiana, Texas, Hawaii, Mexico, Japan, Taiwan, and the Philippines. Massive fires in Canada, Australia, California, Oregon and Hawaii damaged and destroyed billions of dollars' worth of property. Floods and earthquakes the world over have added to the reinsurance market's worries and have prevented them from issuing all of the supply they used to in the past. These worldwide disasters as well as the ones unique to Florida have driven up the cost of insurance to unprecedented levels. These cost increases unfortunately will not abate next year as the costs for reinsurance have already been released. The costs for reinsurance for the first half of 2024 will have at least a 20% increase for the market.

No one knows when this will all end. However, everyone needs to understand that we are doing everything possible to keep the costs as low as we can. Unfortunately, these costs are being dictated in New York, and overseas in London and other European and Asian cities. We will keep making the brokers get quotes from all carriers and we will ensure that we get the best prices possible.

General repairs (Expenditure 3)

In the past year, the Association has had a long list of repairs that were needed. This list includes plumbing, painting, repairs to the outside of the buildings, trapping animals in attics, etc.

This budget line item was not increased at all during the COVID years in order to keep the assessments from rising too fast. However, the costs for the services required from outside vendors has increased dramatically due to their rising costs. The Association only uses licensed and insured vendors in order to meet the requirements of the Association's insurers and attorneys.

You have 28 buildings and this line item only gives about \$178.50 per building per month for repairs. Broken down per unit, this is just \$30.70 per unit per month for repairs. To change the water shutoff valve in front of a unit is at least \$350, or basically the entire repair budget for the year for that unit. Several of the plumbing repairs are well over \$1,000 due to tree roots clogging sewer pipes and new sewer pipes being installed and rerouted around the trees.

Unfortunately, even with vetting the new vendors and getting multiple vendors to bid on projects, this hasn't kept the repair costs from rising. We have asked 5 new roofers to quote on projects and 4 new plumbers to quote as well. We will talk about the results in other articles below.

Loan Repayment (Expenditure 4)

In March of 2019, the Board decided to take a loan out to improve the community. The loan covered painting the buildings and resealing the parking lots. It also covered the repairs to both wells including completely replacing the south well, replacing the irrigation main for the north well, installing the Envera Security system at the pool, resurfacing the pool, resealing the pool deck, painting and repairing the pool cabana and bathrooms, replacing the pool furniture and many other improvements throughout the community. This loan was for \$250,000 and it was for 5 years. This loan will mature in December of 2024.

As soon as the loan is repaid, the money earmarked for the loans will be used to fund the reserves to help get ready for the next roof replacement. Please remember that the roofs were all replaced right after Charlie in early 2005. Since then, the price for each unit's roof has increased to about \$10,000 per unit. At 153 units this could be at least \$1,530,000 to replace the roofs (not accounting for inflation). The loan repayment money will add \$57,000 to the Reserves every year starting in 2025.

As previously stated, the roofs were replaced in 2005. The roofs have an approximate life span of 30 years. That means the Association will need to start the replacements in 2035. If you put \$57,000 into the Roofing Reserves from 2025 to 2035 you will have at least 11 calendar years to start saving up this money for this project.

So, it is a timely thing that you had the loan to repair the community assets in 2019, and to start collecting the funds needed for future improvements as well. The Board has planned to the best of their abilities to ensure the money will be there to replace this very valuable asset when the time comes.

Landscaping (Expenditure 5)

Prior to the mid-year increase to \$275 per month, the assessment was \$260 for 2023. When DWD took over the management of the Association in 2017, your assessments were \$220 per month (in the inflation article you'll see below, Summerfield has not even kept up with inflation since 2017). That translates into only \$55 in increases in 6 years. In 2018, the budget line for landscaping was actually reduced and since then this budget line has only received two small increases. However, these two increases did not even bring the landscaping budget back up to the 2017 levels.

From the first article in the newsletter, you can see landscaping barely makes the top 5 expenditures for the Association. We hear that the landscaping should be better for all of the money that is paid to landscaping. We hear all the time from residents that, "we pay \$275 a month for landscaping." At \$52,800 per year (\$4,400 per month), you pay \$28.75 of the \$275 a month to landscaping (just 10.5% of the \$275). That breaks down to \$6.64 per week per unit. For less than \$7 per week per unit you are getting your entire community's landscaping maintained. That means only a tiny fraction of the \$275 goes to landscaping, and the amount paid is well below market rate for a community this size.

The old landscapers in 2017 had a monthly budget of \$4,800. This amount was decreased to \$3,600 in 2018. The budget number was then increased twice, once to \$4,000 then again to \$4,400. However, this is still a decrease of \$400 per month when compared to the rate paid to the old landscaper from 6 years ago. According to the U.S. Bureau of Labor's Inflation Calculator based on the Consumer Price Index (which is the official U.S.

measurement of inflation), \$4,800 in 2017 has the same purchasing power as \$6,068.73. In other words, the going rate for the landscaping just adjusted for inflation should be much higher than it is now, not \$400 lower.

No one can maintain the landscaping in Summerfield for \$4,400 per month anymore. A community right up the road from you, 20 years newer (meaning it has less mature, smaller landscaping), and about 35% larger than Summerfield pays well over double per month for their landscaping. So for 35% more property to maintain than Summerfield (but less bushes to trim and maintain), the landscaping company gets over twice the pay that is paid at Summerfield.

There is another community in Meadow Woods that is $\frac{1}{3}$ rd the size of Summerfield, 15 years newer than Summerfield, yet pays $\frac{1}{2}$ of what you pay for landscaping. That means the landscaping company maintains an area 33% the size of Summerfield, yet makes 50% of the money that Summerfield pays. In other words, both of these communities (no matter their size) pay just under or over twice the amount per unit to maintain their landscaping. These higher rates are in line with the rest of Central Florida. Summerfield's rate is not.

For the rate the Association pays, your community pays for 5 landscapers to do the job for 6 hours. If left alone, they should be able to complete the schedule. The crew states that occasionally they are pulled from the job to do other tasks given, or to listen to the residents tell them about non-Association landscaping issues. They are asked to maintain areas planted by current/former owners that are to be maintained by the owners. These areas will not be maintained by the landscaper until the owners' plants are removed and the areas are returned to Association standards. Unfortunately, these interruptions limit the crew's ability to complete the tasks for the week and to keep to the schedule.

Also, in this market it is sometimes difficult to keep a full crew as other landscaping companies are willing to pay \$1 or more per hour over the current pay, and our experienced people leave. This means we backfill the position with less experienced personnel who also have less experience on the property, and this slows the crew down.

Here is another very important point - there is a significant decline in the number of people willing to do this job. With the new laws restricting non-documented workers in Florida, there are less laborers for all industries in Florida. Employees are leaving landscaping to go to other higher paying jobs. Construction pays \$5+ per hour more than landscaping, and with all of the construction openings due to these new laws, these people will go into those trades over landscaping.

We see this with all of the other landscaping companies that we hire for other communities. They have significant issues finding people unless they pay near \$18 - \$20 per hour for a position that was \$12 per hour in 2018. Is it worth \$18 - \$20 per hour? Yes, it is. As a customer of this service, you need to be aware that this will impact the costs you have to pay to have this service.

Next, June and July were the two hottest months on record this year. The heat was brutal and the personnel paid the price. The landscapers were hampered by the heat constantly this summer.

Unfortunately, due to the increased prices/costs of all the vendors (roofers, plumbers, electricians, landscapers, water, sewer, electricity, etc.) assessments will be going up next year and for the next few years. In the inflation article the details are outlined why this must happen.

However, it needs to be stated here that the landscaper is basically receiving even lower pay since 2017, yet their labor has gone from \$12 to \$18-\$20 per hour. Due to parts shortages, the prices on the equipment have also gone up 50%. The landscaper's insurance has gone up 75% - 100% (commercial auto, work comp,

general liability, equipment/property coverage, etc.) The disposable parts for their equipment (blades, string, oil, hydraulic fluid, filters, etc.) have all doubled in price. At one point the price for herbicide had almost tripled from \$75 for a 4-pound jug to \$210 last year for the same jug, but is now down to \$190 for that same 4-pound jug.

Your current landscaper had to leave a few other communities lately as they weren't making any profit. These other communities have seen horrendous price increases incurred by the new landscaping vendors. If those increases are any indication of what you can expect, then if you change landscapers in 2024/2025 you will probably be paying around \$6,500 per month for landscaping. Please remember that your current rate for 2023 is \$4,400. If this were to happen it would be an increase of \$13.75 per month for the landscaping in your assessments. Please remember from the first article that landscaping wasn't a budget issue, so this \$13.75 would be in addition to the \$43.99 needed for those other line items.

So, if the community wants a new landscaper, this landscaper will be a fully insured, licensed company with many years of verifiable commercial experience. These companies are all charging significantly more for their services than the current landscaper. ***The budget will not sustain what could be a \$2,100 more per month for 2024 due to the 15% cap on assessment hikes year-to-year.*** However, the probability of this happening in 2025 increases as the current landscaper's services are required at other Associations and commercial properties throughout Central Florida.

Inflation, Assessments and Vendor Costs

There are many people going through the neighborhood asking why the dues have increased so much lately. The answer is inflation and insurance. When DWD took over management of Summerfield in 2017, the assessments had been set by the previous manager at \$220 per month. According to the U.S. Bureau of Labor's Inflation Calculator based on the Consumer Price Index (which is the official U.S. measurement of inflation), \$220 in 2017 is the same as \$278.15 today. ***So, even with the mid-year increase to \$275.00 per month, the assessments have not even kept up with inflation for the past 6 years.***

In addition, all of the vendors that are called into the Association to provide a service have raised their prices dramatically. Your old plumber kept your prices low due to the fact that he had been there for years. With all of his onsite experience he was able to do the repairs quickly and get in and out of the community fast. This kept his costs down and he charged accordingly. This plumber semi-retired last year and moved to Lakeland. He does not cover Kissimmee and Orlando anymore.

Unfortunately, the new plumbers are double the rate of the old plumber. They aren't as fast either. The bills are much larger because of this. We have tested several plumbers to see if they were worth what they charged. All of them so far were good, and the repairs were completed. However, as you know one day the water was off for several hours longer than normal. This is the reason why. We have called over 20 plumbers and only a few have responded for whatever reason. These plumbers are all being tested (not just at Summerfield, but at all of our communities) to see if someone will rise above the rest. We have a few promising leads, but nothing that is finalized at this point.

Roofers are almost the same story as the plumbers. The previous roofer retired and moved back to his old hometown. We have contacted several new roofers. All have been good, but their prices have risen as well. A \$450 repair in 2018 is now \$850.

Labor rates have gone up for all of these trades. Since we make sure all vendors have commercial auto, work comp and general liability insurance, we know the prices for all of these insurances have gone up as well for your

vendors. Prices for all of the goods and materials used by these trades have gone up as well. Just so we are all aware, wholesale prices went up just as much, if not more than consumer prices the past few years.

Orange County Utilities (OCU) has announced that they will raise all wastewater fees by 5% every year for the next few years as well. Over half of the water bill every month is for wastewater. All other utilities, such as cable and electric are all increasing as well.

That is why it is imperative to understand that \$275 in 2023 doesn't even buy the same amount of goods and services as the \$220 did in 2017. However, the community is 6 years older and insurance costs have skyrocketed. The Association does not buy from some magical HOA store where inflation doesn't exist.

Here is an analogy. Say you have \$1,000 to spend every month. Your rent is \$500, your utilities, food, etc., are \$300 per month and your insurance is \$150. Everything is in balance and you have \$50 per month to save. Now, all of a sudden, your insurance goes to \$400 a month. How do you cover this massive increase in insurance? Even if you could cut out all utilities there isn't enough money in the budget. You could use some of your savings at first, but that isn't a permanent solution. In reality you can't stop eating or paying the water and electric bill. Your only choice is you have to make more money to cover the increased expense. How does an Association do this? They have to raise the assessments. It is the only way to get more revenue in an Association like Summerfield.

There is no other way to do this. Some of the people are walking around promising a fix to the, "problems," of Summerfield. These problems are universal. For the past few years every community is facing these exact same issues.

Please know that only one owner has recently come into the office to review the finances of the Association. Therefore, the vast majority of owners have not looked over the bills or financials to see where the money is spent. They do not know how many water leaks were fixed by the plumbers or how much the plumbers charged. They don't know how many roofs were repaired and how much each repair cost over the past four years. They don't know how large the water bill is and how much it has increased over the past four years. They haven't looked over the past four years of bills to see how pool chemicals have doubled in prices. They don't know the number of times any of the pool pumps were replaced in the past 4 years or the costs to do this. They couldn't tell you how much it costs to replace the lake fountain pump or the lights (or the cost of the quarterly maintenance plan). They couldn't tell you how much it costs to replace a well that has collapsed or how much it cost to resurface the pool or replace hundreds of feet of irrigation main. They don't know the costs to reseal or resurface a parking area. However, they seem to know how to lower costs when they don't even know the costs.

If you believe you have a solution to these issues within the community, please schedule an appointment with our office so you can review these costs and have a better understanding of the financial situation of the Association.

Community Improvements in 2019

In 2019, there were many projects completed in Summerfield. The Association completed a long and expensive list of projects. These projects were planned right after the 2018 Budget Meeting, and completed throughout 2019. The list of projects included, but was not limited to the following:

- 1) Painting the buildings
- 2) Resurfacing the pool
- 3) Resealing the pool deck
- 4) Refurbishing the cabana bathrooms
- 5) New Pool Furniture
- 6) Asphalt repairs and sealcoating of the parking lot
- 7) Replacing the south irrigation well. The south well water supply finally collapsed from non-use and had to be redrilled in 2019.
- 8) Replacing the entire north well irrigation main and well repair. Your entire north well and irrigation system had not worked for years due to your irrigation main being placed on Linden on the Greenway's property. It was removed after the developer for that property asked the previous manager to do something about it and it was never done. So, Linden's developers dug up the entire north well's main and disconnected it from the system. Hundreds of feet of pipe had to be replaced.

The Association actively planned these improvements for several months, and diligently completed them in a timely manner.

These projects required a large rebalancing of the budget in order to accomplish these improvements. The old 2018 budget had \$46,000 for security and \$8,640 for a rented office that was not used. It also included \$1,500 for phones and fax. Since you do not have a gate, I do not know what that line item was used for at Summerfield. Some people stated that it was used to pay for the old manager's cell phone.

Another issue we discovered with the 2018 budget and all prior budgets was a lack of a line for all of the tree trimming that was supposedly done in Summerfield. How did the Association pay for these services, and what line item did they use on the budget to justify these costs?

However, all of the pictures we have from 2017 and 2018 clearly show that most of the year the grass had dead spots and things were not always trimmed. Also, as the Landscaping article states, the landscaper was paid \$4,800 in 2017, which is equivalent to \$6,068.73 in 2023 when adjusted for inflation. Your current pay for the landscapers in 2023 is \$4,400.

So, we will place on the portal and the website pictures from 2018 before your current landscaper took over the maintenance, when your buildings were still Pepto Bismol pink, the trees were not trimmed, the grass was dead from no irrigation, the roads were not resealed, the parking lots were a mess, the pool area was a mess with the old PVC furniture, etc. That way we can all come to a conclusion which looks better - the pictures based on the recollections about the good ole' days of 2018, or the reality of now in 2023.

Also, if anyone wants to come to the office to inspect all of these pictures from 2017 and 2018 when the old landscaper was at Summerfield, and before the parking lots, cabana, buildings, etc., were refurbished please let us know. These pictures and all other records of the Association are open for owners to examine during normal business hours with an appointment. Here is a sample of what you'll find on the Portal.

2017



13551 Summerton – 06-30-2017 - Dead spot in grass, grass not mowed, bushes not trimmed



13242 Summerton – 12-06-2017 – Trees not trimmed and bushes not trimmed

2018



13426 Summerton 05-31-2018 Dead Spots in Grass



13454 Summerton 05-31-2018 Grass in Mulch



13113 Summerton 05-31-18 Dead Spots in Grass



13415 Summerton 05-31-18 Palm/oak trees not trimmed



13351 Summerton 10-24-18 Palm trees not trimmed



13359 Summerton 10-24-18 Oak tree not trimmed

The Budget

Our employees have heard many times that the residents believe they pay the \$275 to the management company and we are just keeping all of the money.

First, you pay the money to your Association. That is to the Summerfield at Meadow Woods Homeowners' Association. That has been, is and always will be your Association no matter who manages the community. You pay your assessments monthly according to a budget that your Board of Directors has approved at a duly called meeting for that purpose. This is a meeting that is noticed and is open for all owners to attend.

The management company receives the money for the management of the community. We have also in the past done handyman work in your community as needed. We have also removed the bulk trash items in the past, and will continue to do so when funds are available. The management company also is affiliated with the landscaping company. So, to add up all of the money paid to the management for the services they provide is about 30% of the budget. That 30% is for the majority of the work you see done in Summerfield.

You know the top 5 budgeted expenses, as we showed them to you in a prior article. You still have money going to Reserves, to Envera at the pool, water at the pool area, electricity for the street lights, plumbing and roof repairs, and many other things that make up the other 70% that does not go to the management or landscaping companies.

In order to see what you pay for with your assessments, your budget has been and is available on the community website. It is also now available on the community portal. You have had access to this information. So, to say that all of the money is going to management and we are just keeping all of the money is not true, and these rumors need to cease. The financials of the Association are also open for owners to look at as long as you make an appointment with our office.

If you have any questions concerning these issues, please contact the office.