<u>OAKS OF LAKE CITY HOMEOWNERS' ASSOCIATION, INC.</u>

211 SW Theodore O'Connor Cir., Lake City, FL 32024
Arena Viewing Room

Tuesday, July 8, 2025 at 6:30 p.m.

Regular Meeting

BOD Members Present:
Lance Drawdy, Rex Mitchell, Bill Dalton, and Theresa (Teri) Patterson

Proper Notice for the HOA BOD Regular Monthly Meeting:
The 2025 monthly scheduled meeting dates, times, and locations of the HOA BOD are posted on the members-only Oaks of Lake City Homeowner's Association, Inc. website. On June 5, 2025, the regular meeting date, time, and location notice were posted in a conspicuous place attached to the front building. The agenda was posted on the members-only HOA website on June 27, 2025. Lance shared the agenda with information to attend via zoom by email and by way of posting on Band.

I. **Call to Order:** Lance Drawdy called the meeting to order at 6:31 p.m.

II. **Secretary's Report**:
Teri emailed the draft of the June 3, 2025, regular meeting minutes to Board members on June 23, 2025. No edits were suggested. Teri emailed the draft of the June 23, 2025, emergency meeting minutes to Board members on July 7, 2025. No edits were suggested.
- **Lance motioned to approve the minutes as presented, and Bill seconded. The motion carried unanimously.**

III. **Treasure's Report**:
Teri prepared the established monthly treasurer reports and spreadsheets. The mid-month reports were emailed to each HOA BOD member for review on June 16th, and the month-end reports were emailed on July 3rd. Teri provided photocopies of the five bank account statements to the HOA BOD members in attendance.

The Profit and Loss by Month shows Bank Balance as of June 30, 2025:

First Federal – HOA	$38,338.49
First Federal – Prudent Reserve	$10,548.78
First Federal - Eques Ctr	$3,575.19
Special Assessment	$2,747.80
Total Bank Assets	**$55,210.26**

Reports are available on the HOA website.
- **Rex made a motion to accept the reports, and Bill seconded. The motion carried unanimously.**

Teri later added information about the use of debit cards. Since Tom has been removed from the accounts, it has been revealed which expenses are set up for auto-pay using a debit card. AT&T, Intuit QuickBooks monthly fees, and new costs, Intuit QuickBooks payroll tax, and Biberk National Liability Insurance for the Work Comp policy. SunBiz FL Corporations require the use of a debit card for immediate processing when renewing or making changes to our account.

• **Teri made a motion to approve the use of the debit card from the Oaks of Lake City Homeowners Association, Inc. bank account ending in 0698 and the debit card from the Oaks Equestrian Center, LLC. bank account ending in 0557 for these expenses with AT&T, Intuit QuickBooks monthly fees and payroll taxes, Biberk National Liability Ins., and Sunbiz. Lance seconded the motion. The motion carried unanimously.**

IV. **Business**:

1. Barn Expenses – Oaks Equestrian Center, LLC

Teri presented a short six-month financial review of the Oaks Equestrian Center, LLC.

For those unaware, last fall, when Yvonne with KYB Dressage decided not to renew their $42,000 annual lease at the Oaks Equestrian Center, our community formed a ***volunteer barn committee*** *to manage the facility through self-management, overseen by the HOA Board of Directors. Their efforts prevented a period of financial void. Last year's Board of Directors approved this as a 6-month trial, which the current Board of Directors has extended.*

This equates to a new business start-up with all the challenges that come with it. Our prior treasurer, Tom, faced the task of creating the 2025 Oaks Equestrian Center's annual budget, based on many unknowns. The estimated income from boarders for the first six months was projected at $5,000 per month, totaling $30,000 for the six months. They have exceeded this amount. The income they produced from January through June was $40,680.01. This is income generated by the management of the Oaks Equestrian Center, not HOA dues or assessments.

The approved Short-Term plan for the Equestrian Center stated, 'We do not have staffing.' There is a young lady who is willing to trade labor for the ability to stay in the cottage. She will work 20 hours per week, will be provided a list of jobs, and will be supervised by committee members.-End Quote.

As most of you are aware, it was determined that Sarah Johnson is an employee. Payroll-related taxes and expenses were not included in the budget. Our accounting firm, Odom Moses, helped set up her payroll. They stated that to pay Sarah and have the necessary payroll taxes withheld (SS/MC), her monthly pay would have to be $1,461.83 to deduct the required rent/board of $1,350.00. This would end up being a zero-net check to her. There would also be no federal withholding on this pay. The total annual salary would be $17,541.96 for her. For those who question her hourly wage, this equates to around $16.87 per hour. This cost the Oaks Equestrian Center an additional $1,572.96 in employer taxes annually. We also purchased Workers' Compensation insurance for $353.00 per year. The down payment was $35.30, and the 10 Monthly Payments are $31.77 each.

The OEC volunteer barn committee had to purchase equipment to perform their volunteer duties. The two HOA board-approved equipment rent-to-own monthly *payments for the 2018 New Holland Tractor with loader and 2025 Bighorn UTV Explorer were not included in the budget.*

Each month during the regular HOA Board of Directors meetings, Silja and Darren Knoll representing the volunteer barn committee reports the numerous items they have been able to repair. The number of volunteer hours spent by the volunteer barn committee members is incredible, impressive, and greatly appreciated. Silja provided an estimated list of volunteer hours spent from December to May by 18 people to be around 1,820 hours. What they have achieved would not have been possible without their volunteer labor and the hours they devoted to providing free services.

The renewal of the Oaks Equestrian Center's insurance policy with Great American Assurance Company was issued at $23,507 per year, which was $1,507 more than the prior year. Their income is paying this required expense.

The prior roof damage to the main barn and the cost of repairing the roof of the round pen were unknown and were not included in the budget. Thankfully, the Oaks Equestrian Center was able to cover the $7,500 repair cost with the income they generated.

The recent unexpected expense to replacement of the AC unit at the cottage was approved to be paid with funds from the reserve account. The Oaks Equestrian Center will reimburse the $5,970 expense by paying $1,000 each month to the reserve account until it is reimbursed in full.

Again, the income generated by the volunteer barn committee on behalf of the Oaks Equestrian Center from January through June was $40,680.01. This is income generated by the management of the Oaks Equestrian Center, not HOA assessments. Their available income for maintenance, needed repairs, and improvements has been spent on the facility. Their paid expenses from January through June were nearly equal to their income, at $39,839.18, which includes both budgeted and non-budgeted expenses.

In my opinion, they appear to be on a financially successful path. Their care of the facility and desire to help the Oaks Equestrian Center prosper and be well-maintained certainly helps to ensure our neighborhood's property values.

Several attendees then expressed their thanks to the barn committee members. One asked if they thought they would continue along the path they are on, and Silja replied, "Yes." Another attendee asked about the AC repair, and Lance responded with information about the recent Emergency Meeting that addressed this issue.

2. Dog Park
Lance provided an update that the survey is complete, and the next step is to apply to the Columbia County Building and Zoning Department and then go before the Board of County Commissioners to get approval for the replat for it to be parceled out. The $1,000 application fee was not included in the previously approved survey cost. We need a motion to approve paying the application fee. Lance stated that the sale of the property will eventually cover these costs.

• **Lance made a motion to approve paying $1,000 application fee, and Bill seconded. The motion carried unanimously.**

3. Website Update
Lance said he did not have any updated information yet, and he hopes to have an update on our current status and what is needed to move forward by next month.

4. Special Assessment
The remaining Special Assessment funds will be used for HOA fence repairs as approved. Lance mentioned, as he had the month before, that a person driving a vehicle was involved in an auto accident, hitting and damaging a portion of an HOA fence. Lance has been in contact with the claims department of the auto insurance company insuring the at-fault driver. Lance has provided the insurance company with all that they requested. The auto insurance company should pay the claim soon. Lance hopes that the person who provided a quote to repair the damage to the fence caused by that accident will provide a quote for repairs covered by the Special Assessment, which is why we are waiting to move forward.

5. Officially accept BOD member Glenda (Kit) Fortiner's resignation from the board and appoint her replacement.
Lance stated that Glenda Fortiner was elected to the Board, as everyone knows. Initially, she took a medical leave of absence and thought she would eventually rejoin the Board. This is not the case, so she has officially resigned her position on the Board. We need to appoint her replacement. Lance added that he thought Silja Knoll would be a good person to join the Board to fill out the now-open term.
• **Lance then made a motion to accept Glenda Fortiner's resignation. Bill seconded. The motion carried unanimously.**

Bill then asked those in attendance if there were any volunteers to accept the appointment, and Lance asked if there was anyone interested. No one in attendance spoke up with interest. Lance then asked Silja Knoll if she was interested, and she replied yes, she would accept the position.
• Lance then made a motion to appoint Silja Knoll to fill the vacancy for the remainder of that term. Bill seconded the motion. The motion carried unanimously.

Beth Barrett attended the meeting via Zoom and expressed concern about a potential conflict of interest arising from someone serving on the Board who also manages the facility, due to an issue years ago. Lance said he does not foresee this being an issue. Beth said her objection had nothing to do with her personally, then added that she thought she had heard someone say a committee was running the barn, not an individual person, and maybe that was the difference. Beth said that she now understood. Lance added, Yes, that is one of the differences. The other is that she will be a member at large on the Board, not the president, and she will not be the treasurer. Beth finished by saying she now understood.

Lance then invited Silja Knoll to join the board at their table.

V. **Committees**:
Barn Committee - Oaks Equestrian Center LLC

Review, discuss, and vote on the OEC Barn Committee's Proposal to amend the current Trailer Storage Situation at the Oaks Equestrian Center (proposal to charge a fee). The proposal was posted with the agenda for community review.

Lance then stated that next on the agenda is the discussion of the idea of the Oaks Equestrian Center charging for trailer storage at the Oaks Equestrian Center. This idea had been discussed during the past two BOD meetings, and we know there are differing opinions on this. He then reopened it among the board and community members for discussion.

Bill asked if there were any additional areas available for trailer storage. A conversation ensued, noting that this had been explored before, and they were unaware of a viable option. Silja added her thought on this is that we are an equestrian facility, not a storage facility. Lance said that the BOD has given the volunteer barn committee the authority to run this as an equestrian business, as they see fit, with oversight from the BOD. The objective of the proposal is to generate additional income to support the facility.

Questions were asked about the number of parking spaces available and what would happen if they are full, and a resident requests storage parking. Silja stated they would be put on a waiting list. Someone inquired about the number of equestrian lot owners versus non-equestrian lot owners. There was a question about whether a resident pays the same amount to board a horse as a non-resident. Does the rate differ? Silja said they pay the same amount; however, residents get priority. A discussion took place regarding the enforcement of the covenant rules regarding trailer parking at the homeowners' lots. Does the proposal change the enforcement? Lance stated that the Oaks Equestrian Center's proposal to charge a fee does not impact the HOA covenant rules or the enforcement of those rules.

Alice Kay was in attendance and stated that when a proposed parking fee was suggested in the past, she thought the prior board believed that enforcement of homeowner storage rules would be easier if there were an option for people to park their trailers on the OEC property. She said she's not opposed to charging a $300 fee. Could this be paid monthly instead of in one payment? Silja said that could be an extra burden to the treasurer. Teri said this would be billed by the Oaks Equestrian Center, LLC, not the HOA.

Silja added that the barn has to meet its expenses, and we have a backlog of five to seven years of maintenance issues that we are trying to address. We've raised $40,000 and spent $39,000. There's more money that needs to be paid. The volunteer hours that Teri mentioned stopped in May. It's already July, you can easily add a couple of 100 more volunteer hours to that. We're doing our part. We need to find more income sources. We can't rely solely on the same dozen or so horse boarders who are already paying our income, so we are casting a net a little wider, trying to find another source of income. That is the motivation behind this. Yes, we were all promised other things when we moved here. Some were promised trailer storage, some an equestrian center, and some a supportive neighborhood of equestrian friends and neighbors. Some were promised a whole other subdivision, exactly double the size. We are all having to adapt to the changes we are living in, and this is still a beautiful place. So we are all trying to figure out how to make it work.

So the fact that people have had the opportunity to store trailers for five plus years, and it's worked, great. Be thankful for that opportunity. But things change. Building codes change, building code laws change, taxes change, things change. This is really a pretty small change that we are asking for in the grand scheme.

Someone asked if there is no HOA rule requiring payment of the fee, how will it be enforced? Lance replied that it is Oaks Equestrian Center's private property, so they could enforce it how they see fit.

Donna raised her hand with a question. Donna said she knows the goal is to raise money, and I have heard many people say they will take their trailers somewhere else. The goal is to raise these funds. If you lose half the people parking here, do you have people already lined up to take their spot and pay the fee? Silja said no one has reached out to her to be on a waiting list. Someone asked, 'Where else are you going to park a big RV for $25 per month? '

A discussion then took place about the number of people who have multiple trailers stored there. They said they think it's Cully, Frazier, and Dimarco. Lance introduced the idea of grandfathering in people who have multiple trailers, allowing them to pay one fee instead of a separate fee for each trailer. This would not apply to anyone in the future, but only to those already using the facility for multiple trailers. Tom Green, speaking via Zoom, stated that the proposal indicated the fee proposed is per space and that it could cause all kinds of problems if it were not per space. Lance said yes, that was the proposal, and this is what we are discussing: the possibility of grandfathering in if they already had multiple trailers here. Isaiah spoke up and said Do not let the drama be about him. Rex stated he thought grandfathering was the right thing. Then a conversation ensued, initiated by Silja, about possibly keeping the per-spot fee but lowering the cost. Because she thought giving a multi-spot discount did not make sense. Silja compared the potential issue to ongoing HOA issues. Rex stated that he sees the difference as this grandfathering would only apply now to those with more than one trailer stored there, as of now, anyone who is currently there is already in place. This applies to those three people; if they leave, the grandfathering ends. If someone else brings in a trailer, the grandfathering would not apply. Tom Green via Zoom said that it is a concession that brings in a different character. First of all, it needs to be fair to everyone. Lance replied that he had heard him, and as a board, we want to run the place in the best way possible, with consideration for being good neighbors and good stewards of what we have. Lance added that he totally gets where Tom is coming from; in Lance's opinion, this is a good way to meet in the middle of what the barn committee is trying to do.

Silja asked Isiah how many trailer storage spots he currently has. Isiah added that if trailer spots are an issue, please do not put him in the crosshairs. He is happy to sort something else out for his trailers. Do not create headaches for you all based on him. The discussion continued regarding the number of spots he is currently using. Isaiah said again, 'Don't make concessions,' just based on his reaction to the proposed fee. Do what's best for your board and other residents.

Teri asked if it would make sense to have the fee voluntary for the first year as a donation, then make it required in the future. The reply was no.

Someone asked if people would have a certain amount of time to pay it. Silja replied absolutely. Then a discussion ensued as to when the fee takes effect: September 1st or later? Rex said he thought most residents would appreciate it being on the same schedule as HOA dues, which are due on January 1st. Lance added that it might also be easier due to the annual budget. Silja suggested making it effective on January 1st.

Bill then suggested summarizing what had been decided versus the proposal. Teri replied that the proposal, as written, should include two changes: grandfathering in multi-trailers to pay only for the one spot fee $300, which applies to Frazier, Dimarco, and Cully. The proposed fee will be effective **on January 1, 2026**. Bill added that it is non-refundable if you leave in the middle of the year.

• **Rex made the motion to approve the revised proposal for trailer storage at the Oaks Equestrian Center submitted by the Barn Committee of the OEC.**
1. Provide a designated space for each trailer, (utility trailers, boats and enclosed trailers are permissible) stored at the OEC.
2. Only residents of The Oaks are allowed to store their trailers
3. Residents of The Oaks will pay $300 per year per storage bay, non-refundable, January 1, 2026 is the first due date. Payment will be made to the OEC. Multi Trailer Storage will be "Grandfathered In" by paying $300 total instead of $300 per spot. Those qualifying for the "Grandfathered In" are: Dimarco, Frazier, and Cully.
4. 17 total spaces available
5. 14 are currently in use
6. 3 open spaces will be reserved for horse trailers of new boarders
7. All current trailers, as of June 1, 2025 may stay at the OEC. New trailers will be put on a waiting list.
8. The OEC is not liable for damage or theft of the trailers. Parking is at the sole risk of the owner. A parking waiver must be signed by everyone storing a trailer at the OEC.
9. Spaces are for trailers only, not vehicles.
Bill seconded the motion. The motion passed by majority vote in favor by vote of 4 to 1.

Community Improvement
Rex started a discussion concerning the growth of underbrush around the oak trees in common areas. Months ago, a project was initiated to clean up the common areas around the oak trees. Many people put a lot of work into that project, and if we don't continue with it, we will lose the effort we invested. Rex explained that with continued effort, our community can keep this under control, helping to maintain the neighborhood's beauty. Rex added that little things, like keeping trees well-maintained, will help support our property values. They decided to set a date for a community improvement work day. It was also suggested that those who wish to could adopt an area to maintain on their own. The Community Work Day is scheduled for Saturday, August 2nd, from 8:00 a.m. to approximately 10:00 a.m. We will meet at the front area near the North Gate. The social committee will bring donuts and coffee.

Covenant Committee – Legal Opinion Received
Leslie provided an update from the Covenant Committee. The committee reviewed each of the attorneys' comments, many of which they could not follow because, if they did, it would alter the document too much. Leslie sent an email to the Oaks HOA BOD with a few questions concerning the reply to the attorneys. Once the BOD answers these questions, the document can be returned to the attorneys for review, and then it should be ready for the community to review.

Social Event
The committee will plan a social event in the Fall.

VI. **Open to Residents - Community Comments, Questions, Concerns**
Regarding Agenda Items
Multiple open discussions already occurred during the meeting.

A question was asked about the status of the pond. Darren stated he had partially drained it. They have an estimate from John, and they hope that once it is dry, it can be cleaned out. They stated that the pond maintenance is an HOA expense.

Lance asked if there were any other questions or concerns regarding agenda items.

Alice Kay said she had a question, and she knows from her experience on the board that the equestrian lot owners are carrying a significant portion of the debt. What amount would non-equestrian lot owners have to pay for their share of the HOA expenses? Is there a way to look at that, and then what is considered our part? Lance replied that as we get closer to updating the covenants, we can review that issue under the covenant's second phase. In the first phase, clean up, we do not want to change the covenants. Teri added that on the WIX members-only site, there is prior information addressing some of these questions, and she was aware that Tom had given a presentation on this subject in the past.

Leslie asked what is considered the Equestrian Center property and what is considered the HOA property. Who was supposed to take care of what? Someone added that they thought $250 per year is ridiculous, and it seems like we are always struggling here. Then someone added that our area is less expensive than other HOAs in other areas. We have numerous common areas to maintain. Equestrian lot owners are paying this huge amount compared to non-equestrian lot owners. Bill added that it will be part of the overall discussion in the future regarding changes to the documents.

Al added that there are a lot of people in the community who don't read, don't care, or don't listen. Then, he gave a hypothetical example of say insurance costs increasing, and that cost being paid potentially from HOA money, which could result in less available funds to cover the cost of mowing. Guess what happens then? You have to do a special assessment if you want to keep the community looking good. Then, everyone is hit with a special assessment, and you have to vote on it. Don't you understand that? You can see who shows up for these meetings; hardly any people show up. Do they care? Do they know that? When you hit them with a special assessment, that's when they will ask questions.

VII. **Adjournment**: Lance adjourned the meeting at 7:36 p.m.

The next HOA BOD meeting will be on Tuesday, August 5, 2025 at 6:30 p.m.

Secretary: Theresa Patterson
Minutes approved as presented.