



Reflections

NEWSLETTER OF THE LAKE EMERALD OWNERS ASSOCIATION

Treasurer's Message

Many thanks to Dan Gendler, our previous Treasurer whose efforts left our community in a stronger position regarding collection efforts and also with a Budget for 2010 that is lower than our previous budget. More of your monthly fees will be going toward surplus. We would be in an even more drastic position without Dan's efforts and the efforts of the 2009 Budget Committee.

The coming year is going to present even greater challenges as our capital surplus position continues to decrease. The issue between income and expenses is becoming more critical. Our questions are: *How do we increase income and reduce expenses?* and *What are we willing to do to achieve this?*

The answer is some cases will require document changes. Some board members and unit owners are opposed to changes, but *we cannot remain with the status quo*. Pursuing liens and foreclosures initiated by the association enables us to collect rentals. This enables us to turn non-income producing units to units where at least maintenance income is produced. We do have restrictions in some Condo documents that eliminate this potential income. This can only help in Condo 1 and Condo 7. We anticipate being able to collect approximately \$6,000 per month to offset bad debt. Without changes in documents or specific approval of a moratorium on rental restrictions, only Condo 1 and Condo 7 can participate in this benefit.

We are striving to develop a monthly report for both the Board of Directors and unit owners that will show all of us where we stand on a current financial basis. We would appreciate your input and comments regarding pertinent information you would like to see included in this report. As owners we are all responsible for the well being of the community, and this includes our financial responsibilities. We are in a position that requires action – we cannot print money and banks are not lending money (least of all for working capitol). We are fortunate that we can at least pay our bills on a current basis. This can change if maintenance and assessment payments are not made on time.

Some communities have placed a one year moratorium on rental restrictions. The board and some unit owners apparently are not willing to do that so it restricts income potential. Short sales take a long time to get completed so this is not a quick solution but one we must continue to support and move forward on this potential.

Many owners are not making their assessment and maintenance payments on time. Some of this money will be collected thru the actions of ARI (our collections firm), our Attorney, and the Lake Emerald Accounting Staff but a portion of this amount will be charged off to Bad Debt. The first action on that should be after the first of the year. Bad Debt is Condo specific and requires payment.

The finance and collection committee, made up of Robert Horan, Frieda Chervin, Chris Bruno, David Mehall and myself, will be meeting after the first of the year. Other non-voting members are Mike Shegota, Stella Marsh, and Steven Valancy. Meeting dates will be posted, however, some meetings will be closed when legal decisions are required. All recommendations will be forwarded to the board for approval unless immediate decisions are required, which in that event, canvassing of the Executive Committee will be the procedure.

I look forward to your input and suggestions.

Bob Young
Treasurer

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New Years Eve Gala @ Lake Emerald Clubhouse December 31, 2009

Doors will open at 8:00 P.M.

And

Dinner will be served from 8:30 P.M. to 10:30 P.M.

Come join your fellow residents for our New Years Eve gala of dinner, music and dancing at our newly reopened clubhouse.

Tickets will be on sale Sun. Dec 13, 2009 from 4:00pm to 7:00pm at the clubhouse reopening party or you can purchase tickets from Rosa Santiago at the office during regular Mon-Fri business hours.

The cost of the tickets will be \$45.00. Tickets will be sold on a first come first served basis. Seating is limited, so please purchase your tickets as soon as possible.

Dinner will consist of:

Appetizers

Shrimp and assorted other appetizers

Salad

Mixed or Caesar salad

Entree

Chicken cordon blue, roast beef with herb sauce, or baked salmon filet

Side Dishes

Roasted potatoes, rice pilaf, and green beans

Coffee, dessert and a champagne toast

This is a BYOB (bring your own booze) event

Tap beer and wine will be available for purchase at the bar.

We hope to see you and celebrate the New Year.

If you have any questions contact: Rob Horan 954 717-4169/Carol Collier 954 739-7613



Secretary's Report

December 2009

First, let me wish everyone Happy Holidays and a Prosperous New Year.

We continue to have positive things happening here at Lake Emerald.

I would like to point out:

1. We have a new laundry contract done and in place. We will now see significant revenue from the use of our new laundry machines and save money on utility expenses as well. Please be patient as we go through the transition to our new front loader washers as they will need to be operated a little differently. Your current laundry debt cards will work just fine in the new machines.

2. We have started the project of replacing the decking on the south side of the clubhouse. Sometime in January we will be able to once again stand on the clubhouse deck and look out over our beautiful Lake Emerald. Watch the website, leoacondos.com, for pictures of the progress coming soon.

3. Don't forget that Reflections is now available online at www.leoacondos.com or in paper form at the LEOA office or by mail or e-mail requested through Rosa at 954-735-1718.

*James Basta
Secretary*



Property Manager's Corner

Volunteer Condo Board of Directors make unintentional mistakes navigating through the economic and administrative issues for the Association.

EIGHT (8) COMMON BOARD MISTAKES:

1. Too many closed meetings:

There are no secrets in Condominium Association. The Condominium Act requires Boards to hold open meetings for all unit owners to attend, with exception of:

- Rule enforcement or unpaid Assessment issues;
- Threatened or pending litigation against the Association or the Board;
- Employment issues related to the hiring or firing of employees.

* Board meetings are gathering of the Board to conduct business (i.e., vote).

A Board should minimize these informal discussions.

2. Insufficient or Overly Detailed Board Meeting Minutes:

The standard for contents of Board meeting Minutes is set out in "ROBERT'S RULES OF ORDER", which dictates that the Board-Meeting Minutes should contain the record of what was done and not a record of what was stated. Efficient Board Meeting Minutes should contain the following: RECORD OF AGENDA, MOTIONS, VOTES and POINTS OF ORDER.

To protect the Board, a Board-Meeting Minutes should also contain factors leading to a decision, such as how many contracts were solicited and /or received, consideration for a particular action, or the rationale of the Board for a Board's decision.

Minutes should reflect that the Board members have met their FIDUCIARY obligation.

3. Failure to promptly collect Overdue Assessments:

While the Boards generally sympathize with unit owners during difficult times, the Board's intention to assist a unit owner by delaying the collection of Assessments actually jeopardizes the cash flow of the Association. Such actions may make the Association unable to fulfill its financial obligations and could unintentionally set a Precedent for other unit owners to make late payments without fear of Legal action.

Property Manager's Corner (con't)

There should be an established collection policy whereby if a unit owner at a certain period of time is past due, the Board will pursue of legal action

4. Failure to make promptly building repairs:

Many Boards have been known to defer necessary maintenance and/or preventative maintenance of the Association buildings to avoid financial hardship on the unit owners.

While such an action usually receives overwhelming support from the unit owners, Boards must consider their Fiduciary obligations to maintain, repair and if necessary replace the common elements of their buildings. Boards should also consider that deferred maintenance often leads to major replacement costs (which may lead to larger Assessment increases in the future).

5. Over regulating:

Pursuant to section 18.4 of the Act and Condo Declarations, Boards have the responsibility to govern the Association. Often, Boards unintentionally Over-Regulate by adopting too many Rules and Regulations. The Board should be fair and consistent. Rules should be reasonable. Failure of the Board to give notice and reasonable opportunity to be heard before levying a Fine, and/or adopting excessive fines will prevent the Board from enforcing Association rules.

6. Fiscal responsibility:

Boards must review Financial Statement to ensure that the funds are handled properly. Board should not fall into a false sense of security by purely believing "Everything will be ok" only to learn that the Association has been operating at a deficit and an unanticipated Special Assessment is required to address the Association's poor financial condition.

Board must be aware that the Section 718 of the Act requires the Board to supply annually to all unit owners an itemized accounting of actually incurred or paid. The accounting should also state what portions of Association funds were for Reserves, Capital Expenditure, Repairs, and Taxes.

To prepare the Financial Statement, the Board should engage an Accountant to perform an AUDIT.

7. Failure to follow Corporate Formalities:

The Law must be followed. The Condominium Association is a Business and like all Businesses it must comply with the Applicable Laws.

Condominium Boards must meet at least four times per year. Notice of a meeting must be provided to all unit owners. Meeting Minutes must be written documenting the actions of meetings.

8. Failure to enlist the help of Professionals:

"Penny Wise, Pound Foolish". This old adage best describes a Board that fails to enlist the help of Professionals, when needed, in the name of saving a few pennies. Property Manger relieves Boards of the burdens and demands of Day-to-Day management of the property and provides guidance on governance issues; Attorney provides valuable Legal services to Boards, from issuing legal opinions to Collecting a Delinquent owner's assessments and Accountant analyze the Financial condition of Association and prepare necessary reports.

In a sum, an unknowledgeable Board can be a dangerous Board. However, a Board preventing itself from falling into the clutches of the above mentioned "Common Board Mistakes" will be a Successful Board.

*Mike Shegota
Property Manager*



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If you would like to submit an item to be included in our community newsletter, please send it by e-mail to:  
[reflections@leocondos.com](mailto:reflections@leocondos.com).

The deadline for submissions for the January, 2010 newsletter is January 7<sup>th</sup>, 2010.  
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DECEMBER 2009

FRED & DUNCAN
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WWW.LAKEEMERALD.COM

FOR SALE

Address	Price	Rooms	Bath
116 LAKE EMERALD DR # 303	115,000	2	2
109 LAKE EMERALD DR # 302	129,900	2	2
111 LAKE EMERALD DR # 107	135,000	2	2

PENDING SALES

Address	List Price
105 LAKE EMERALD DR #102	150,000
111 LAKE EMERALD DR #105	99,500
117 LAKE EMERALD DR # 106	80,000
112 LAKE EMERALD DR #208	72,900
105 LAKE EMERALD DR # 202	69,000
105 LAKE EMERALD DR # 513	69,000
110 LAKE EMERALD DR # 104	64,900
115 LAKE EMERALD DR # 404	63,000
110 LAKE EMERALD DR # 308	59,900
105 LAKE EMERALD DR # 112	59,900
112 LAKE EMERALD DR #310	55,000
109 LAKE EMERALD DR #106	44,500

All Selections from MLS/IDX Inventory



FRED LANGEVIN

22libra@comcast.net

RENTALS

Address	Price	Rooms
109 #110	990	2/2
110 #107	1,100	2/2
105 # 808	1,200	1/1&1/2
110 #308	1,300	2/2

CLOSED 9/01/09 - 12/09/09

Address	List Price	Sale Price	Rooms
106 # 304	135,000	120,000	2/2
105 # 813	59,900	65,000	2/2
105 # 412	59,900	81,000	2/2
111 # 303	55,000	55,000	2/2
105 # 405	54,900	69,000	2/2
105 # 613	50,900	54,000	2/2
109 # 110	49,900	47,000	2/2
114 # 307	45,000	50,100	2/2
116 # 108	44,900	50,000	2/2
115 # 109	44,550	45,000	2/2

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 HomeFindersmap.com to
 volunteers who are bringing a
 resort lifestyle experience to our
 community!**

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