

Email from Highlands POA to all Members dated June 17, 2026

The Highlands POA Board is asking all property owners to consider participating in a voluntary assessment prepayment plan to help us raise \$30,000 to cover a portion of the recent \$85,000 renovation of our swimming pool. This approach will eliminate the need to incur additional debt and help us avoid costly interest expense.

Details of the renovation and financing options are explained in this email. **Please take time to read this very important request** and thoughtfully consider helping us keep your association financially sound.

The Renovation

As a property owner in the Highlands at White Bluff, you already know how wonderful it is to have exclusive access to our beautiful swimming pool. This amenity alone creates special demand for Highlands homes, condos, and lots and contributes to maintaining property values for all members.

If you have ever owned a swimming pool, you also know they are expensive to maintain, and after many years of use, they require a major renovation to keep them beautiful and safe. Our pool reached that point last year. In December, we decided to move forward with the needed repairs in 2026. At that time, we expected to spend around \$55,000. Over the years, we have been saving money for capital expenditures of this nature, and the balance in our Capital Reserve fund at the end of 2025 totaled \$54,183.

As we approached the point of engaging a contractor to do the renovation, the scope of the work increased as unexpected conditions became known. The renovation is now completed, and the pool is beautiful. Virtually every surface of the pool has been replaced, including coping, mastic, skimmers, and plaster, plus we applied cool deck material to all of the area around the pool. The total cost of the renovation was \$85,000, which was \$30,000 more than originally estimated.

Financing Options

As of the date of this letter, all costs of the renovation have been paid, and we have an available cash balance of ~\$21,000. However, we still have ~\$43,000 of 2026 budgeted expenditures that will need to be paid this year. That is why we must find an acceptable source of cash infusion soon.

After exploring several financing alternatives, we have narrowed our viable options down to two: attempt to borrow \$30,000 from a bank or other source; or encourage all Highlands property owners to participate in a **voluntary** assessment prepayment plan.

Borrowing from a bank is problematic. Several weeks ago, we applied for a bank loan, but since Highlands POA cannot use its property as collateral for a loan, the bank would only make the loan if we (your board) would personally guarantee the debt. For obvious reasons, we declined.

Clearly, our best alternative is a voluntary assessment prepayment plan. But for this to work, we need your help.

Voluntary Assessment Prepayment Plan

We are asking all members in good standing to prepay their annual assessments for 2027 and 2028 now. If you are not able to prepay for two years, then please consider prepaying 2027, only. Any amount that you prepay will be held in your Highlands POA account and will be automatically applied to future assessments as they are billed.

If you sell your home or lot prior to the full application of your prepayment, you may ask for a refund, or you can ask your title company to manage the transfer of any remaining balance to the buyer. This plan will not cost you any more than you are already obligated to pay. You are simply paying early in order to help solve a temporary cash shortage caused by the pool renovation.

As a reminder, the Board sets the assessment rate each year. If the actual rate is lower than the prepaid rate, you will be entitled to a refund of the overpayment. If the assessment rate is higher than the prepaid rate, you will owe the underpayment.

How to Pay

Making your prepayment is easy:

- **Pay by Check:** Make checks payable to Highlands POA. Make sure you **write your Highlands account number** in the memo section of your check. Mail your check to:

Highlands POA
c/o Alliance Association Bank
PO Box 621073
Orlando, FL 32862-1073

- **Pay Online:** Go to the website of our financial management company, which is Castle Group, at castlegroup.com/resident-center/ and navigate to “Pay Online”. You will need to enter your name, email address, and Highlands account number. Convenience fees will apply to online payments.
- **Contact Us:** If you need assistance with making your prepayment, please contact us by email (HPOA76692@yahoo.com) or call us (254-324-6316). We can provide your account number, if needed, or help you through the process.

Your participation in this voluntary prepayment plan is essential to the financial health of Highlands POA. If we do not receive enough prepayments to cover the cash shortfall we are currently experiencing, we will be forced to incur debt, which in turn could result in higher assessment rates in the future. Please help us if you can.

Hope to see you soon at the beautiful, fully renovated Highlands Swimming Pool!

With gratitude,

Your Board of Directors

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