

**Palmetto Hall Plantation Owners' Association
Board of Directors Meeting Minutes
October 18, 2007 – 1:00 p.m.
Palmetto Hall Plantation POA Office**

Call to Order

Fred McNamee, President, called the meeting to order at 1:00 p.m. at the Palmetto Hall Plantation POA office. Other Board Members present were June Somers, Vice President; Steve Kiritsy, Treasurer; Terry Ennis, Tom Renshaw, Members at Large. David Henson, Secretary; and Tom Black, Member at Large, joined the meeting at a later time. Marion Gorczynski, Association Manager, and Pete Smith, the new Treasurer, were also in attendance.

Minutes

Tom R. moved the September 18, 2007 minutes be approved. Terry seconded the motion. The minutes were unanimously approved.

Treasurer's Report

Steve reported that POA income was down versus budget in September, following the general trend of the year. Lack of building activity in the Plantation took its toll on Decal Income, I-103, ARB Submission, I-104, and Road Impact Fees, I-107. Interest Income, I-301 was also down quite a bit versus budget.

Due to the possibility that there could be a year end deficit, primarily due to income being down, BOD and the Association Manager began curtailing discretionary spending to the maximum extent feasible, beginning in September. At the end of September, most discretionary spending was below budget. Signage, E-105, was over budget for September but under YTD. AM Office Expense, E-502, and Legal & Professional E-602, were over as well. The total year end deficit could be in the \$30,000 to \$60,000 range.

Steve made a motion that the \$6,000 expense for the C2 Study should be paid out of Contingency Reserve. Steve stated this was not budgeted and the report impacts the plantation infrastructure, one of the reasons the fund exists. Fred seconded the motion and it was unanimously approved. Fred asked Steve to check the difference between the Balance Sheet and the Schedule of Accounts.

- A. 2008 Budget** – To be discussed later in the meeting during the findings of the ad hoc committee, which Terry was heading, regarding budget items and long range use of reserves.
- B. Coastal LOC** - The LOC has not been signed. Fred will discuss with Tom Raddin. Terry suggested waiting for the report from the ad hoc committee.

Association Manager's Report

Marion reported bush hogging was taking place on the Plantation and should be completed by the end of October. Other items will be reported in exception reports.

Old Business

Approval of New BOD Member

Fred reported that Pete Smith was approved as a BOD Member for the remainder of Steve's three year term and as Treasurer for the remainder of this year, based on E-Mail votes of 6-0.

Hargray/Time Warner Cable Mediation

Fred reported that he and Brian Pitts had spent the day on October 2 at the Hargray/Time Warner mediations. In the afternoon the mediators spent time with only Hargray and Time Warner. However, the mediation failed – no decision was reached.

A copy of a letter (attached) was recommended by Brian to be sent to the FCC. Brian can send it in conjunction with Palmetto Dunes who have agreed to send it. Hargray feels they can win but Time Warner may try to sign up owners in long term contracts prior to the decision of the lawsuit. Fred asked the BOD if Palmetto Hall should send the letter. Terry felt the letter should be sent as long as Hargray continues to “hold us harmless”. Terry also stated that if a presentation is done by Hargray to the BOD, then Time Warner should be given the same opportunity.

Fred made a motion to ask Brian Pitts to respond as representative for Palmetto Hall and Palmetto Dunes to the FCC. Terry seconded the motion which was unanimously approved.

Discussion of BOD Top 6 for 2007

Relationship between BOD and Club Management - Fred reported that Heritage (Ray D.) would not be attending future BOD meetings, due to work priorities – however he was available for meetings/discussions as needed.

Clean Up Covenants – The next meeting of the ad hoc committee will be held in November. Meanwhile, a draft document has been circulated to committee members for review and comment.

Long Range Plan/Financial Adequacy – Business Resource Plan – Will be discussed later in the meeting.

Professional Management – Not discussed.

Communications – Will be discussed later in the meeting.

Airport – Terry reported that Ron Smetek will join the airport delegation from Palmetto Hall. The airport is doing a study and the Town is also planning a study. Terry, Bill Coleman, and Ron Smetek will monitor the situation.

New Business

Hamilton Letter

After discussion the BOD felt the Hamilton letter should be sent to Brian Pitts to handle under Article 16 as previous violations have been handled. Fred will send to Brian.

Long Range Use of Reserves

Terry made a presentation (attached) to ask the BOD to think about and make a decision at the next meeting on a group of “trustees” and a “system” of finance.

Back to Old Business

Web Site Upgrade

June reported she, Ellie Pierce, John Reda, and Marion met with Nancy Riedel regarding a web site to be set up and handled through the POA office. The web site will be funded through the money John Reda receives from advertisers in the newsletter and possibly on the web site. The fees are \$1800 for the Design Fee and \$50 monthly charges. The web site will be user friendly and password protected. Steve made a motion to hire Nancy Riedel to design a web site for the Plantation for \$1800. Terry seconded the motion which was unanimously approved.

Fred then left the meeting and June took over as Chair.

C2 Roadway Review

Tim Johnson of C2 Associates joined the meeting and gave a presentation on the status of the roads in Palmetto Hall (attached). Bob Richardson and Dave Pierce also joined the meeting. Mr. Johnson advised the BOD that the roads overall are in good condition, however, the future is complicated as there is no current plan of how to maintain the roads. Attention to the roads is needed now to avoid more significant problems in the near future and a detailed plan for road maintenance, for both the short term and the long term is needed. There are areas that need attention short-term, beginning within the next two years and that will cost \$75-\$100,000. Terry asked if we spend \$100,000 in 2008, when will we next need to repave. Tim responded the earliest developed part of the community will need to be done in about the next ten years if we take care of the short term problems. Tim will finalize his report before the next BOD meeting.

Committee Exception Reports

ARB – The ARB is reviewing proposed new guidelines regarding repairs and maintenance and is also checking ARB charges and fees in various plantations.

Environmental – Terry reported that lagoon quality continues to be down. The Club has fired the company that was doing the maintenance and a new company (Lake Doctor) has been hired.

Security – Terry suggested that the golf cart be repaired for use by Security, as suggested by the Security Advisory Committee. The BOD agreed. There are still problems with gates being found open after hours.

Covenants – Tom Black reported that the Covenants Committee was still doing “ride arounds.” He also reported that there had been black plastic erected surrounding the property frontage on a house on Clyde Lane which decorates extensively for Halloween. A Covenants violation was prepared by the Chairman of the Covenants Committee regarding two violations, unsightly condition and infringement on common property. The property owner agreed and corrected the violations.

Communications – June stated that a few years ago the Newsletter had information on the financial status of the Plantation. John Reda, editor, suggested that we might want to add this to the Newsletter again.

Advisory - June sent the minutes from the Advisory committee to the BOD and put them on the PHPOA web site.

There being no further business, the meeting was adjourned at 4:00 p.m. The next meeting will take place at 1:00 p.m., November 15, 2007 in the PHPOA office.

David Henson
Secretary