

Palmetto Hall Plantation Owners' Association
Board of Directors Meeting Minutes
January 15, 2008 – 9:30 a.m.
Palmetto Hall Plantation POA Office

Call to Order

David Henson, Secretary, called the meeting to order at 9:30 a.m. at the Palmetto Hall Plantation POA office. Other BOD Members present were Pete Smith, Treasurer; Tom Renshaw, Tom Black, and Bob Richardson, Members-at-Large. Marion Gorczynski, Association Manager, was also in attendance. Fred McNamee and Art Loeben were absent.

Minutes

David submitted the Annual Meeting minutes for “tentative” approval. (The Annual Meeting minutes can only be approved in final by the full Association membership at the next Annual Meeting.) Pete made a motion to tentatively approve the minutes. Tom R. seconded the motion which was unanimously approved.

A motion was made by Pete to approve the minutes of the December meeting of the 2007 BOD, with one modification. Bob seconded the motion which was unanimously approved.

A motion was made by Tom R. to approve the minutes of the December meeting of the 2008 BOD. Tom B. seconded the motion which was unanimously approved.

Treasurer's Report

REVENUE

POA income was \$9372 below budget in December. I-103 Decal Income, I-104 ARB Submissions, I-107 Road Impact Fees, and I-202 Heritage Maintenance Reimbursement were all below budget. The first three were due to lower home building activity. Heritage Reimbursements were budgeted for a quarterly payment in December and had come in during October and November. On the positive side, I-301.1 Interest Income showed income that had not yet been budgeted.

EXPENSE

Expenses were \$9402 below budget in December leaving us with net income of \$30 for the month. There were not any E-101 Street Repairs whereas \$1667 had been budgeted. There was not any E-303 Bushhogging whereas \$613 had been budgeted and no E-701 Entrance Improvement whereas \$1382 had been budgeted. E-202 water for Irrigation was not billed/paid in December.

SUMMARY/RECOMMENDATIONS

For the full year of 2007, our revenue was \$675,765 - \$766 over budget and expenses were \$649,186 - \$813 under budget. Net ordinary income was \$26,579, \$1579 over budget. However, late in 2007 we transferred \$25,000 to Capital Reserves (this was not 2007 income and had not shown on the Quickbooks P&L during the year.) and at year-end, we also transferred \$27,155 from Interest Income to Capital Reserves (this had been

showing as income in the Quickbooks P&L against no budget during the year.) After deducting the \$25,000 and the \$27,155 transfers from our ordinary net income of \$26,579, the result is a negative \$25,574 that can be compared to the \$34,023 deficit projection made in the Excel budget and presented at the Annual Meeting.

The office staff has completed the 2007 year-end close of the books and forwarded the information to the CPA firm for audit and then tax preparation.

Pete reported that Patty Zensinger and Bob Bird have been added to the Finance Committee.

Association Manager's Report

Marion reported that the office was very busy with assessments, decal sales, and the audit. The person she had expected to start January 2 had taken another position with benefits. The current staff of two part-time employees (Katie and Dick) is working extra hours to handle the current workload.

Marion also reported that the office had received a new lease for signature which overlapped the current lease, adding in the amount for the additional space and adding three more years to the lease. Marion had previously discussed this with Art Loeben and he would like a small ad hoc committee to do a quick market survey for comparable space to fit PH needs. Bob volunteered to work with Art and to have a response in the next ten days.

Tom B. asked Marion about the status of the specific letter to an owner regarding covenants violations. Marion responded that in the BOD package there was a copy of a letter the attorney felt was appropriate, but not yet sent. The BOD asked Marion to discuss with the attorney the appropriateness of including information regarding due process appeal rights.

OLD BUSINESS

- A. *Shared Lagoon Maintenance* – Marion received a bill for \$1190 from Heritage for repairs on the Cupp Course needed due to a fault in the overall storm water maintenance. It was decided that this item be tabled for approval until next month when there is a full BOD available.

- B. *Web Site* – Marion reported that the web site company has advised a payment of \$1800 is required in order to proceed with creating the web site. The web site manager does have most of the information she needs to complete the site but it is not yet all entered. There will also be a \$50 monthly maintenance fee. Pete wanted to know what services we would receive for the \$50 monthly payment, and who owns the web site - the POA office or the vendor company. Pete also suggested that we pay 50% of the cost up front and the balance when the site is satisfactorily completed. It was the general feeling of the BOD that they would like to see a preview of the web site before all of the money is

paid. Marion will follow up with June and Ellie of the Communications Committee to get more information.

- C. *C2 Contract* – There were questions concerning the approval of the recently received C2 contract for road work. The ad hoc committee had recommended BOD approval. Bob stated that he had been out of town on vacation and had not yet had a chance to review the proposal. He felt he needed to review the proposal submitted before he could comment further and will take the lead on getting the information together within the next ten days.

NEW BUSINESS

- a. *ARB Guidelines and Fee Changes* – The ARB’s recommendation changes on these two items had been passed out at the December meeting. After discussion, David moved we accept the fee changes effective February 1, 2008, with one minor change. Tom R. seconded the motion which was unanimously approved. The approved fee changes were:

	Current <u>Fees</u>	Revised <u>Fees</u>
Minor Renovations	\$100	\$150
Major Renovations	300	500
New residence	\$30/100 sq. ft.	\$35/100 sq.ft.
Change request	-0-	100*

The new fee for change requests (after ARB approval) can be waived by the ARB when appropriate.

ARB Guidelines Changes – After some discussion, David suggested we ask the Chairman of the ARB to attend the February meeting for further discussion regarding the proposed changes, especially regarding repairs and maintenance as well as fines for non-compliance.

- b. *Committee Liaison Assignments* – BOD members were asked to provide their first and second choices for committee liaison assignments. With the absence of both Fred and Art, and missing their preferences, the assignments could not be finalized, but will be finalized and confirmed at the next meeting.
- c. *2008 Top Priority Items* – The items from the 2007 list were discussed and a tentative list of eleven items for 2008 was prepared. It was decided to pare down the list and finalize it at the next meeting.

Committee Exception Reports

Finance – Pete questioned whether BOD approval is necessary to combine the contingency and capital reserve accounts at UBS. It was agreed to have additional review and discussion before finalizing this action.

Hurricane – It was questioned whether we need to maintain the 1-800 hurricane telephone line. No final decision was made.

Security – Marion reported the data base at the gate is not working properly. The office is maintaining a file to document this in case of an audit.

Covenants – Nothing beyond what was previously discussed during the meeting.

Stormwater/Environmental – Nothing beyond what was previously discussed during the meeting.

Maintenance – Nothing beyond what was previously discussed during the meeting.

ARB – Nothing beyond what was previously discussed during the meeting.

Tom R. advised he will be unable to attend the next meeting.

There being no further business, the meeting was adjourned at 12:15 p.m. The next regularly scheduled meeting will take place at 9:30 a.m., February 18, 2007 in the PHPOA office.

David Henson
Secretary