

**Palmetto Hall Plantation Owners' Association  
Board of Directors Meeting Minutes  
December 16, 2008 – 9:30 a.m.  
Palmetto Hall Plantation POA Office**

**Call to Order**

Art Loeben, President, called the meeting to order at 9:30 a.m. at the Palmetto Hall Plantation POA office. Other BOD Members present were Bob Richardson, Vice President; David Henson, Secretary; Pete Smith, Treasurer; Tom Renshaw, Tom Black and Rick Smith, Members-at-Large. Newly elected BOD members, Joe Bogacz, Scott Slawson and Ron Smetek were also present and Marion Gorczynski, Association Manager, was in attendance.

**Approval of Minutes**

David presented the November minutes for approval. Pete Smith moved the minutes be approved, Rick Smith seconded the motion, and the minutes were unanimously approved.

**Treasurer's Report**

**REVENUE**

Revenue for November was \$52,042...\$12,948 less than budgeted. I-103 Decal/Gate Receipts and I-301.1 and I-301.2 Interest accounted for most of the miss. Year-to-date revenue is \$616,605...\$64,158 less than budgeted. This amount includes \$21,734 in Capital Reserve interest already in the Capital Reserve funds. YTD Decal/Gate Receipts are \$35,602 less than budgeted. Accounts I-104 ARB Submission Fees, I-106 Bush Hogging and I-203 Heritage Maintenance Reimbursement are all below budget but so are their corresponding/offsetting expenses. I-301.1 and I-301.2 Interest Income are \$8,665 below budget due to lower than anticipated interest rates.

**EXPENSE**

Expenses for November were \$51,638...\$1,831 less than budgeted. Year to date expenses are \$537,646...\$69,620 less than budgeted. E-108 Grounds Maintenance, E-202 Water for Irrigation, E-401 Security, the E-500 Association Management accounts, and no estimated tax payments (E-801) account for most of the \$69,620 less than budgeted.

**SUMMARY/RECOMMENDATIONS**

Year-to-date net ordinary income shows a profit of \$78,959, however, this includes the \$21,734 of Capital Reserve interest and the \$40,000 we have moved from Operating Funds to Capital Reserves. After deducting these amounts, the bottom line comes to a profit of \$17,225. This compares favorably to the 2008 forecast in the budget presented at the annual meeting and re-opens the question of moving another \$10,000 from Operating to Capital Reserves.

Our latest cash flow forecast shows us with adequate operating cash through year-end. Pete reported that we have about \$23,000 in cash and \$14,000 in bills to be paid before the end of the year. He, therefore, recommended that no additional money be moved to the Capital Reserve fund this year. Bob made a motion that no further funds be transferred before the end of the year. Tom R. seconded the motion which was unanimously approved.

At the end of November we had \$754,106 in Capital Reserves. Subsequently, one of the ARC's was redeemed at full value of \$50,000 on December 10<sup>th</sup>. The other two will be purchased by UBS at full value with all accrued interest during the first week of January. (Note: we had nine ARC's at the start of the year.) Pete and the Finance Committee recommended that the \$50,000 ARC and three \$50,000 CDs that matured between 10/31 and 12/10 be moved into FDIC insured CDs, completing our CD ladder, out twelve months. Art made a motion to adopt resolutions for the accounts at SCB&T and Coastal Bank, allowing these actions to occur. Tom R. seconded the motion which was unanimously approved. An additional \$100,000 was also moved from money market funds to CDs.

Pete stated he recommended to the 2009 BOD that, from his experience this year, the accrual system not be used in 2009.

### **Annual Meeting Follow Up**

Art stated the votes for the transfer fee and special assessment were both approximately 60/40 in favor but 75% was needed. He further stated that only about 250, or about half of the members voted. The new BOD is now faced with the issue of how to handle the shortfall in funds needed for the roads as we go forward. Art felt there were two major issues – timing and procedure. Discussion was then held by all members on how each felt these issues should be handled so the new BOD members in attendance had that information.

David presented a draft of the December 4 Annual Meeting minutes for tentative BOD approval, and pointed out they cannot be approved in final until the property owners do so at the next annual meeting. One change was made to the draft and the BOD gave their approval. The proposed 2008 Annual Meeting minutes will be posted on the PHPOA web site so owners can review them.

### **Old Business**

*ARB Hearing – 6 Lenox Lane* – Pete made a motion to allow the door without a fine. Bob seconded the motion and it was passed by a vote of 6-1 (David opposed).

*Report on Road Engineering Firms* – Bob reported that Jeff DiBiasio has agreed to chair the Roads Committee while he is here. Bob is still looking for a co-chair and plans to have the Committee meet in January. Tom R. stressed the importance of this work going forward, especially if we request a transfer fee and/or special assessment in 2009. Bob is

interviewing consultants. Art said the original study in 1999 was done by Thomas & Hutton. Bob said they were one of the companies he was talking to. The whole BOD requested this be handled expeditiously.

*Heritage Reimbursement/Shared Maintenance* – Bob stated he and Pete met with Claude and Ray yesterday but no written agreement has yet been signed. They made Claude and Ray aware of the Shared Maintenance Agreement that was originally made with Greenwood and passed on to Heritage in the transition documents. Heritage then requested the first quarter 2009 expected costs for landscaping, irrigation, and electricity, which Joe Bogacz forwarded to them. They also requested they have pre-knowledge of every charge they will be billed. Bob and Pete agreed to this whenever possible but indicated that there are instances where decisions must be made at the point of the work.

### **New Business**

*PH Property Deed* - Art reported that Marion had identified and had copies of two recorded deeds for the front entrance. She will get the other deeds from the County and have them bound in a deed book for the office.

*Vandalism* – In light of the vandalism in the Plantation and at the Club, the BOD discussed several ideas to address this problem, e.g., curfews, a Neighborhood Watch, more guards on patrol. It was decided to have two guards on duty on all shifts for at least a few weeks. One guard is to be patrolling while the other is at the gate. Guards will also be directed to conduct more forceful questioning of individuals in the Plantation late at night. Marion will talk to Securitas about them not charging us for the additional time of the guards, or charging us a much lower rate. It was also decided to issue an E-Blast to property owners outlining steps being taken.

Marion stated she and John Reda planned to meet with the VP of Securitas right after the first of the year to discuss the situation.

### **2008 BOD Top Priority Items**

*Improve Relations between POA and Club management/Initiate Roads Program/ Improve Communication to Property Owners*- These three remaining items were discussed during earlier portions of the meeting.

*Clarify On-site/Off-site Responsibility for Stormwater Management* – The town is still working with Heritage and the POA to draft an agreement for the Town to assume responsibility for stormwater management in Palmetto Hall.

### **Committee Exception Reports**

*Security* - Tom R. reported there were three medical emergencies and eight instances of vandalism in the past month and the guards had found the gates left open twelve times

during November. He also advised that the Security Committee will meet the first week of January to discuss issues.

*Personnel* – David is trying to set up a meeting with the other members of the Personnel Committee before the end of the year, but holiday plans were making it difficult to schedule.

### **Adjournment**

There being no further business, the four remaining BOD members bid a fond farewell to the three BOD members whose terms were expiring – Tom B., David, and Pete – and the last meeting of the 2008 BOD was adjourned at 11:35 a.m.

Respectfully submitted,

David Henson  
Secretary