

Palmetto Hall Plantation Owners' Association
Board of Directors Meeting Minutes
May 20, 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 Pete Smith, Treasurer, David Henson, Secretary, and Tom Black, Member-at-Large. Marion Gorczynski, Association Manager, was also in attendance. Tom Renshaw and Bob Richardson were absent

Minutes

Art presented the April meeting minutes for approval. Pete moved the minutes be approved; Tom Black seconded the motion. The minutes were unanimously approved.

Treasurers Report

Revenue

Revenue for April was \$61,745....\$2,677 less than budgeted. YTD revenue is \$233,394....\$13,272 less than budgeted. I-103 Decal Income and I-301 Interest Income continue to be lagging.

Expense

Expenses for April were \$50,937...\$2,031 less than budgeted. YTD expenses are \$176,090...\$42,148 lower than budgeted. Again, this favorable position is due in large part to January payments for E-108, Grounds Maintenance, and E-401, Security, being shifted to 2007 expenses upon the recommendation of the CPA.

Summary/Recommendations

Net income for the YTD is \$57,304...\$28,873 more than budgeted. This includes \$10,905 of interest income earned on Capital Reserves, which will be moved to the Capital Reserve account by the end of the year. However, that amount is \$2,429 below budget. In addition, another \$10,000 will be transferred from the Operating Fund to Capital Reserves in July, which will make a total of \$20,000 transferred YTD, compared to our budget plan of \$60,000 for the year.

We have eight assessments outstanding. The POA staff has called each of them and will advise those still outstanding June 1st that if not paid by June 30th they will be forwarded to our attorney for liens to be put on their property.

Pete reported that we have \$716,000 in Capital Reserve funds and that one ARC was sold on May 8. There are still five ARCs outstanding.

Insurance premiums are due in early June. Rick Kasper is studying our insurance coverage prior to renewal.

Regarding maintenance costs, it was the sense of the BOD that the landscaping maintenance contract should be re-competed this fall as the existing contract expires. The Finance Committee is willing to assist the Maintenance Committee in preparation of an RFP.

Joe Bogacz, Finance Committee Chair, has been working on a long range financial plan for Palmetto Hall and was scheduled to present his draft plan later in the meeting.

Association Manager's Report

Marion reported that this is mating season for alligators and complaints are coming in of alligators roaming the Plantation and being aggressive. One alligator was relocated from the POA lagoon to another lagoon because it was crossing the street where children were playing. Critter Management deemed that alligator to be non-aggressive.

Marion also reported that several mailboxes are in need of repair and/or repainting. Any homeowners needing assistance with this can call Marion.

Election of Replacement BOD Member

After discussion, Tom Black moved that Rick Smith be approved as the replacement BOD member. Pete seconded the motion which was approved by a 3-1 vote. The other two applicants will be encouraged to run for election to the Board this fall.

ARB Chair Position

David reported that he had been unsuccessful in identifying anyone to take Mike Morse's ARB Chair position for the balance of Mike's term. However, 1) as the Morses have arranged a leaseback provision for their soon to be sold house and therefore will remain Palmetto Hall residents for the balance of this year and 2) section 3.3 of the Covenants specifically provides that ARB members need not be property owners in the Plantation, David recommended that Mike stay as Chair of the ARB at least for the balance of this year. The BOD concurred with this recommendation and Art recommended that in the meantime the BOD look for someone to replace Mike next year as well as a second replacement ARB member as two vacancies will need to be filled by January 2009.

Old Business

Shared Maintenance – Report on Discussion with Claude – Art stated that at this time we were unable to get more than 'one year at a time' agreements with Heritage on shared costs. Pete reported he and Bob Richardson had met with Claude and the recurring comment from Claude seems to be "what does Heritage get for their assessments". Pete stated that in discussions with Claude he pointed out two areas of fence that Heritage feels they do not have the responsibility for maintenance – areas that do not border the golf courses, i.e., around the ball field and an area of houses only. Other discussion included responsibility for maintenance of the common area along the road next to the Clubhouse and the front entrance.

It was also the sense of the BOD that a long range maintenance plan needs to be developed by the Maintenance Committee to assist in further discussions with Heritage re shared maintenance needs.

POA Web Site – Marion reported that training for the office staff in maintaining the web site will take place on May 30. Once the training is completed the responsibility for the web site will be handled by Dick in the POA office.

Special Assessment – A brief discussion was held on the sense of the BOD that a special assessment will potentially be needed, as well as a transfer fee, to raised sufficient capital revenue to meet road repaving costs, and whether there is authority within the Covenants to implement these items without approval by the membership. The BOD agreed there is a possibility of imposing such items without a positive vote by the membership but does not recommend doing so and that these items need a full discussion with property owners. Further discussion was held until the Joe Bogacz presentation later in the meeting.

New Business

Security Advisory Committee Recommendation – Art reported (in Tom Renshaw's absence) that the Security Committee recommends renewing the Securitas contract for another year without doing an RFP. Securitas has indicated that there would be about a 3% increase. David moved we accept the Security Committee's recommendation. Pete seconded the motion, which was unanimously approved.

Town Trash & Recycling – After a short discussion, the BOD opted not to take a position on this subject at this time and, for now, view it as an individual property owner decision.

2008 Top Priority Items

Relationship with Club –Already discussed in part. In addition, Tom Black is still working on scheduling a meeting with the group that is unhappy with the Club. He will advise when a date is set. Also, the Club's Advisory Council meeting minutes will start appearing (again) on the POA web site.

Develop Long Range Reserve Analysis and the Need for Augmentation – To be discussed later when Joe Bogacz joined the meeting.

Initiate Roads Program – Still waiting on a response from C2.

Reassess Community Enhancement Fee – To be discussed later when Joe Bogacz joined the meeting.

Storm Water Management – Already covered in part in previous discussion on shared maintenance, however Art had questions regarding the process for lowering the lagoons prior to an approaching storm, who handled it, plus other environmental questions. David suggested that we ask Bob Gentzler to do a presentation to the BOD on the Committee's plans.

Improve Communications to Property Owners – Already discussed in part. To be discussed further when Joe Bogacz joined the meeting.

Finance Committee Presentation

Joe Bogacz, Finance Committee Chair, joined the meeting at 11:00 and made an excellent presentation regarding the Capital Reserves, the resurfacing of the roads, and various ways to fund the projects. Joe’s presentation included a draft long range financial plan. The BOD made several changes to the draft assumptions and added some financing options. Clearly a major unknown is the cost of road resurfacing in future years due to the rapidly increasing cost of petroleum. Joe is to rework the long term financial plan based on changes made in the meeting and get back to the BOD.

The BOD also agree to hold two meetings with property owners – one in July and one in October – to share the long range financial status of the Plantation.

Committee Exception Reports

Covenants – Will be starting ride-arounds in the immediate future.

All others – Previously discussed during the meeting.

Adjournment

There being no further business, the meeting was adjourned at 12:30 p.m. The next regularly scheduled meeting will take place at 9:30 a.m., June 17, 2008 in the PHPOA office.

Respectfully submitted,

David Henson
Secretary