

**Palmetto Hall Plantation Owners' Association**  
**Board of Directors Meeting Minutes**  
**June 17, 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, Tom Renshaw, Rick Smith, and Bob Richardson, Members-at-Large. Marion Gorczynski, Association Manager, was also in attendance. Tom Black was absent.

**Minutes**

Art presented the May meeting minutes for approval. Tom R. moved the minutes be approved; Rick Smith seconded the motion. The minutes were unanimously approved.

**Selection of Vice President**

Bob Richardson was nominated to serve as the Board's Vice President for the balance of this year. As there were no other nominations, Tom R. moved that Bob be selected as Vice President. Pete seconded the motion which passed unanimously.

**Treasurers Report**

**REVENUE** - Revenue for May was \$55,268...\$4,304 less than budgeted, and YTD revenue was \$288,267...\$17,974 less than budgeted. I-103, Decal Income/Gate Receipts, is \$18,670 below actual at this point last year. I-301.1 and I-301.2, Interest Income, is \$13,143 YTD...\$3,523 below budget and \$3,546 below this point last year.

**EXPENSE** - Expenses for May were \$53,987...\$3,185 above budget due to three (two-week) E-401, Security payments, being made during May. YTD our expenses have been \$230,078...\$38,962 less than budgeted. Again, this favorable position is due in part to the January payments for E-108, Grounds Maintenance, and E-401, Security, being reversed into December 2007, upon the advice of our CPA.

**SUMMARY/RECOMMENDATIONS** - Net Income YTD is \$58,189...\$20,988 better than budget and \$72,353 better than this point last year when we were showing a \$14,163 loss. The net income amount includes \$9,610 of interest earnings on Capital Reserves and \$10,000 already transferred to Capital Reserves this year. Pete suggested that another \$10,000 from the Operating Fund be transferred to Capital Reserves. The BOD agreed.

We still have four homeowners and a builder with five lots who have not paid their annual assessments. Our attorney will place liens on any that are not paid by June 30<sup>th</sup>. At the end of May we had \$345,093 on hand in Operating Funds, \$717,780 in Capital Reserves, and \$37,257 in ARB Deposits.

**Association Manager's Report**

Marion reported that she has talked to the attorney regarding three outstanding assessments. One owner called and reported the house is in foreclosure and the proper papers will be filed for that procedure. The other two were business owners on the island and Brian will contact them before processing the lien. One owner has stated we will

receive the money in the next week. If we do not, a lien will be placed on this property also. There are six other properties on which owners have been making regular payments.

Marion also reported that training has been completed for managing the PHPOA web site and the office was still in the process of bringing the web site in-house, e.g., PDF has now been installed on the office computers. She also said a lot of time was spent on the notices to owners regarding refurbishing their mailboxes.

The ARB has not had meetings in June because there have not been any submissions for new homes or renovations. Also, property sales have been very slow. Gate receipts, however, have been up in the last few days.

Regarding office staffing, Dick is now out for at least an extended period of time and only Marion and Katie are staffing the office. The BOD discussed the possibility of hiring another part-timer.

Marion reported that Captain Paul O'Hearn is still not back to work and the gatehouse operation is working smoothly with Phil Miles in charge for the interim. BOD members asked if professional looking name signs could be obtained and posted at the gatehouse identifying officers on duty. Marion is to discuss this with Securitas.

### **2008 BOD Top Priority items**

*Improve Relations Between POA and Club* - A meeting will take place on Friday, June 20, with a small group of property owners and BOD members to discuss issues that are felt important to discuss with the Club. Tom R. said he feels that one way to improve relations with the Club might be to ask how owners can help bring in more money to the Club.

*Long Range Reserve Analysis, Initiate Roads Program, and Reassess the Community Enhancement Fee* – These topics will be discussed in a presentation later in the meeting.

*Clarify Responsibility for Storm Water Management* – Discussion took place regarding the usage by Heritage of lagoon water for watering the golf course during the current dry spell. Art stated that there is no law prohibiting the Club from using water from the lagoons and Article IV of the Covenants specifically permits use of lagoon water for the golf course. Bob reported he and Bob Gentzler Environmental Committee chair (and a PSD Commissioner), met with Claude and Moyer regarding this process. Claude stated that they did not plan a major draw down. A board from the #3 Cupp had been pulled to restore other lagoons.

Bob also reported that the Lake Doctor had not met expectations for keeping the lagoons clean. Heritage is paying \$3100 a month for their services and they are not happy about the lagoons either. However, it was pointed out that lagoons are supposed to have algae and vegetation – it's the nature of lagoons, rather than pristine visually appealing bodies of water. Bob and Bob Gentzler are working on a program to possibly take water from closed wells to pump water into the lagoons. PSD is taking samples, testing the water, and looking at alternatives of getting water.

Bob also reported he and Pete are still working on the shared maintenance issues. Currently the agreement between the POA and Heritage must be renegotiated each year.

### **Capital Reserve Analysis**

Joe Bogacz, Finance Committee Chair, joined the meeting at 11:00 and presented various options of increasing the Capital Reserves for future roadway replacement, building on the presentation and discussion at the May meeting. A copy of Joe's presentation is attached.

Following the presentation and discussion, Tom R. moved that the BOD recommend Option #5, which included both a Transfer Fee and an \$800 special assessment on property owners, spread out over four years, in order to raise the necessary revenue. Bob seconded the motion which passed 5-1. David preferred a different option. A presentation will be made to PH property owners at two Town Hall meetings scheduled for July 24<sup>th</sup> and October 9<sup>th</sup> to make them aware of the future needs for repaving, the options for paying for it, and to solicit membership input.

### **Covenants Committee – Flag Issue**

Rich Penwell, Covenants Committee Chair, joined the meeting at 12:00. The Covenants Committee reported that a number of owners had flags other than the American flag in the front of their homes. Under the ARB Standards for Review, the American Flag is the only flag allowed in front of homes without approval of the PHPOA.

After discussion of whether the existing rules on flags and banners should be revised, Rick moved that we leave the existing rules in place. Pete seconded the motion, which passed 5-1. Bob opposed.

Marion will notify owners that have flags that are not the American flag that they must request approval of the ARB for other flags. They may have other flags in the rear of the house, 20 ft. from the property line, without ARB approval.

### **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., July 15, 2008 in the PHPOA office.

Respectfully submitted,

David Henson  
Secretary