

Grand Haven Master Association, Inc.
Board of Directors Meeting
April 17, 2008

Call to Order:

The meeting was called to order at 2:15 p.m.

Members Present: Kenny O'Connor, Rob Sedelmyer, Marc Dwyer

Members Absent: Ray Smith, Patricia Driscoll

Others Present: Fred Annon, Jr., Troy Railsback – Southern States Management Group, Inc.
Members' sign-in sheet is located in Association Meeting File

A quorum was established.

Approval of Minutes – March 20, 2008

ON MOTION BY Kenny O'Connor, seconded by Rob Sedelmyer, with all in favor, the Board approved the minutes of the March 20, 2008 Board Meeting minutes as written.

Mrs. O'Connor advised that Patricia Driscoll, the Treasurer has resigned from the Board of Directors.

ON MOTION BY Kenny O'Connor, seconded by Rob Sedelmyer, with all in favor, the Board appointed Wil Hessert to the Board of Directors to serve the remainder Mrs. Driscoll's two year term of office.

Committee Reports

Community Manager—Troy Railsback

Mr. Railsback submitted reports for ADC, Legal Action and Violations. Property Management will ask the attorney to include additional details on the status of legal actions in future Legal Action Reports. Mrs. O'Connor asked Property Management to make a note on the Violation Report if villages have no violations in a given month. There was discussion regarding an owner's request to waive late fees and interest on past due assessments. Mr. Hessert discussed the matter with the owner who agreed to pay the past due balance, along with late fees and interest. Mr. Sedelmyer reported on the mediation of the ADC violation at **20 Grandview Drive**. There was discussion regarding a legal opinion from attorney Taylor and Carls on the ADC legislation enacted last year.

Finance Report

There was no report. Management was asked why the legal fees are in negative figures on the Profit and Loss Report. Mr. Annon responded to questions submitted by Mr. Smith regarding accounting for legal fees.

Communications – Ray Smith

Mrs. O'Connor said newsletters were mailed to owners around the first of April and another will be mailed the first of June. Board members were asked to submit ideas for newsletter articles. Property Management reported information on the community web site has been updated, including 2008 approved meeting minutes, the agenda for upcoming Board Meetings.

By-Laws Review – Marc Dwyer

Mr. Dwyer reported the Board is in substantial compliance with the By-Laws and Florida Statutes Chapter 720.

PLM – Rob Sedelmyer

Mr. Sedelmyer reviewed issues he has noted in site inspections with the lawn maintenance contractor including the lack of spartina on some lakefront properties, insufficient turf watering, inability of the contractor to access irrigation systems located in owners' garages, and live oak trees that are lifting sidewalks and damaging turf. He asked that Property Management cite owners for spartina violations, beginning with the Heritage Oak and Lakeside Villages. Mr. Annon advised in some cases, landscape plans were approved that did not require planting of spartina. Property Management will have to research each case to determine whether there is an approved landscape plan for the property. If the loss of turf continues, the Association may need to cite owners who are watering insufficiently. In general, in the PLM villages, owners are responsible for shrub replacement, not the contractor or the Master Association. Responsibility for repairing damaged concrete lifted by tree roots is not addressed in the CC&R's. Mr. Sedelmyer recommended against citing owners for sidewalk issues as the Association may have to take on some of the responsibility for associated safety issues. Several owners have hired lawn pest eradication contractors to treat their lawns, in addition to pest control applied by the PLM contractor. Due to a lack of communication between the contractors, turf may be over-treated and killed creating a potential financial situation. Currently, meeting budgeted monthly PLM expenses is dependent on pre-paid assessments. At some point it could become necessary to increase the monthly PLM assessment to make up the shortfall for those who are not paying their assessments.

Action Item List Review – Kenny O'Connor

Attorney Review of ADC Guidelines

Ms. O'Connor asked Mr. Sedelmyer to narrow the parameters of a request for an estimate of cost for the attorney to review ADC Guidelines. There was discussion regarding legal review of the guidelines.

ON MOTION BY Wil Hessert, seconded by Rob Sedelmyer, with all in favor, the Board approved tabling any further legal review of ADC guidelines.

CC&R Project Definition

There was discussion regarding the process for CC&R consolidation. Mr. Hessert recommended establishing a special committee to if this was to be further addressed.

ON MOTION BY Wil Hessert, seconded by Rob Sedelmyer, with all in favor, the Board approved tabling any further action on legal review of consolidation of CC&R's for the various villages.

PLM Reserves

There was discussion regarding changes in financial reporting for PLM.

Audit

There was discussion regarding an audit of Association finances. In 2006, the Treasurer, Mr. Hamm, reviewed Association finances and felt an audit was not necessary. Mr. Annon advised Florida Statutes require an audit for budgets \$400,000 and above and recommended having an audit of Association finances. The estimated cost for the audit is \$3,500.

ON MOTION BY Wil Hessert, seconded by Kenny O'Connor, with Mr. Dwyer, Mr. Hessert, and Mrs. O'Connor in favor and Mr. Sedelmyer abstaining from the vote, the Board approved an audit of Association finances by a Certified Public Accountant. The motion carried.

Cash Flow Statement for Budget

The new Treasurer, Ray Smith, is not happy with the draft Cash Flow statement for the budget as it is an indirect statement, which begins with an accrual number rather than a cash number. He has provided an example of language he would prefer. Wil Hessert recommended forwarding the recommendation to Property Management and discussing how to proceed.

Procedure to Follow Rentals and Leases

Mrs. O'Connor said a notice will be placed in the community newspaper advising property owners that they are required to submit a copy of the lease to the Association when they rent their homes. The Association will obtain copies of leases on file with the CDD and will request leases from owners if it appears they have a tenant. Leases are kept on file at the Property Management office. Mr. Sedelmyer asked Property Management to research the list of violations relative to leases as it appears the two violations listed are redundant.

Fines for Display of Prohibited Signs

Mr. Railsback advised that the fine process for repeat violations of rules is 90 days from the original violation. Repeated display of Open House Signs may be fined \$50 per day.

Policy on Rescinding Fines

There was discussion regarding the policy for rescinding fines. Mr. Hessert advised that the Board of Directors has delegated authority to levy fines for CC&R violations to the Fine Committee. If the Board of Directors begins rescinding fines, they will undermine the authority of the Fine Committee.

Old Business

Legal Correspondence

13 Players Circle – Fine

The attorney reviewed the facts of the case and will make a decision as to whether to approve or deny the request.

1 Village View Drive—PLM Assessments

The attorney has submitted the paperwork for the Board to approve ordering the necessary title work to begin the foreclosure process to collect past due PLM assessments. The cost will be \$475.

30 Shinnecock Drive—PLM Assessments

Mr. Sedelmyer noted there appear to be two different issues; one is non payment of assessments and the other a fine for dead grass. He said it appears there is an issue with Roundtree, and the Board should gain an understanding of the problem before taking further action. Mr. Hessert recommended a short briefing be provided on these properties and sending an e-mail to the Board Members.

Mr. Hessert asked Property Management to get back to the Board with recommendations and a timetable on how to proceed against owners who are not meeting their financial obligations, such as taking the matter to small claims court

New Business

Audit

This item was discussed under Action Items.

ADC Fee Structure

Mr. Smith is examining the ADC fee structure, and asked Mrs. O'Connor to table the matter.

Policy on Rescinding Fines

This item was discussed under Action Items. No action was taken on rescinding fines for properties listed below.

70 Rivertrail Drive – Fine

19 Players Circle – Fine

32 North Village Parkway -- Fine

Legal Correspondence

84 River Trail Drive

The Board has received notice to appear for a pre-trial conference June 6, 2008 at 9:00 a.m., and needs to determine who will attend on behalf of the Association. Mr. Hessert will attend on behalf of the Board.

Lake Watch Program

Mrs. O'Connor asked for volunteers to assist with the CDD Lake Watch Program. The group will collect soil and water samples and stencil storm drains advising owners not to place leaves, used oil or trash in the drains. Mr. Sedelmyer said the Board should be involved in the program implementation of new state guidelines for storm water retention ponds could affect the PLM fee structure.

Property Owner Correspondence

No property owner correspondence was discussed.

Audience Comments

Board members responded to owners concerns and comments regarding maintenance of the Riverview construction site, approved lake front vegetation, Brazilian pepper tree removal.

Adjournment

ON MOTION BY Wil Hessert, seconded by Rob Sedelmyer, with all in favor, the meeting was adjourned.