

Grand Haven Master Association, Inc.
Board of Directors Meeting
May 15, 2008

Call to Order:

The meeting was called to order at 2:10 p.m.

Members Present: Kenny O'Connor, Rob Sedelmyer, Marc Dwyer, Ray Smith, Wil Hessert

Others Present: Troy Railsback – Southern States Management Group

Members' sign-in sheet is located in Association Meeting File

A quorum was established.

Approval of Minutes – April 17, 2008

The Board approved the April 17, 2008 Board Meeting minutes as written.

The Board requested receipt of the minutes of the previous Board Meeting two weeks after the meeting date.

Committee Reports

Community Manager—Troy Railsback

Mr. Railsback advised owners are sent a post card thanking them for complying with CC&R's after Property Management verifies that a violation has been corrected. Mr. Hessert and Property Management have been working on collection of delinquent assessments. The Association mailed certified letters, statements and lien pending notices to owners who are delinquent in paying assessments. The committee levied fines on four properties in violation of CC&R's. Ownership of 92 Lagare Street has changed hands since the first violation letter was sent. The fine was upheld and the new owners will be notified and given a reasonable amount of time to correct the violation.

Mr. Hessert reviewed the process for taking delinquent owners to small claims court to collect past due assessments. Management is working the attorney to develop a status report on legal action to enable the Board to formally address the course of action it would like to pursue in legal matters. At present legal action by the attorney has been put on hold to evaluate options for collecting fines and delinquent assessments. Mr. Dwyer questioned the status of collecting the fine for 45 Marlin Drive. Property Management will provide a status on the previous actions taken by Taylor and Carls regarding this property. Ms. O'Connor noted currently 94 properties in the community are rented. There was discussion regarding maintenance of abandoned properties.

Mr. Dwyer recommended establishing standards and documentation for choosing properties that will be maintained by the Association. Ms. O'Connor noted that photographs have been taken and violation letters sent to owners of abandoned properties. By consensus, the Board agreed the definition of disrepair is a lawn or weed greater than 12 inches as verified and documented photographically by the property inspector.

ON MOTION BY Kenny O'Connor, seconded by Rob Sedelmyer, with all in favor, the Board designated the CDD to be the repository for all leases, and to provide the GHMA with a list of property addresses and lease dates each month.

ON MOTION BY Wil Hessert, seconded by Ray Smith, with all in favor, the Board approved having the GHMA assume responsibility for providing minimal lawn maintenance for properties that are in disrepair and billing the cost to the property owners. *The motion was amended to the following:*

ON MOTION BY Wil Hessert, seconded by Ray Smith, with all in favor, the Board approved having the GHMA assume responsibility to address properties in disrepair and provide minimal maintenance. The determination will be made by the property inspector and the cost will be billed to the fee simple property owner.

Finance Report

Mr. Smith reported on Association finances. Mr. Railsback was asked to research whether the Association's contract with the Management Company includes the requirement for financial analysis of Association funds. The Profit and Loss statement is still mixing income and expenses for legal fees on lawn mowing. Mr. Smith asked that the information be placed in a separate account. Mr. Smith asked for an explanation of the line item Bad Debt Reserve listed under Pre-Paid Assessments in the GHMA report. Pre-billed ADC fees for April do not show up on the financial report. ADC costs are running about \$5,000 per month. In eight months the ADC funds will not be liquid. Next year it will be necessary to budget approximately \$50,000 for the ADC. Previously the majority of applicants were builders paying \$2,500 per submittal. At present the majority of applicants are homeowners who are paying \$25 per submittal for modifications to their property. Reconciliation of Private Lawn Maintenance funds should be tied to the Balance Sheet. There was discussion regarding collection of delinquent River Club and PLM assessments.

Communications – Ray Smith

Mr. Smith said the next newsletter will be mailed to owners around the end of May. The newsletter includes an article notifying owners that the names of residents who have not paid delinquent assessments will be published in the next newsletter.

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

There was no report.

Unfinished Business

Organization of Board

Ms. O'Connor has appointed Ray Smith as Treasurer of the Board of Directors.

ON MOTION BY Will Hessert, seconded by Ray Smith, with all in favor, the Board voted to rescind a previous motion to open a Schwab account for operating expenses.

Action Items

Unfinished Condominium Update

Southern States Management Group has signed a contract with BankAtlantic to manage and maintain the construction site for the unfinished Riverview Condominiums. Bids have been received for fencing the area, the grounds are being cleaned up, and the goal is to have the area secured by the end of the month.

Cash Flow Statement

Mr. Smith has spoken to Property Management about developing a cash flow statement differentiating between deposits, income and pre-paid assessments.

Lake Bank Maintenance

Property Management is reviewing ADC guidelines and city ordinances regarding lake bank maintenance before beginning to cite owners for violations.

20 Grandview Drive – process of litigation?

As outlined and earlier discussed by Mr. Hessert, the steps taken to collect the outstanding fine and cure the cited violation for this property will be used as a test case for the Associations.

New Business

ADC Fees

Mr. Smith reviewed the ADC fee structure for landscaping or other changes on an owner's property.

ON MOTION BY Kenny O'Connor, seconded by Wil Hessert, with all in favor, the Board approved eliminating the ADC submittal fee for changes to the landscape or home and Levying a \$100 fee for owners who make changes to their property without an ADC submittal and approval.

Adjournment

The meeting was adjourned at 3:50.

Audience Comments

There were no audience comments.