

Approved 12/10/2014

Dunedin Palms Homeowner's Association, Inc.

130 Patricia Avenue, #19

Dunedin, Florida 34698

Board of Director's Meeting, November 12, 2014

President Lessard called the meeting to order on Wednesday, November 12, 2014 at 9:05am in the Dunedin Palms Clubhouse at 130 Patricia Avenue, Dunedin, FL 34698.

Roll Call of Officers and Directors: Present were Don Lessard, President; Roe Bongo, Vice President; Don Butterfield, Treasurer; Joe Carideo, Director; and Tim Hendrix, new Park Manager. Terri Tarozzi, Secretary and Don Wallace, Director by teleconference. At 9:15am Tollie Holtclaw, Director joined the teleconference. Proof of notice was placed on Sunday, November 9th by Roe Bongo, Vice President; at the 2 locations, Clubhouse and the Office #19.

1. Reading of Minutes of April 9, 2014 and October 15, 2014 Board minutes:

Motion: A motion was made by Joe Carideo, Director to approve the minutes as written and dispense with the reading of the minutes of April 9th and October 15th. It was seconded by Don Butterfield, Treasurer. All were in favor of the motion, therefore the motion was approved.

2. Reports:

Financial/Coffee/Social Reports: Don Butterfield, Treasurer presented the financial reports. Ytd 10/31/14 Total Assets: \$2,079,697.64, Total Liabilities: \$298,698.22; Ytd 10/31/14 Income \$191,494 and Expenses \$148,781. Coffee balance as of 10/31/14 \$319.18 and Social as of 10/31/14 beginning balance \$4,808.36 and ending balance \$4,765.06. Raymond James account is tracking the same as last year ytd10/31/14 of \$8,570 earnings or 2.81%.

Motion: A motion was made by Joe Carideo, Director to accept the Treasurer's Report. It was seconded by Roe Bongo, Vice President. All were in favor of the motion, therefore the motion was approved.

Presidents Report:

Palm Trees – The company that performed the work in early April, did not insure their employees for Workman's Compensation, they operated by having their employees sign a release liability form. Ameri-Tech obtained 2 proposals from the other tree service companies who have Workman's Comp insurance. We accepted the lower bid which was \$2,000 more than the previous tree service firm.

Unit #7 - Unit #7 was sold at tax auction in June. In September, a law firm representing the purchaser, Omaha 2011 LLC, demanded we release our September, 2013 lien as Florida law allows Tax Deed sales to trump our lien. Our attorney agreed and released the lien on our behalf. On November 4th, our attorney received checks for the unpaid monthly fees, late fees, interest and attorney fees from the current owner since June thru November. Payment was made by a second LLC which purchased the property from the first LLC.

Park forms - Joe Carideo has improved the format of forms required for sale and rentals and other park forms. The forms are on our website and available at the office.

3. Old Business:

a. Reserve Assets Investment Policy: The consensus of the board and Raymond James advisor developed an Investment Policy for our reserves. The Investment Objective is a Conservative Balance with a Low to Moderate Risk Tolerance. Investments will consist of a large allocation of fixed income securities and may include small allocation of equity securities. A minimum of 10% of our total reserve fund portfolio will remain liquid. The Treasurer can authorize the sale of any of our investment holdings based on the advice received from Raymond James, but all purchases must be approved by the Board.

Motion: A motion was made by Don Butterfield, Treasurer to accept the new Investment Policy and that a copy is attached to the minutes. It was seconded by Roe Bongo, Vice President. All were in favor of the motion, therefore the motion was approved.

b. Water issues – Units 112 thru 116 and Units 92 and 93: Gordon Mills requested from the board, to table these issues until the December meeting so that he can attend the discussion and have input on this matter.

Motion: A motion was made by Roe Bongo, Vice President, as a courtesy to Mr. Mills, that we table this discussion on the water issues until the December meeting. It was seconded by Don Butterfield, Treasurer. All were in favor of the motion, therefore the motion was approved.

c. Lakeside erosion: This past summer 2 board members met with the engineer who had examined our canal erosion. The engineer report stated he did not recommend adding additional rocks as it was a waste of money and would not fix the problem. If there is an installed retaining screen, which there is, we can't do any better than that. The slope is too severe and the weight of the adjoining property adds to the problem. His suggestion is to leave alone. The existing slope is 1 to 1 and should be 3 to 1. Discussion followed amongst the residents and the board.

Motion: A motion was made by Joe Carideo, Director that we have quality pictures of the pond taken every 6 months to watch how the pond is responding to outside sources and use that as a reference to the erosion. It was seconded by Don Butterfield, Treasurer. The vote was four members in favor and three opposed. The majority of four were in favor of the motion, therefore the motion is approved.

d. Condition of unoccupied units: Ameri-Tech issued a letter to the owners of Unit #71 on October 3rd asking them to clean up the outside of the unit. This will be a closed issue until a second letter is sent to the owners by December 3rd.

Motion: A motion was made by Roe Bongo, Vice President to send a second reminder on December 3rd regarding the outside condition of Unit #71 and bring it up to compliance. It was seconded by Joe Carideo, Director. All were in favor of the motion, therefore the motion was approved.

4. New Business:

a. Ratification of Management Company Contract Revision: Discussions were held with the Management Company, Ameri-Tech in order to modify the existing contract. Changes were agreed by both parties and these changes consisted of : (1) Guaranteeing the monthly management charges of \$847 currently in the contract would not increase for 3 years. (2) The term of the first contract would end in December in lieu of November and all future contracts will have a period of January 1 through December 31. (3) The automatic renewal term would be 1 year in lieu of 3 years. The contract has been signed.

Motion: A motion was made by Joe Carideo, Director to accept the ratification of the Ameri-Tech contract as discussed and attach a copy of the contract to the minutes. It was seconded by Don Butterfield, Treasurer. All were in favor of the motion, therefore the motion was approved.

b. Approval of Next Year's Management Company contract:

Motion: A motion was made by Roe Bongo, Vice President to maintain Ameri-Tech for the year 2015 as our management company. It was seconded by Don Butterfield, Treasurer. All were in favor of the motion, therefore the motion was approved.

c. Approval of new closing Attorney: On July 9th we received a letter from our attorney J. Cianfrone that as of August 15th his office would be available for legal representation, but that his office would no longer perform transfers (closing actions) for co-operatives. Ameri-Tech helped to acquire a new attorney for the closings. His name is Michael J. Guju and he specializes in transfers for co-operatives. Therefore we will use the services of both attorneys.

Motion: A motion was made by Joe Carideo, Director to continue to retain Attorney J. Cianfrone for legal representation and to retain Attorney Michael J. Guju as our closing attorney. It was seconded by Roe Bongo, Vice President. All were in favor of the motion, therefore the motion was approved.

d. Approval of new Lawn Service Contract: Bids were received from 3 companies. (1) US Lawns presented a 1 year proposal with 38 visits for \$17,940 plus \$75 per service between the months of December thru March for removing the Parks leaves. (2) Ramon's Lawn Service presented a 2 year contract with 39 visits per year for \$22,200 per year, and no additional charges for removing leaves from the park and acorns from the street between units 121 and 122 during the months of December thru March. Also includes trimming of bushes around the office, the pool and entrances. (3) Peninsula

Landscaping Service presented a 1 year proposal with 37 visits for \$23,820 including removing leaves from our park between the months of December thru March.

Motion: A motion was made by Roe Bongo, Vice President to hire Ramon's Lawn Service for 2 years at the quoted price of \$22,200. It was seconded by Tollie Holtzclaw, Director. All were in favor of the motion, therefore the motion was approved.

e. Change of Insurance Carriers: Citizens Insurance is trying to rid itself of 400,000 insurance policies. Heritage Insurance Company has offered to provide us with that service. We can opt out or opt out of this. The cost would remain the same as Citizens, for the next 3 years. Heritage is a new company and not well reserved; however, should the company fail, the State of Florida guarantees coverage of \$300,000 which is about what our coverage is now with Citizens. John Gay our insurance agent agrees that we should go with Heritage Insurance.

Motion: A motion was made by Terri Tarozzi, Secretary to move to Heritage insurance Company from Citizens Insurance Company per the recommendation from John Gay our insurance agent. It was seconded by Don Butterfield, Treasurer. All were in favor of the motion, therefore the motion was approved.

f. Request for property changes: The Seylers, Unit #100 requested to change the color of the shutters and trim to a cottage door green. The Slaysmans, Unit #49 requested to change the color of trim to gray. Barbara Cushon, Unit #22 requested to paint the driveway to clay red similar to adjacent driveways.

Motion: A motion was made by Joe Carideo, Director to approve the changes as discussed for Units #100, #49 and #22. It was seconded by Don Wallace, Director. All were in favor, therefore the motion was approved.

g. Rental Requests: The following rental requests have met all requirements. Unit #22 Murovic; Unit #39 Monroe; Unit #79 Mohan; Unit #84 Martin; Unit #95 Chase/Honeybun; Unit #116 Staples.

Motion: A motion was made by Roe Bongo, Vice President to approve the rental requests as they have met all requirements including background check and proof of age. It was seconded by Don Wallace, Director. All were in favor of the motion, therefore the motion was approved.

h. Unit Sales: The following sales have been approved. Lot #46 Russell and Laurice Belden; Lot #37 John and Patricia Roberson; Lot #23 Ralph and Grace Smith; Lot #47 Ronald MacDonald and Ann Cooper.

Motion: A motion was made by Roe Bongo, Vice President to approve the unit sales as all requirements have been met. It was seconded by Don Butterfield, Treasurer. All were in favor of the motion, therefore the motion was approved.

i. Approvals of Relatives staying Units without owners present: Unit #84, 10/14 to 10/21 Grace and Eugene Wall; Unit #84, 10/18 to 10/20 Carmen Wall; Unit #84, 12/20 to 12/27 Sandra and Mary Duquette; Unit #110 12/7 to 12/22 Janet and Mike Dube; Unit #95 10/20 to 10/27 Don and Kathy Strohler; Unit #95 12/5 to 12/8 Dan and Sharon Strohler; Unit # 89 7/15 to 7/29 Joe and Elloise Mohan.

Motion: A motion was made by Joe Carideo, Director to approve relatives staying in units without owners present as discussed and reminded that they must abide by the rules and regulations of DPHAI. It was seconded by Donald Wallace, Director. All were in favor of the motion, therefore the motion was approved.

The next 2 agenda items, 4J and 4K will be moved to the end of the meeting as they may prove lengthy. Next agenda item is 4L.

i. Charge off of uncollectible fees from Unit #7: Our current financial balance sheet identifies as an asset "Delinquent Fees #1800". We will never collect the fees from Unit #7 and hence it is a distortion of our current asset and needs to be corrected. Recommendation to "write off" \$5,318 from our books.

Motion: A motion was made by Roe Bongo, Vice President to "write off" \$5,318 from our books due to the knowledge that fees will never be collected from Unit #7 and our books should reflect the true balance. It was seconded by Joe Carideo, Director. All were in favor of the motion, therefore it was approved.

j. Review of Governing Documents changes: Joe Carideo and Roe Bongo have spent a considerable amount of time reviewing our governing documents with the goal of making changes where needed. These documents are not approved as yet; they are proposed changes by the board. After very lengthy discussions of all the proposed changes for all the governing documents a motion was made.

Motion: A motion was made by Roe Bongo, Vice President to agree with specific changes to the governing documents. It was seconded by Joe Carideo, Director. All were in favor of the motion, therefore it was approved. Joe Carideo captured these specific changes and they will be identified in a summary of changes to be presented to the membership for their approval at our annual meeting.

k. Review of proposed 2015 budget: The Board was given copies of the proposed 2015 budget. The budget committee was made up of the President, Vice President, Treasurer and Ameri-Tech. The budget was developed with 2 major goals. 1. No increase in monthly fees. 2. Significantly increase our reserve contributions to prepare ourselves for a major road expense. Since a study of our reserves in 2008, we have not contributed anything near what was recommended for reserves. It will be a matter of time before Florida statute 719 is revised to require HOAs to have a current reserve study and to financially fund reserves in accordance with the study. The President recommended the following;

1. Rehire the firm who conducted the initial study to revisit and revise their recommendation. Such studies should be revisited every 5 years. A price of \$3,450 was quoted.
2. Have the utility structure support in the canal inspected and possibly replaced with funds for any necessary work paid by the appropriate reserve fund. We don't want our park responsible for an environmental issue, i.e. sewage spill.
3. Create a new reserve fund should the need to defend any indemnity claim in the future. We have provided at least 15 new owners with the indemnity.

Motion: A motion was made by Roe Bongo, Vice President to approve the 2015 budget as presented, subject to any needed adjustments revealed by the monthly financials of November and December, 2014. It was seconded by Don Wallace, Director. All were in favor of the motion, therefore the motion was approved. The budget will be presented to the membership at our annual meeting for their approval at the annual meeting.

5. Residents Questions/Input: Research any improvements to conferencing the meetings.

6. Adjourn:

Motion: A motion was made by Roe Bongo, Vice President to adjourn the meeting. It was seconded by Don Wallace, Director at 12:09pm. All were in favor of the motion, therefore the motion was approved.

Respectfully submitted:

Theresa A. Tarozzi, Secretary