

SAIL HARBOUR HOMEOWNERS ASSOCIATION, INC.
Board of Directors Meeting Minutes
November 2, 2009

1. CALL MEETING TO ORDER

The following Board members were in attendance:

Michelle Riker, President -----Present
Ashley Curtis, Treasurer-----Present
Kenney Smith, Director -----Present
Ron Butera, Director-----Present

A quorum of the Board of Directors being present, President Michelle Riker called the meeting to order at 7:00 pm.

2. APPROVE MINUTES

MOTION: It was moved by Kenny Smith and seconded by Ron Butera to waive the reading of the minutes of the September 14, 2009 Board of Directors Meeting and to approve them as published.

VOTE: Unanimous

3. FINANCE REPORT – Presented by Ashley Curtis

Following are the account balances as of October 31, 2009:

Bank Atlantic Operating Account----- \$87,152.95
Bank Atlantic Reserves ----- \$180,868.44
Smith Barney Money Fund ----- \$75,646.40

4. MANAGEMENT REPORT

Management presented the monthly Work Orders and Violations Reports for the Boards review. No additional matters were reported.

5. OPEN FORUM

Several owners in attendance had questions about who is responsible for pressure cleaning the roofs and for any defects in the construction of the units. The Board stated that each individual owner is responsible for all maintenance and repair of their unit. The Board further stated that if an owner fails to maintain the exterior of their unit in reasonable repair that the Association can mandate that the owner do so and if the owner does not comply then the Association can have the work done and bill the owner for the repairs, which if not paid can become a lien against the property.

6. 2010 PROPOSED BUDGET

Management presented the following proposed budget for 2010 and reviewed each individual line item. Discussion followed among the Board members and comments were received from the audience. The proposed budget DOES NOT reflect an increase in the monthly maintenance fees.

| | <u>Jan - Dec 10</u> |
|--------------------------------|---------------------|
| Ordinary Income/Expense | |
| Income | |
| Interest Income | 600.00 |
| Late Fee Income | 8,000.00 |
| Legal Fee Reimbursement | 10,000.00 |
| Maintenance Fees | 218,460.00 |
| Reserve Income | 19,860.00 |

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| | |
|-------------------------------------|------------|
| Total Income | 256,920.00 |
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| Expense | |
| Administrative Expense | |
| Accounting Fees | 1,800.00 |
| Banking Fees | 1,800.00 |
| Insurance | 6,600.00 |
| Legal & Professional Fees | 20,000.00 |
| Licenses, Fees & Taxes | 100.00 |
| Management Fees | 33,147.66 |
| Miscellaneous Expense | 600.00 |
| Office Expense | 1,000.00 |
| Web Site | 250.00 |
| Total Administrative Expense | 65,297.66 |
| Landscape Maintenance | |
| Irrigation Repairs | 4,000.00 |
| Landscape Extras & Replacement | 20,280.00 |
| Mowing and Trimming | 110,000.00 |
| Tree Trimming | 10,000.00 |
| Total Landscape Maintenance | 144,280.00 |
| Maintenance Expense | |
| General Maintenance & Repairs | 9,342.34 |
| Total Maintenance Expense | 9,342.34 |
| Utilities | |
| Electric | 8,000.00 |
| Total Utilities | 8,000.00 |
| Total Expense | 226,920.00 |
| Net Ordinary Income | 30,000.00 |
| Reserve Funding | |
| Painting | 12,000.00 |
| Road Overlay | 8,000.00 |
| Budget Shortfall | 10,000.00 |
| Total Reserve Funding | 30,000.00 |
| Net Income | 0.00 |

MOTION: It was moved by Ron Butera and seconded by Kenny Smith to approve the 2010 budget as presented. **VOTE:** Unanimous.

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7. BOARD ISSUES

Smith Barney Money Fund Account: Management advised the Board that the interest rate on the Smith Barney Reserve Account has dropped to .06 % and on a balance of over \$75,000.00 only yielded .61 cents of interest in October. Management recommended moving the funds to Colonial Bank which is currently paying 1.45%. Discussion followed.

MOTION: It was moved by Ashlee Curtis and seconded by Ron Butera to close the Smith Barney Money Fund Account and move the funds to Colonial Bank. **VOTE:** Unanimous.

The Board also discussed moving the Association's Operating Account, which is currently with Bank Atlantic, over to Colonial Bank due to the high monthly service fees being changed by Bank Atlantic. The Board directed Management to research the cost savings and report back to the Board. The Board gave tentative approval to move the funds to Colonial Bank if it would result in a significant savings.

Pressure Washing: The Board considered the following proposals for pressure washing the driveways, sidewalks and roadside gutters:

- \$20,000.00 David Todd Builders
- \$13,665.00 Accurate Building Maintenance
- \$8,449.25 Kevin's Pressure Cleaning, LLC

MOTION: It was moved by Kenny Smith and seconded by Ron Butera to accept the proposal by Kevin's Pressure Cleaning, LLC. for a total cost of \$8,449.25. **VOTE:** Unanimous.

Tree Trimming: The Board considered the following proposal from Clintar Landscape Management Services to trim the trees in the community:

- Oak Trees – 378 (\$26.00/each) = \$9,828.00
- Tababouia Trees – 48 (\$18.00/each) = \$864.00
- Deciduous Tree – 30 (\$26.00/each) = \$780.00

MOTION: It was moved by Ashlee Curtis and seconded by Kenny Smith to accept the proposal from Clintar Landscape Management Services to trim the trees referenced above for a total cost of \$11,472.00. **VOTE:** Unanimous.

The Board discussed mulching the common area islands and installing edging around the plant beds. The Board directed Management to obtain a proposal from Clintar Landscape Management Services and to forward the proposal to the Board.

6178 Reynolds Street: On August 26, 2009 the Association sent the owner a violation letter regarding an interior wall that was erected in the garage which turned approximately 75% of the garage area into living space. On or around Wednesday, October 28th Management spoke to the owner and inspected the premises and determined that the wall had not been removed. The owner stated that they were only using the room as an office and wanted to know if the Board would consider a variance to allow them to keep the room. Discussion followed. The Board felt that although the room was only being used as an office and not as a bedroom, it still violated Section 10 of the Association's Declaration of Covenants and therefore the wall must be removed. The Board directed Management to send one final letter to the owner advising them that the wall must be removed.

8. ADJOURNMENT

There being no further business, Michelle Riker adjourned the meeting at 7:40 pm.