

Phoebe Park Association
Board of Directors Meeting/Budget Workshop Minutes
September 21, 2010
Aquatic Center

Call to Order:

- 1 The Meeting was called to order at 6:36 p.m. Board Members in attendance were Adrian Montanaro, Howard Hanson, and Gary Winters. Margaretta Delgado and Joe Isabel were absent with prior notification. Several homeowners were in the audience. Rick Pitrowski and Rachel Welborn of Communities of America (COA) were present.
- 2 Meeting was properly advertised on our Phoebe Park message board and on the website prior to Tuesday's meeting.

Unfinished Business:

- **Results of roof inspection sampling**—Commercial Roofing Consultants were hired to sample 25% of the homes to determine the condition of the roofs and recommend what, if anything, could be done to extend the life. Generally, the results were good with no major problems found. Several less-serious deficiencies were located and, at an audience member's suggestion, the homeowners whose roofs were inspected will be notified of the results of their inspection. Motion by Montanaro, seconded by Hanson, to include in the year-end letter to homeowners the results of this inspection. Later in the meeting, Winters moved and Hanson seconded to have the cost of this study paid out of regular operating budget rather than from the Roof Reserve.
- **Progress report on upcoming villa painting**—Two Board members and COA met with PCS to work out the needed specifications and scope of work to include filling cracks, repairing loose bricks/stones, etc. It is anticipated that painting of all 118 villas will take 5-6 months and it is hoped to commence in January 2011. As soon as final specifications are received, bids will be sent out. Information on painting will also be included in the year-end letter to homeowners.

New Business:

- **Recommendation to homeowners for a preventative termite barrier application** at the soil level concurrent with painting at owner's expense—COA requested a quote from Truly Nolan, but it was not as requested. New quotes will be sought so that when painting of villas commences, homeowners can be offered the option of having a termite preventative applied to the foundation area while dirt is pulled back—at homeowner expense. If feasible, this information will also be included in the year-end letter to homeowners.
- **2011 Budget proposal/discussion**—Montanaro opened this topic by stating for the record that Board member Isabel is strongly opposed to any raise in the monthly assessment. Pitrowski stated that Board members must also consider their fiduciary duty to properly fund both reserves and reasonable expenses of the community, which do tend to increase each year. Considerable discussion ensued regarding a budget proposal by Montanaro and another provided by COA. Several areas for further study/discussion

included insurance, bad debt expense, and distribution of funds in the reserve accounts. Pitrowski suggested Board meets with Mae Gordon, COA accountant, to compare proposals and learn what statutory requirements impact the budgeting process. Winters and Montanaro agreed to meet with Ms. Gordon. Another topic was the option of whether to keep the reserves funded in separate accounts or in separate components. Our auditor has suggested using the “pooled” method, which is also easier to compare to and comply with the reserve study. Pitrowski will investigate the requirements to switch accounting methods, but this should be able to be accomplished at the next annual meeting.

Adjournment:

- The meeting adjourned at 7:38 p.m. Motion by Hanson and seconded by Winters.
- Next regularly scheduled meeting will be on October 19, 2010 at which time the budget will be finalized.

Respectfully Submitted,
Joanne Montanaro (for Margareta Delgado)