

Gulfside Villas, Inc. Home Owner's Association Meeting Minutes for Annual Home Owner's Meeting December 1, 2012

I. Call to order

Anne Torsney, President, called the meeting to order at 2:17pm on December 1, 2012.

The meeting was conducted at the offices of Plumlee Realty at Indian Rocks Beach and via conference call.

II. Roll call

Conducted roll call and acknowledged the owner's present:

- In person: Paul Roth Unit #5, Derrell and Norma Curry Unit #15, Wes Niedecken Unit #19, Anne Torsney and Danny Rzepka Unit #4, Michael Rydell Unit #13, Ed Rawls Unit #2 and Steve Goot Unit #20
- Over the phone: Bob Lebye Unit #1 and Bob Musik Unit #8
- Voting representation at the meeting in person and proxy was 18 Units
- Also present was Rick Commons, the Association's CPA

III. Quorum

Anne Torsney stated that a Quorum had been established in order to conduct the official business of the association.

IV. Proof of Due Notice of Meeting

Due notice for the Meeting had been completed in accordance with the By-Laws of Gulfside Villas, Inc.

V. Approval of minutes from prior board meeting

Motion passed to dispense with reading the minutes from last annual meeting along with the acceptance of the last annual meeting minutes.

VI. New Business

Prior year end review

- Rick Commons reviewed the financials as of the end of November.
- Sale of Unit #13 was complete as of November 30, 2012.
- Association received check from the sale of Unit #13 in the amount of \$16,389.94.
- No additional funds from the Bank

Proposed 2013 Budget

Rick Commons' presented and reviewed the budget along with the three options being voted on.

The three options were:

- 'A' (Budget with full reserve funding and maintenance at \$695.92/mo.)
- 'B' (Budget without full reserve funding and maintenance at \$445.00/mo.)
- 'C' (Budget without full reserve funding and maintenance at \$475.00/mo.)

Questions from Norma Curry... Norma wanted to know why the board had not put in the electronic gate and resurfaced the parking lot since it was approved at the annual meeting a few years ago. Additionally she was questioning and concerned that now the board was rushing to get the paint done along with other expenditures such as termite treatment prior to getting the gate and driveway work done.

Paul Roth explained that when the association voted to purchase the gate and resurface the driveway actual financials were not presented to the association and there was no funding appropriated to pay for these improvements. The board has been planning to have an assessment to raise additional funds to pay for these additional enhancements. Additionally it was pointed out that paying for things like painting the buildings are not discretionary expenditures but instead are planned, scheduled and mandatory maintenance items.

Derrell Curry stated that he believed that the fee requirements proposed by Mr. Commons were erroneous and incorrect.

Mr. Commons presented facts to dispute Derrell's position. Mr. Commons suggested that in order to pursue Derrell's suggested approach the association could invest in a formal study which he expected would cost the association approximately \$20,000.

Derrell requested that the association switch its financial planning and reserve funding method to an alternative technique called "Pooling".

Mr. Commons recommended against this.

Paul Roth stated that Derrell's request was not part of the agenda and was not something that could be voted on and continued discussion in the Annual Meeting was not productive and we needed to move on. Derrell was invited to bring this up to the Board of Directors for further consideration.

Rick Commons polled each owner for their vote and after including all Proxy votes it was determined that Option B was selected.

Budget Vote...

- 3 for 'A'
- 8 for 'B'
- 7 for 'C'

B wins...providing maintenance fees @ \$445/month

For those that are on 'Autopay' you will need to make the change with your financial institution.

New payment books will be ordered and sent to each owner within a couple of weeks following the Annual Association meeting.

There was a vote to approve the roll-over of any surplus funds – Yes or No vote.

Vote was approved to roll-over any surplus funds.

Voting on the Paint Color and the Association provided Cable TV services.

Association provided Cable TV services passed with 13 in favor and 5 not in favor.

Before the vote on the Paint color Derrell, Norma and Danny expressed their objections to the process and procedure taken by the board to decide on paint colors. Derrell particularly complained that the board did not solicit input from the members of the association. Further, Derrell complained that the board was doing a poor job of communicating with the association's members while carrying out the duties of the board and the business of the association. Derrell asked if the board was following Robert's Rules and if not should consider adopting said rules.

Paul Roth primarily addressed the objections and concerns...

- Derrell has been and is part of the board. The board was very clear in communicating the planned procedure to the association and reviewed prior board meeting minutes of said communications. As a member of the board Derrell had many opportunities to contribute additional ideas and optional paint colors... he chose not to... The last time the association picked colors

the process was a disaster that resulted in a very elongated process and a lot of bickering and arguing amongst the members. As a result the board chose to adopt a process that would be much more efficient. Most of the members present at the meeting agreed with process and the procedure adopted by the board and we moved on to have the vote.

- With regards to the request to use Robert's Rules Derrell is invited to bring this up at a future Board Meeting.
- With regards to Derrell's concerns that the board is not communicating with the association members effectively he has volunteered to take on the board position of Secretary and personally improve the communications to his satisfaction.

Paint vote resulted in 16 for A and 1 for B

Additional proposals for painting will be obtained and evaluated in the coming weeks and the painting project will be targeted for after the middle of May 2013. Advance notice will be provided as we plan out the painting project.

Issue was raised with the paint on the railings peeling...

The board will look into this problem and make plans to remediate.

Follow-up action is to send out an Email to everybody in the association to see who has issues with paint peeling on their railings.

Special Assessment

Immediately following the Annual meeting there was going to be a board meeting to discuss and vote on an assessment. Members were invited to discuss during the annual board meeting and remain in attendance for the subsequent board meeting. There was open discussion for all members to express their thoughts and ideas about an assessment.

Additional topics

The board is finalizing the selection of a termite pest control service provider to tent and fumigate the buildings. Everybody knows we have a severe termite problem and we tenting and fumigation is the only way to eliminate the pests. We are targeting to get this done in early May 2013. There will be more communication on the details as we firm up plans over the coming weeks.

Danny Rzepka upated the association with the status of the weather damaged pillars at the end of units #1 and #20. Having had inspections done by a professional firm there is no dangerous structural damage but repairs are required.

The board will be moving ahead proposals and the required repairs.

VII. Adjournment

- Motion made to adjourn by Paul, 2nd by Steve and all agreed. The meeting was adjourned at approximately 3:50pm.

Minutes submitted by: Paul Roth – Secretary

Minutes approved by: Anne Torsney – President

X

Anne Torsney
President