

ANNUAL MEMBERSHIP MEETING  
PALM VILLAGE RANCH  
HOMEOWNERS ASSOCIATION  
January 28, 2016

President Sandy Landis called the meeting to order at 6:30 p.m. Secretary Bobbi Wilkins called roll with the following Board members present: Diane Timmons, Fred Sterling, B. J. Bolling, Sandy Landis, Bobbi Wilkins and Rosalie Stinson. Ford Cook is absent.

Bobbi Wilkins explained the election process and checked to see that everyone had a ballot. Bobbi explained that the name and lot number(s) are on each ballot. Your ballot explains how many votes you are entitled to. After you have filled in your ballot, either approve or reject the budget, and there are also three members running for the Board. You can do up to three votes. A person whose name is on the deed may vote. Rhonda Smits will check to see if we have a quorum. If we do not have a quorum, we cannot take any votes tonight.

In the meantime, Sandy Landis gave a rundown of what has happened in the past year. Some of the projects completed over the last year are:

- The community has sold 43 lots in 26 sales which included 15 homes.
- We lost three residents this year: Denise Houanier, Gary Mull and Judy Meadows.
- Palm trees were trimmed twice.
- All of the mailboxes were cleaned.
- All the For Sale signs that were damaged or unreadable or on the ground were removed.
- Replaced several missing panels on the electrical boxes.
- Rhonda Smits and B.J. Bolling stained the message board frame.
- The solar panels were repaired twice. And the booster panel pump and controller were replaced.
- Removed the remaining concrete from the drainage system on 11<sup>th</sup> Way.
- Received new chairs for the pool area.
- Replaced the pool pump and the chemical pumps.
- Prepped and painted the pool shed and repainted the equipment box.
- Hurricane shutters and hardware were checked out, marked for placement and are stored in the men's bathroom with a diagram as to what goes where.
- Renewed Charlie's Lawn Care contract for two years. He did increase his price by about \$2 per lot or about \$1.49 per mow.
- Washed and painted all the street lights owned by the Association.
- Repaired the aerator lines that had been cut by trolling motors, and had a sign made and put up to warn boaters off so either the aerator or irrigation lines do not get cut.
- Painted the parking lot bumpers.
- Painted the drip edge around the clubhouse.
- Power washed and painted the peak over the clubhouse entry.
- Power washed and painted the irrigation pump house.
- Painted the brown exhaust units on the roof of the clubhouse.

- Cold patched some of the cracks in the cul-de-sac.
- Painted the yellow posts and the clubhouse sprinkler valve.
- Prepped and painted vent pipes (2) near the clubhouse and one near Daugherty's home.
- Installed a timer switch in the pool table room for climate control.

Sandy Landis reported she put a sheet on the table showing the demographics of our community. How many lots we have, etc.

Sandy Landis asked the ladies who were counting ballots if we had a quorum. Sandy was told yes, we had a quorum. Sandy asked those present to mark their ballots and when finished hold them up to be collected.

Sandy said we have three candidates and three open positions for a place on the Board. There is really no need to have a vote to fill the open positions on the Board, but we do need the homeowners to vote on the budget. So, please mark your ballots yay or nay for the budget.

Bobbi Wilkins asked that once you have the ballot marked, hold up your hand and someone will come and pick up the ballots. Sandy Landis announced there is no need to sign your ballot, and that your lot number is on the sticker on the top of the ballot. Sandy Landis thanked everyone at the meeting for coming out on a nasty night.

Sandy Landis said that our accountant has asked us to vote on whether or not to give her the authority to look at two different kinds of tax returns. One would give us a little different tax break which comes into play when we have sold property, but then she can take a look at both and see which would give us the best solution financially. Sandy asked for a hand vote on what the membership wanted. Everyone seemed to be in agreement to allow this.

Treasurer's report: B.J. Bolling reported that we have \$10,000 in our emergency fund, \$210,810.63 in our reserve. As we talked about before, we combined the general and the social petty cash. We have \$100 in petty cash and in our social checking we have \$4,559.68. In our operating checking we have \$75,240.59. In our operating checking we have \$75,240.59. The reserve is what we keep for repairs to the roof, the pool, the solar system, irrigation, etc. We cannot mess with the reserve. Technically, we have the \$75,000 in the operating and \$4,500 in social.

A question from the floor: how much do you have to keep in the reserve? We have to put in \$19,000 or thereabouts. When we first started the reserve, we calculated how much we would need each month and how long the roof and the roads would last, etc., and that's how we came up with the amount that goes into the reserve. Luckily or unluckily, in 2004 a hurricane took the roof off this place. When we took over, the developer had very little in the reserve. We sued him for that and we did get some back. B.J. announced that anyone that wants a more detailed budget was welcome to it and only had to ask at the office. B.J. explained we have the budget at the bare minimum of what we can do. Most people want to see the bottom dollar on the budget. From the floor: a suggestion for next year is to put two columns on the budget handout for the current year and for the new year. Also, a member would like to see what actual performance was against the projected budget from last year.

Sandy Landis asked the homeowner if he could meet on the budget detail after the meeting and welcomed his help with the accounting program used to produce reports.

In response to a request for a balance sheet, B.J. said that is what she is reading from and copies are available on a table by the door for everyone.

A homeowner asks: My question is fairly simple, how are our reserves now compared to last year? Are they going in a positive direction? What are we looking to get the reserve to? Sandy Landis reported that repaving the roads in 8-10 years could cost as much as \$250,000. And, we don't have nearly enough. But we are increasing the reserve. Several years ago, we obtained two lots, 120 and 121 (which were held by Palm Village Ranch) were sold them in January for \$16,500. The Board approved that any money received from that sale would be put into the road reserve fund. B.J. said that in addition to the balance in the present reserve fund we also have a lot that is an asset. Our number in reserve is better than it was last year. We anticipate that because of the increase in dues, that number will go up next year. If we have major repairs, it could impact that number. When we took this over, we had less than \$15,000 and the place was a mess.

A homeowner asks: Joann Lockhead inquired about the \$6100 that was spent on legal fees. What was it for? Sandy Landis responded that whenever we have a question about procedure, any legal problem that comes up, etc., our attorney tells us how we should handle it. Since he gets \$275 per hour, it adds up fast. Plus we pay him a retainer.

Sandy said she would entertain a motion to dispense with the reading and the approval of the January 29, 2015 minutes. Fred Sterling made a motion to accept the minutes as written, seconded by Diane Timmons, and passed by unanimous vote.

#### Committee Reports

Social committee: Bobbi Wilkins reported the following:

- Friday, Feb. 5, GEO will be at Pueblo Viejo. We had a fantastic turnout last time.
- Saturday, Feb. 6, will be the yard sale from 8 a.m. until noon. Sign up if you are holding a yard sale.
- Feb. 11 is the Fashion Show and doors will open at 11 a.m. Rhonda has tickets for \$15.
- Thank you to Myra for doing the flower arrangements. Rhonda has also worked hard at table decoration. BonWorth is doing the fashion show and will sell clothes at the event.
- Our next pot luck will be Feb. 27 at 6 p.m. There is no theme, so bring whatever you would like.
- The ladies play cards on Monday and Thursdays at 1 p.m.
- Water aerobics for men and women are Monday, Wednesday and Friday, weather permitting, at 2 p.m.
- Wednesdays is crafts at 1 p.m. and we are getting ready for the fashion show.
- Sewing and/or quilting is Fridays at 1 p.m.
- Fridays at 10 a.m. is Bible study.
- Shuffleboard is now on Saturdays at 9:30 a.m. Please sign up on the board.
- We need volunteers on several committees and the sign-up sheets are on the table.

The next board meeting is going to be Thursday, Feb. 25, 2016, at 6:30 p.m.

Compliance: Rosalie Stinson reported that she and Jerry Bolling went out on Jan. 21 and dropped off 12 notices. She also made about 6 phone calls. She asks that before you leave us in the spring to leave us a

number where we can contact you and to please have the outside of your home presentable for the summer. Please leave a neighbor with a few lightbulbs in case your light goes out while you are away.

ARB: Fred Sterling reported no activity.

Membership: Sandy Landis reported again that we sold two lots to Kim, and Mr. & Mrs. Shamblin are new to the neighborhood, buying a home on 13th. Mr. & Mrs. Buckholtz bought the Harris' property. The Jordan's two lots sold on 10<sup>th</sup> Ave.

Website: Rhonda Smits had nothing new to report on the web site.

Clubhouse and common areas: Don Landis reported the pool heater is working now. The lizards had gotten into the heater and that's why it quit working, because the circuit board shorted out. Don mentioned again the new sign by the pump house on the pond to keep trolling motors away from the lines. The lawn was sprayed for a fungus and weeds.

Rhonda Smits came to Sandy Landis to report we DO NOT have a quorum after all. We only have 99 votes where 117 votes are needed to vote in the new budget. Therefore the budget was not approved after all. So, we need to do this again next month and try to get a quorum then. The proxys will stay as valid. Proxy turn in will be extended to 5 days before the February meeting or Feb. 20.

B.J. Bolling suggested calling a special meeting to vote on the new budget, but after discussion, it was decided that the Feb. 25 meeting will be most appropriate to try again. B.J. remarked how important it is to vote and/or attend the meeting, because at it stands we do not have an approved budget. There is a question as to whether or not we can pay bills now. It was suggested that the \$10,000 emergency fund could be used, but Sandy said that would not even cover two bills. This has never happened before. We will pay the bills off the old budget. Please let everyone know to show up.

Sunshine committee: Bobbi Wilkins reported there were six get well cards sent out and one sympathy. We are not listing the names because of a concern for privacy. The names go in the minutes which are then posted to the web site which is available to anyone in the world. There have been people who didn't want that published.

Sandy Landis reported we don't have any new business, and balloting has already been done. Sandy asked for any comments or questions.

Question from the floor: Is there any way we could get better parking around the clubhouse? Sandy Landis said there is parking on the grass on the two lots on either side of the clubhouse which are owned by the HOA. Sandy speculated we could check to see what it would cost to pave one of the empty lots. B.J. said it would assuredly be expensive and asked the homeowner to check into the cost of paving a lot. Parking is an issue because we get together for socials at the clubhouse too. Not everyone owns a golf cart. Sandy said we appreciate the comment. The homeowner speculated that if a side lot was paved, maybe the HOA could charge for camper parking. B.J. said that would be a business and the HOA is strictly non-profit. Then it was suggested that to put some cars in the golf cart parking would even help. B.J. said since the bushes are going to be removed anyway, maybe we could make that entrance a little wider so a car could be pulled in if we put some gravel there instead of pavers. All agreed we definitely need to check on that.

Question from the floor: You said that lots 120 and 121 were sold. Were the HOA fees current at that time? Sandy said they were not. The previous owner gave us the lots and was behind on the HOA fees. The fees were shown as bad debt. But the owner paid the mortgage that was on it. How much were they sold for? They were sold for \$16,500. That was good for Palm Village too, Sandy said, and now we are not only not paying taxes on it, but we are also getting HOA fees into the future. And, the \$16,500 goes into the reserves.

Sandy Landis thanked everyone for coming out on an ugly weather night. A regular board meeting is being held immediately after this meeting and everyone is welcome to stay.

Sandy asked for a motion to adjourn. Fred Sterling moved to adjourn the meeting, with a second by B.J. Bolling. All were in favor. The meeting was adjourned at 7:15 p.m.

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Submitted by Diane Timmons, Secretary

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Approved