

TALLAVANA HOMEOWNERS' ASSOCIATION, INC.

Minutes of the monthly Board of Directors meeting held on Tuesday, June 14th, 2011, at the meeting room of the Havana Public Library, Havana, Florida.

PRESENT: Bobby Boatright, Earl Mills, Rob Combs, Neil McDonald, Linda Ritchie, Marla Griffin, and Cheryl Roberts Board members, Debbie Robinson, Corporate Secretary. See attached list of others in attendance.

ABSENT: None

The meeting was called to order at 7:04 pm by President, Bobby Boatright.

Corporate Secretary is recording the meeting for the purpose of accurate minutes. No one else is recording.

Approval of Agenda:

Cheryl asked that the website item be postponed and added to the agenda for July.

LINDA RITCHIE MOVED TO APPROVE THE AGENDA AS REVISED. MARLA GRIFFIN SECONDED THE MOTION. THERE WAS NO OPPOSITION, MOTION CARRIED.

Approval/Corrections of May 2011 Minutes:

Revision.

CHERYL ROBERTS MOVED TO APPROVE THE MINUTES AS REVISED. ROB COMBS SECONDED THE MOTION. THERE WAS NO OPPOSITION, MOTION CARRIED.

Treasurer's Report: Bobby Boatright reported:

Totals for May:	Total Deposit: \$25,876.30
Routine Expenses: \$8,380.22	Checking Balance: \$1,683.98
Major Project Expenses: \$0.00	Money Market Balance: \$78,801.40
	Savings/CD Balance: \$95,993.70

Notable Expenses: Attorney's fees: Mostly for collections and will be passed on to the delinquent members who have caused the Association to incur these expenses in efforts to collect unpaid assessments.

Bobby reported last month's total of hours for Debbie Robinson, Corporate Secretary/Bookkeeper:

Total hours worked for 5 months:	441.50**
Total hours per contract @ 80 hours/mo for 5 months:	400.00
Hours worked over contract	41.50

** Total hours worked does not include hours volunteered to work on gate or work days.

LINDA RITCHIE MOVED TO ACCEPT THE TREASURER'S REPORT. MARLA GRIFFIN SECONDED THE MOTION. THERE WAS NO OPPOSITION, MOTION CARRIED.

Delinquent Update – A written report accompanied two spreadsheets and was distributed to the Board. Debbie explained a new spreadsheet that shows the breakdown of the assessments, late fees, attorney fees, etc. owed by each delinquent account. This spreadsheet was marked as Exhibit I. It was noted that the total delinquent amount to date is \$46,223.55 but only 68.6% is actual assessments. The remaining 31.4% of the total delinquent amount is made up of fees such as attorney fees, late fees, interest and lien filing fees. The attorney fees alone are \$10,695.90. The total amount of assessments owed to date is \$31,716.65 and of that amount \$10,900.00 is tied up in bankruptcies and foreclosures; leaving a collectable balance of \$20,816.65. All of this will change as payments are made and the next quarter is billed.

The second spreadsheet, Exhibit II, remaining the same as previously distributed; shows the total

balance due per delinquent member and notes the status of each account. Debbie noted that five members will be dropped from the next list as they have paid their delinquent amount in full, now showing a zero balance on the spreadsheet.

There are two member accounts that are pending judgment as they have not responded to the payment stipulations sent after the first court hearing. Upon asking for an update, Ken's response advised us to set Shriners for a hearing. After the first stipulation was sent, a reminder letter followed with both items given ample time for the Shriners to respond. Debbie asked and it was the consensus of the Board to proceed for final judgment. The other member, A. Phillips, will be sent a reminder from Ken as they have received the stipulation but no reminder.

Bobby began the discussion for the Association to file the small claims in court instead of Ken to keep the legal fees at a minimum. After reviewing the onset of collection efforts, the attorney fees have really accumulated. Bobby suggested if the Association took on some of the responsibilities now handled by Ken, we could save on legal fees but still use Ken on the cases that do not respond to THA efforts.

Bobby said that by following Ken's pattern, and at Ken's urging, the Association could take delinquent members to small claims court without the high costs of attorney fees. Upon an account becoming delinquent, a demand letter will be sent from the Association. This letter will give the member 14 days to respond. If there is no response, the Association will file in small claims court. The fees to file depend on the amount being sought but will range from \$90 - \$185. The court will serve the defendant by certified mail but it may be necessary to have the Sheriff serve the defendant which will incur an addition \$40. These costs are considerably less than Ken's but will still be passed on to the delinquent member.

Once the case is filed, we are given a court date. Board members will represent the Association in court. Bobby stated that he would like Debbie to attend the hearings as well since she has all the payment history and could provide useful information as questions arose or if the case went to mediation.

Bobby noted that he and Debbie are working together to format a plan that would become a basis for the eventual Board resolution for payments and collections. Bobby anticipates the first batch of demand letters to be sent after July 1st to those who have a balance as of June 30th.

Correspondence/Phone Calls:

1. Linda Ritchie received a call from Mrs. Kaye on Audubon. The call was referred to Bobby who then handled Mrs. Kaye's concern.
2. Earl received an email from a homeowner on Deer Pass East thanking him and the Board for the improvements to the road.
3. Bobby noted the email regarding the dirt bike problem on Mason Drive; the complainant has asked the issue to be dropped in fear of retaliation from the neighbor.
4. Bobby received a phone call from Mrs. Kaye on Audubon Drive regarding the neighbor's use of moth balls on the property. After his research on the use and regulations of moth balls, Bobby approached the neighbor to inform her that scattering moth balls around the yard was a violation of the directed use of moth balls. The homeowner did not realize this and said she would pick them up. Mrs. Kaye sent a note of appreciation to Bobby.
5. Bobby was contacted by Butch Parrish regarding a large pile of yard/tree waste. It is not clear if WastePro or the homeowner took care of the pile but it has been removed.
6. Bobby spoke with Tim Dove regarding the cracks in the new pavement in front of Tim's home; to be covered under Roads, Grounds and Dam Report.
7. Bobby received a copy of a letter that was addressed to Don Ellingsen, 280 Deer Pass East, regarding the Bennett 92 acres that is for sale. The residents of Deer Pass East are concerned about the intended use of the property if it sells as it is adjacent to some of the homeowners on Deer Pass East. Bobby asked

Linda Ritchie and Earl Mills to keep an eye on the property as well as Diane Sheffield who is on the zoning and planning committee. The Bennett property is encumbered with the Association Restrictive Covenants but that fact may not be known to the realtor.

8. Cheryl received an email from a Deer Pass resident thanking her for the follow-up to the request for a “No Outlet” sign and the repairs to the road.

9. Neil received a phone call from Mark Palmquist regarding the audit proposal. To be covered under Old Business.

10. Neil received a letter from Larry Jones regarding the boat ramp at the north end of the lake. Larry noted that the court order regarding Mason Drive issues states that the boat ramp at the north end of the lake should be substantially the same as the ramp at the pavilion. Larry said that although the ramp may be concrete, it is not usable. The lake is too shallow at the north end, there is no dock, and the sides of the ramp need to be marked to show the location of the ramp under water. Bobby asked Larry to come up with possible solutions that may be presented to the Budget Committee for consideration. Larry also mentioned that the trees around the gate between Mason Way and Hickory need to be trimmed.

BOARD REPORTS

Legal: Cheryl Roberts, Linda Ritchie

a. Resolution for payments and collections: Bobby reported the process is still being worked out. We are currently using what is in the governing documents.

Member Relations: Marla Griffin

The website had 1150 visits in May.

Plans have been made for a July 4th picnic for the members. THA will provide meat and drinks. Members are to bring a dish to share. Dinner is to start around 6:30.

Follow-up on replacing the two tables that disappeared over a year ago; Earl said he discussed with Debbie what he saw at Costco’s and what she saw at Sam’s. They agreed that Debbie would purchase the tables at Sam’s.

Lake Management: Bobby Boatright & Rob Combs

a. Carp Management – Neil reported that they harvested 16 carp last time out. He said that the population seems to be going down and what fish they are collecting are smaller.

b. ***Lake Watch*** – Pat Powell: Lake Watch went out last month. Pat reported the visibility at 2 feet, which is better than the last several trips out. Next time out will be in July. Warren and Faith Jones have volunteered their pontoon and would also like to be trained for Lake Watch.

Security & Gate: Rob Combs

Officer Jeff Stowell worked 20 hours in May. Jeff can be seen parked along the causeway and patrolling the community. The retired FWC officer was contacted about helping at the lake but is not interested at this time.

Gate – No report.

Roads, Grounds & Dam: Earl Mills

Road Culvert across Honeysuckle at Tallavana Trail - Still work in progress.

Large Culvert Replacement across Tallavana Trail near Don Jones house – Still monitoring but no continued heavy rains to test impact.

Spalling on the outflow side of the 12-pipes – Cheryl purchased the material but the weather is too hot.

The ramp at the pavilion is in need of repairs – No report.

Asphalt overlayment project – There is already some cracking of the new asphalt overlayment. Tim Harrell from North Florida Asphalt came out to take a look. He felt that the drop off from the edge of the pavement was too great causing the asphalt to separate. It had already been pointed out by Kimsey and others that we needed to back fill some of those areas. We were promised free fill from a member who is going to be putting in a pool and we were hoping to be able to wait for it, however, we decided that we needed to go ahead and address it now. Marc is currently working on the shoulders and when he is finished, Tim Harrell will come back out and determine the best remediation for the cracks.

Guard rail on back side of Dam – Earl sent 3 bid requests; all three were returned and the Board has copies of all three. There was some discussion about the bids but the main focus was on the need for the guardrail. The question of liability came up again. Earl said he would check with Doug Croley. There was also the question of the property owners' liability if there were a fatal accident and the Association's insurance would not or could not cover all the damages if sued. Linda said she would check with Ken Abele.

Follow-up on accident on the dam – Neil replaced the posts and stretched the cable. Bobby had asked Debbie to follow-up with the claims adjuster. She reported the claims adjuster said to get an estimate for the repairs, send him a copy and he will have a check issued. Earl said he would contact Don Cantrell for the damage estimate.

COMMITTEE REPORTS

1. ACC:

a. ACC Report – Since the full report is attached to the minutes, a brief summary follows:

Approved Submittals:

Bill Burnopp, 56 Mason Court, submittal for in-ground pool with walkway & screen.

Justin & Jan Strickland, 305 Honeysuckle Dr., submittal for in-ground pool and pavilion.

Jack Wolfgang, 3982 Tallavana Trail, submittal for tree removal and septic system repairs.

b. Other ACC business – None

See full report attached to the minutes

2. Lake Management Planning Committee: Diane reported that EPA is to establish new numerical guidelines that will in turn put the enforcement responsibilities on the FLDEP. That means that the TMDL is still enforceable. Lake Tallavana remains on the list for impaired bodies of water. Sean McGlynn has submitted a grant application for an aeration system for Lake Tallavana. The initial response from DEP has been favorable. The aeration system would add oxygen, which in turn would help bring a much needed balance to the water quality. Diane asked that no one from the Association interfere by contacting DEP regarding our grant; Sean should be their only contact for this critical decision.

Old Business

1. Mason Drive Sign - At the May meeting, the Board discussed the request from Jeff Butler to remove the Lake Tallavana sign from his property. Although Jeff had previously agreed to allow the sign on the edge of his property, he is requesting removal because the Association has taken Jeff to court for

nonpayment of assessments. The sign has been in place since 1998. As a result of May's discussion, a letter was sent to Mr. Butler acknowledging his request and it was the consensus of the Board to contact Ken Abele to see if we had legal options.

Ken has been sent the history of the sign and inquired of our options. We are waiting to hear back from Ken.

2. Audit Proposal – Bobby stated that at the May meeting, Mark Palmquist asked the Board for a formal audit of the THA books. The cost of the audit, which would cost several thousand dollars, is not in the 2011 Budget. The next step in the process is for a project proposal to be drafted and submitted to the Budget Committee for the audit to be included in the 2012 Budget. Mark did draft a proposal and sent it to the Board. Before the Board was given the chance to discuss at the June meeting, a petition was drafted to force an audit. Neil McDonald contacted Bobby to inform him of the petition and to let him know that the petition would be presented to the Board at the June meeting if the Board did not vote for an immediate audit. Mark's audit proposal was for the audit to take place within 90 days.

Neil said Mark Palmquist contacted him to discuss the audit proposal and then gave Neil a copy of the petition. Mark is currently away for the summer and asked Neil to follow through with a request to obtain signatures on the petition, a petition to force an audit. Neil reported that he approached Jim Bock for his help in obtaining signatures. Neil reported his actions to Bobby so that Bobby would not be blindsided at the meeting. Neil reiterated that he was only doing what Mark requested.

Bobby's response to Neil during their first discussion was that he was not sure the Board had the authority to approve expenditures for an audit but would research the state statutes. Neil said he then talked with Jim Poss who had a different opinion regarding the Board's authority. Neil said he would now turn discussion over to the Board for their solution. Neil added that Jim Bock met with Debbie and three other members to research the need for an audit. Neil stated that Jim's report to him was that Jim was very pleased with the way the bookkeeping is handled and complimented Debbie. Jim was impressed by all the checks and balances in place.

Bobby started by addressing the first sentence of the petition: "Several members desire an audit of the Tallavana Homeowners Association financial records at a level above the level required by law for an Association of this size." The state statutes set the levels of financial reporting based on the income of the Association. According to Tallavana's income, our reporting level requires compiled financials.

Bobby read the following from the eighth edition of *The Law of Florida Homeowners Associations*, "When creating the bylaws, there is a substantial amount of discretion available to establish the specific procedures which the homeowners association will follow. There are some provisions in the law, however, that mandate specific operational procedures for the association, and the bylaws must be consistent with these statutory requirements. Among these requirements are restrictions on the use of proxies, financial reporting obligations by the association, the requirement that all board meetings be open to the members of the association, and the requirement that notice be posted for all board meetings."

Bobby continued by reading the state statute 720.303 (7) (c) FS: "If 20 percent of the parcel owners petition the board for a level of financial reporting higher than that required by this section, the association shall duly notice and hold a meeting of members within 30 days of receipt of the petition for the purpose of voting on raising the level of reporting for that fiscal year. Upon approval of a majority of the total voting interests of the parcel owners, the association shall prepare or cause to be prepared, shall amend the budget or adopt a special assessment to pay for the financial report regardless of any provision to the contrary in the governing documents, and shall provide within 90 day of the meeting or the end of the fiscal year, whichever occurs later:"

Bobby stated that he does not see the Board having the authority to approve an audit but that the membership does via petitioning the Board to hold a special meeting, special meeting held within 30 days and the majority of the voting interest to require an audit. Jim Poss stressed that the Board does have the authority to approve an audit especially if they suspect malfeasance. Bobby tried to explain that in this particular case, the Board is not suspect of wrong doing and does not have the authority to needless spend money on an audit. Jim continued to stress that the Board does have the responsibility. Linda said that again, the Board does not see the need. Discussion continued on the statutes and the Board's authority.

Linda stated that Mark's reason for the audit seems to be connected to the amount of delinquent members yet an audit is not going to correct the collections process. The current Board is taking steps to aggressively collect delinquent assessments. She said the first year she was President Debbie approached her about some of the delinquent accounts that were starting to become serious. Debbie mentioned that the delinquency issue went from 2-3 members back in 2006 to 18-20 in 2009. And back in 2006, one member refinanced and paid up, one was on a payment plan and the other was taken to small claims court. Beginning in 2008, the bankruptcies and foreclosures started and the delinquency problems began to grow. By 2009, Linda, Bobby and Debbie began the campaign to collect and continues to this day.

Willis Rabon summed up the discussion stating that if a group of people think that the Board is not doing their job, they have that right to petition as stated in the statutes. And if the Board thinks there is something wrong with the finances, they have the responsibility to hold an audit. However, the financial records are in order, there is no money missing from the bank accounts and the collections process is unrelated to the need for an audit. If members still want to force the Board for an audit then the state statutes should be followed.

Jim Poss stated that the petition was premature, more research should have been done and the Board given the chance to discuss the need for an audit. Jim said he would like to see a committee of THA members to perform informal audits on a yearly basis. Don McEwen said past committees have done just that, especially when the books are turned over to a new bookkeeper such as when Donna Johnson turned the books over to Debbie. Don also mentioned that during Budget Committee meetings, Debbie has expressed a desire to budget an audit perhaps every two years. The expense has not been added to the 10-year model as many other projects take priority.

Bobby said that he and Debbie are not opposed to an audit but would like the community to have the say if we spend the money for an audit. He feels that just because one person thinks there should be an audit that the Board, 7 people, has the authority to spend the amount of money it would take for an audit. He questioned how 8 people could have so much say about an unnecessary expense if the majority of the community is comfortable with the financial records. The membership would then have the right to question the Board on why money was spent on something not needed. Bobby also questioned the accusations surrounding the delinquent amount when that amount is consistently decreasing.

Larry Jones asked if there was any oversight to the current financial reports. Debbie stated that financial information is available to members at every Board meeting. A spreadsheet is available for members to take home if they desire and she carries a notebook to every Board meeting with bank reconciliations available for anyone to review. Copies of the monthly reconciliations and other QuickBook reports are given to the Treasurer. Board members requesting any other reports are obliged.

Debbie offered to hold a workshop for the membership to show the details of how the financial records are kept. She wants to put all the rumors to rest by giving the membership the chance to see for themselves. She told the Board it was up to them to call the workshop, but she was open and willing. Bobby asked for the workshop to be discussed at the July meeting.

Discussion continued about the delinquency issues and how the timeline of the delinquencies mirrors the downfall of the economy. Cheryl Roberts said there was no need to spend money on an audit, the Board is actively collecting unpaid assessments and she knows there is no malfeasance on Debbie's part. Diane expressed concern about the notion that the members are not so worried about the delinquency issues as they are about the notion that "money is missing" rumor. She said it was a shame that such a misconception was allowed to spread.

Jim Bock said that when first approached with the petition to obtain signatures, he immediately began to seek signatures without first investigating the "stuff" he was hearing about the need for the audit. He said he did not do due diligence in finding the truth before he passed on what he was told and obtained signatures. He then decided to research for himself. He met with Willis Rabon, Bobby, Gary and Debbie Robinson. Debbie answered all of Jim's questions and showed reports, files, and financial records. Jim stated that Debbie is extremely thorough, and that her checks and balances had checks and balances. He also dispelled the inference that if something were to happen that someone else had to step in and take over the bookkeeping no one would know what is going on. He said everything is quite clear and precise. Jim then called the petition signers, apologized for passing on bad information, upon which the signers

asked for their name to be removed from the petition.

Willis Rabon stated that the Board still needs to decide about the audit. If they vote not to call an audit then the membership has the right to petition for a special meeting to make that decision.

CHERYL ROBERTS MOVED TO TABLE THE AUDIT AS THE PERSON REQUESTING THE AUDIT WAS NOT IN ATTENDANCE TO PRESENT HIS REASON FOR THE AUDIT. SHE SAID THE AUDIT SHOULD BE TABLED AND ANY FURTHER DISCUSSION SHOULD WAIT UNTIL THE REQUESTING MEMBER CAN BE PRESENT.

There was no second and comments were made that the Board should vote “yes” or “no” to the audit; the current motion leaves the issue open to be brought back up again.

CHERYL ROBERTS MOVED THAT THERE IS NO CURRENT REASON TO PURSUE AN AUDIT. MARLA GRIFFIN SECONDED THE MOTION. THERE WAS NO OPPOSITION, MOTION CARRIED.

New Business

None.

With no further business, meeting was adjourned at 9:53 p.m.

Respectfully submitted,

Debra Robinson, Corporate Secretary

**TALLAVANA HOMEOWNERS' ASSOCIATION, INC.
ARCHITECTURAL CONTROL COMMITTEE**

June 2, 2011

Minutes/Report

Meeting of the monthly Architectural Control Committee (ACC) was held on June 2nd, 2011 at the pavilion of Lake Tallavana.

PRESENT: ACC Members –Pat Powell, Gary Robinson, and Dorothy Ross

Approvals:

Bill Burnopp, 56 Mason Court, submittal for in-ground pool with walkway and screen. The pool is to be 27'10" x 11'11". Located at side of house. No buffer encroachment.

Justin & Jan Strickland, 305 Honeysuckle Drive, submittal for in-ground pool and pavilion. The pool is to be 18'x36', pool decking is 37'x55'. The pavilion is 18'x18' with a metal roof. Three trees will be removed but nothing from the buffers.

Jack Wolfgang, 3982 Tallavana Trail, removal of 1 tree that is endangering his structure but the tree is in the buffer of the neighbor. Jack will take care of the tree removal but must get permission from the neighbor. Also the septic system is to be repaired.

Pending:

Other ACC Issues:

Respectfully submitted,

Debbie Robinson, Corporate Secretary for Tallavana Homeowners' Association