

Garrett's Run Condominium Association
Minutes of the Annual Meeting
Saturday April 1, 2017

Call to Order: Manager Lynn Hiott called the meeting to order at 10:10 am in the clubhouse at 7900 Greenboro Drive. Lynn Hiott, Michelle Davis, and Ted Manna with Reconcilable Differences were present. Lynn verified with management that the meeting had been properly noticed and posted.

Appointment of impartial committee to count ballots: Lynn asked for volunteers from the floor to open ballot envelopes and tally the director votes. Ted Manna, Josephine McLean, Penelope Cherry, and Steve Borrelli volunteered to help. Michelle with Reconcilable Differences oversaw the process and calculated the proxies.

Collection of ballots not yet cast: Lynn asked if there were any ballots not yet cast and there were none.

Counting of the ballots began in back of the room where all could be seen.

Management Report: Lynn thanked all the owners and tenants who sent prayers for a quick recovery. She reported that unexpectedly at the end of February, her liver stopped working. She was in the hospital for 3 ½ weeks recovering, and is still out on medical leave. Because of this, she has not been on the property, but since leaving the hospital, she has continued to work behind the scenes at home. She thanked Angel, who was filling in as the office administrator and helping to keep things running until she is well enough to return.

Establishment of A Quorum of Members for Annual Meeting By Certification Of Proxies: Michelle reported that 32 owners attended in person and 28 units attended by proxy for a total of 60. Thirty-four (34) units were needed for a quorum (30%) and this was reached.

Approval of the Annual Meeting Minutes of April 2, 2016: Lynne Arthur made a motion to waive the reading of the past year's minutes and to approve the minutes of the April 2, 2016 Annual Meeting as written. George O'Neill seconded the motion and it passed unanimously.

President's Message: Jim thanked Management for being with us 5 years. He said he was excited about what is to come. Jim then updated the membership on the accomplishments of the past year:

- Painting of buildings 300, 200, and 100 have all been completed, and all cosmetic board work was also completed.
- Hurricane Matthew came thru and there was a lot of debris that was cleaned up the weekend after it hit!
- Several irrigation pumps had to be replaced, as well as irrigation lines throughout the year.
- Several sidewalk tripping hazards had to be repaired, and other areas were opened to allow water to drain. Many concrete curbs were repaired.

Drainage problem in front of 200 building was repaired and a portion of the island was removed, again to allow water to flow.

- A Social Committee was started and FUN gatherings brought our community together. Jim thanked Steve and Teresa Borrelli for hosting this and for their great efforts all year. Jim reminded membership that Steve and Teresa were tenants, not owners, but felt the need to help the community.
- Clubhouse was updated with a pool table, 55-inch screen TV, Blue-Ray DVD player, Wii station to play games, and 4 stadium chairs were added to enhance the viewing of the large TV. The TV also acts as a Smart TV, so online access is allowed.
- Two new B-B-Q grills were added to the back of the clubhouse.
- An additional 5 cameras were purchased and placed around the clubhouse area for better coverage.
- Entire parking lot area was asphalted, areas of tree eruptions were repaired and smoothed.
- Buildings 500, 600, and 800 had their cosmetic boards replaced and all three buildings were painted.
- A storage closet was cleaned out and returned to its original use as a pool side bathroom. Walls were painted, new tile was installed, and it is now a working bathroom so residents no longer have to exit through the gate to use the restroom.
- Highly decorated clubhouse and front office area at Christmas with decorations and lights. Jim thanked Lynn for all the extra time she spends doing this each year. Anyone interested in volunteering to help with this in the future is asked to contact Lynn or Vance. All help is appreciated.

Vice President: Kathleen Fassler reported that she likes how the community is looking and hopes to spend another year on the Board.

Treasurer: Rosemary Gleason reported that it is time for a change, she hopes that the upcoming year allows transparency, and she vows to lower the monthly fees. She also stated that she hopes to serve another year on the Board.

Secretary: Mary Orr reported that she has seen great improvements over the last year within the community. She thanked management and maintenance, and the Board for all their hard work and dedication in making the year as successful as it was.

Director: Stan Arthur reported that he agreed with what all the others had to say and thanked management for all their hard work and dedication.

Financial Report: Lynn Hiott reported that as of December 31st, the Operating account had **\$149,439** of which **\$19,728** of this is in prepaid assessments so the Association ended the year with **\$129,711** in the operating account. The Reserve accounts are held at 2 different banks so that the Association stays under the \$250K FDIC insured limit. **Sunrise Bank has \$72,502** and **Sunshine Bank**, formerly FBC Bank, has **\$86,024**, for a total in reserves of **\$158,526**. Lynn explained that the loan with Valley National Bank does not have individual liens on each property. They have the collateral of taking the monthly dues and special assessing the owners for the full balance if they are not paid. The loan was for \$350,000. \$330,000 of that was used on the

stairwell replacement project, painting of the buildings, and the cosmetic band work done on several of the buildings. This loan has a 4% annual interest rate and the monthly payments have already started, at \$6,000 per month over the next 5 years. Lynn reported that at the end of the year, past due accounts totaled **\$8,197** with **\$22,784** “saved” as an allowance towards bad debt. This is the lowest receivables have been since Reconcilable Differences took over and aggressively pursued collections for the association. With a budget of **\$532,800** we ended the year **\$1,909 under budget**. The 2016 records are still with the CPA who is completing the annual review.

Results of the owner votes:

Vote # 1: Tennis Court Changes to Multi-sport game Court-The Board of Directors proposed to materially alter the common elements by changing the tennis court to a “multi-sport game court” that allows different games to be played. Another option was to remove the tennis court and fence/gate, and replace with sod and a picnic table, thus removing the “amenity” completely. Or a third option was given is to change nothing and resurface the tennis court and keep it as an amenity. There were 60 proxies returned, however not everyone voted on the issues. Results showed **19 owners voted to change tennis court** to multi-sport court, **23 owners voted to remove/replace** with sod and a picnic table, and **13 owners voted to keep the amenity** and resurface the court. Due to needing 75% positive votes for any one of the choices, this vote **failed** and the Board will discuss resurfacing the existing tennis court at a later meeting.

Vote # 2: Specify which piece of Gym Equipment to purchase this year: A number of residents have requested new gym equipment be purchased. With this meetings mailout, was a page of detail on three pieces of equipment with photos. The owners had three choices: Treadmill, elliptical, or a speed bike. There were 60 proxies received, but with some not voting on this issue, results were **20 owners choose treadmill, 22 owners chose an elliptical, and 7 owners chose a speed bike**. Based on these results, the Board will discuss this at a later meeting.

Vote #3: Bulk Cable: Owners were asked to vote on cancelling or renewing the Association’s bulk contract with Spectrum before the auto-renewal in early 2018. Lynn explained that this vote was in response to the budget meeting, where some owners complained that year after year, cable costs keep getting higher. Owners have stated that they don’t understand why they should have to subsidize the monthly cable bill for those who don’t pay their monthly fees, and some owners have said it would be less expensive to pay individually, especially with Spectrum’s new pricing. The Brighthouse (now Spectrum) contract is a 7-year contract, and is up for renewal in early 2018. There are strict guidelines that must be followed if the Board were going to choose to end this contract and not renew. So, owners were asked for their opinions. With 60 proxies received and not all voting on the subject, **17 owners agreed to start the steps of cancelling the bulk contract** and **35 owners voted to keep the bulk cable contract** as part of the association costs. The Board will discuss these results at a later meeting.

New Business: None

Owner Input:

Several Owners commended the Board for an outstanding job this past year, and thanked management and maintenance for a wonderful job being done to keep the place looking great.

An owner asked if we could supply a breakdown of rental units versus fulltime and 2nd home owners (snowbirds). Lynn reported that there were a total of 41 rentals and 79 fulltime or 2nd homes within our community of 120 units. The association is at about 34% rentals.

Lynn thanked the outgoing 2016 Board members: Jim Hamilton, Stan Arthur, Mary Orr, Kathleen Fassler, and Rosemary Gleason.

Presentation of 2017-2018 Board Members: With 12 candidates submitting their names for only five vacancies, ballots were mailed out to all owners. Lynn announced the winners: **Rosemary Gleason with 37 votes, Kathleen Fassler with 30 votes, Angelo Laviano with 28 votes, Peter Engel with 24 votes, and Paul Crow with 22 votes.** An owner asked to know the total votes all candidates received: Stan Arthur received 15 votes, Jim Hamilton- 16 votes, Kathryn Heisey 14 votes, Mary Orr 15 votes, Cheryl Shaton 17 votes, David Tucker 20 votes, and Norman Young received 20 votes.

Lynn thanked Jim Hamilton for getting the donuts for the annual meeting and Steve and Teresa for coming in and making the coffee.

Adjournment: With no further business to be conducted, Jim Hamilton made a motion to adjourn the meeting, Mary Orr seconded the motion and it passed unanimously. The meeting adjourned at 11:05 a.m.

Respectfully Submitted,

Lynn Hiott, CAM #35322
Reconcilable Differences, Inc.

Organizational Meeting
Held immediately after the Annual Meeting
on April 1, 2017

Meeting Called to Order: At 11:15 am, the newly elected Board went over to the office to discuss positions. Management was told not to attend.

Board Members present were: Rosemary Gleason, Peter Engel, Kathleen Fassler and Angelo Laviano. Paul Crow was absent. A quorum was established.

Appointment of Officers and Directors: It was reported to management that the following positions were decided on their return to the clubhouse:

President: Peter Engel

Vice President: Kathleen Fassler

Secretary: Angelo Laviano

Treasurer: Rosemary Gleason

Director: Paul Crow

Peter announced that their first meeting will be held Monday, April 3rd at 7 p.m. as a "Closed Door Meeting" to discuss personnel issues.

Management reported to the new Board that due to her failing health and to help the new Board with their decision making, Lynn Hiott and Reconcilable Differences would no longer be staying with them. Lynn would end her services as soon as possible, but Reconcilable Differences would continue to oversee the bookkeeping until the Board obtains new management. Reconcilable Differences asked for professionalism and respect during this transition. The Board was told they would have the resignation in writing that day.

Adjournment: With no further business to conduct, the meeting adjourned at 11:30 a.m.

Respectfully submitted,

Lynn Hiott, LCAM
Reconcilable Differences, Inc