

**MARGARETS WALK  
HOMEOWNERS ASSOCIATION  
BOARD OF DIRECTORS MEETING  
Budget Workshop  
September 12, 2011 @ 6:30 P.M.  
Conference Room  
FLEMING ISLAND PLANTATION AMENITY CENTER  
2300 Town Center Blvd.**

**I. CALLING OF ROLL AND CERTIFYING A QUORUM**

Ms. Drinkwater called the regular meeting to order at 6:30 P.M.

**Present:**

Don Christofoli, **President**

Bill Korn, **Vice President**

**Also Present:**

Dianne Drinkwater, **Community Association Manager**, Severn Trent Services

Attendance was taken by Mr. Christofoli and there being no quorum, an open forum was held.

The following concerns were raised by residents:

- Resident #1 had concerns with management issues as he believed that STMS only drives by once or twice a month in the neighborhood.
  - Ms. Drinkwater confirmed that she drives by at least twice a month.
- Resident #2 addressed the following:
  - The minutes and budget have not been posted on the website in some time.
    - Ms. Drinkwater acknowledged she was not aware the HOA even had a website until a month ago and agreed it needed to be updated.
    - Mr. Korn pointed out that the HOA minutes were supposed to be posted on the website.
    - Ms. Drinkwater stated she would get all the HOA minutes posted on the website.
  - According to the April minutes, the HOA had 25 delinquent lots and how did it reduce so quickly.
    - For assessments, less than 10 owners were delinquent. In addition, many of those properties have changed ownership and the HOA received payment from the new owners.
    - Ms. Drinkwater confirmed there were 11 actual delinquencies.
  - Requested the name and address of delinquent owners be listed in the minutes.
    - Mr. Christofoli indicated the BOD voted not to include names in their minutes, but they could include lot numbers.

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- Discussed ways to resolve delinquencies such as turning them over to a Collection Agency.
  - Mr. Christofoli indicated they have issued liens, but in certain circumstances they cannot issue liens. They have also sent some accounts to a collection agency.
- The streets used to be cleaned once a year, but not anymore and suggested budgeting money towards this expenditure. There were disagreements from the residents.
- Expressed concern that the ARB was not in control of the main entrance.
  
- Resident #3 addressed the following:
  - Complimented the BOD on what they are doing.
  - Expressed concern about the condition of US 17 going northbound.
  - The color of the paint used to correct the front entrance was cheap and unacceptable. She believed it was not always the best idea to hire the lowest bidder. The color of the red coleus might be a better color as the current color was distracting to drivers.
  - Questioned whether STMS received a kickback as they did nothing to assist the residents by their recommendation and requested the BOD consider firing STMS.
    - Mr. Korn explained that STMS did not select this company. The BOD members selected it. STS only provided the bids; one for \$10,000, the second for \$4,000 and the one selected was \$1,850. The selected company said they could do the job in one day using a highway fast drying paint. The BOD was concerned about the amount of traffic.
  - When she called STMS about 2911 Grande Oaks Way and explained the deplorable condition of the backyard, the individual taking the call said they would look into it. However, when she spoke to the individual who gave her STMS's phone number she was told never to use this cell phone number again.
  - The HOA was spending too much money to correct the main entrance and the residents should not have to pay for it. STMS should pay for it.
  - Questioned whether the ARB had an opportunity to select the color.
  
- A resident addressed the following:
  - Questioned who approved the 40 reflectors for the gate.
    - Mr. Korn indicated some reflectors were supposed to be added to the gate and the vendor over did it.
  - Questioned the procedure for the BOD making decisions.
    - Mr. Christofoli explained the BOD was elected to represent the residents and make decisions. The former Property Manager hired the welding company who repaired the gate, to put reflector tape on the gate at the suggestion of a resident. They charged \$60 an hour for a minimum of three hours to affix the tape. To remove the tape would require removing the paint. STMS reimbursed the HOA for \$180.

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- Pointed out the cheesy lanterns, red paint and the reflectors on the gate had diminished the look of the entrance as the entrance was a huge marketing factor for the community.
  - Mr. Korn acknowledged the lanterns were voted on by the previous BOD members.
- A resident addressed the following:
  - Speeding on Margaret's Walk Road.
    - Mr. Christofoli indicated there was not much the BOD could do about enforcing speeding.
    - Mr. Korn pointed out they tried to do something seven years ago and it did not work.
    - Mr. Christofoli pointed out River Hills Reserve installed speed bumps and recently removed them.
  - Questioned the status of the house with no grass in the yard.
    - Mr. Christofoli indicated this was a foreclosure.

*The record will reflect Mr. Brady joined the meeting. A quorum of the Board has been established*

- A resident addressed the following:
  - Suggested using a color matching the color of the gate.
  - The BOD should replace the bush with something of equal stature.
  - Questioned what could be done to remove the reflectors.
    - Mr. Christofoli pointed out they were not the only community that had them.
    - If they get a majority, the BOD will act on this.
    - Mr. Christofoli admitted several residents told him they liked the reflectors.
- A resident addressed the following:
  - Thanked the BOD for doing a great job for the residents, but expressed concern about the aesthetic value of the community diminishing and foreclosures.
    - Ms. Drinkwater indicated that the Property Appraiser's website shows who owns the property. Foreclosures are a global problem and the HOA does not have any responsibility. However, they can obtain an "Intent to Enter" letter to go onto a property to cut shrubs and bushes and mow the lawn.
  - Questioned whether the HOA could tow a car from the yard of a home and bill the owner.
    - Mr. Christofoli pointed out there was a similar situation where the County cited the owner.
    - Ms. Drinkwater noted she was informed by the County that a resident can have a car without a tag in their yard, but she will double check.
  - Questioned whether they could place a lien on the property.

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- Mr. Christofoli indicated all they could get was the amount of a one year assessment.
  - Ms. Drinkwater noted the HOA can pursue the bank for assessments and any fines or maintenance after the Bank takes title.
- A resident addressed the following:
- Thanked the BOD for doing a great job for the residents.
  - Requested that a tree be planted at the entrance to cover the lamp.
  - Questioned who was in charge of citing owners for yard violations as one yard had a 13 foot high shrub with a green vine growing through the top.
    - Ms. Drinkwater asked the resident to send her an email.

Ms. Drinkwater called the regular meeting to order at 7:35 P.M.

**Present:**

Don Christofoli, **President**

Bill Korn, **Vice President**

Michael Brady, **Secretary/Treasurer**

**Also Present:**

Dianne Drinkwater, **Community Association Manager**, Severn Trent Services

Several Residents

Attendance was taken by Mr. Christofoli and a quorum was established.

**II. PROOF OF NOTICE OF THE MEETING**

Notice of the meeting was posted 48 hours in advance on the community message board at the Amenity Center.

**III. APPROVAL OF MINUTES – August 8, 2011 Meeting**

The BOD reviewed the minutes of the August 8, 2011 meeting. There being no corrections,

**A motion was made by Bill Corn, seconded by Michael Brady to approve the August 8, 2011 regular meeting minutes; with all in favor, the motion carried.**

Ms. Drinkwater indicated these minutes will be posted on the website.

**IV. OWNER'S FORUM**

This was discussed earlier in the meeting.

**V. MANAGER'S REPORT**

Ms. Drinkwater submitted her status report and discussed the following:

- **Financials**

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- The operating cash balance decreased by \$3,352 from July 31, 2011 to a balance of \$50,754 as of August 31, 2011.
- Cash reserves total \$214,065.
- Accounts receivable decreased by \$785 from July end of month to a balance of \$14,239 as of August 31, 2011.
- Prepaids are nominal and consist of insurance and storage unit.
- The accounts payable balance for the liability account is minimal.
- The prepaid revenue and assessments decreased by \$5,423 from July end of month to a balance of \$22,228 as of August 31, 2011.

- **Delinquencies**

As of August 31, 2011, there were 11 delinquent owners with a total past due amount of \$14,239 and accounts 90 days past due totaled \$10,576. The accounts removed at the BOD's request were under \$30.

In regards to account #050-01, the estopple anticipated at the July 8 closing still has not occurred. The staff recommendation is to transfer this account to AR Resources.

**A motion was made by Michael Brady, seconded by Bill Korn to transfer Account 050-01 to AR Resources; with all in favor, the motion carried.**

The Income Statement for the month of August 2011 shows the HOA operating less than budgeted in all expense items. Overall year to date for August 31, 2011, the HOA operated less than budgeted by \$6,653.

The HOA placed five accounts with AR Resources based on the September 1, 2011 report with no payments received. The BOD just started sending accounts to AR Resources within the last few months. The contract with AR Resources states 25% of the amount collected is their collection fee, which was recorded in the Income Statement. They provided a Collection Policy to the BOD in August of 2011. The policy was approved with revisions; however, based upon the HOA's governing documents, the revisions could not be made. Therefore, the Collection Policy has been presented to the BOD again for approval. The BOD wants to flip the 15 days and 30 days.

Mr. Christofoli explained the covenants require charging interest, after an account was 15 days overdue.

Ms. Drinkwater changed the Collection Policy to reflect "*Accounts greater than current annual assessments past due will be transferred to AR Resources for collection*", at the BOD's direction.

**A motion was made by Bill Korn, seconded by Michael Brady to approve the revised Collection Policy with AR Resources and authorization for the President to execute same; with all in favor, the motion carried.**

A resident questioned whether there were any success stories about AR Resources. Mr. Christofoli indicated that the Master HOA used AR Resources and has collected money.

**General Observations During Inspections by Ms. Drinkwater**

- During property inspections, it was noted many of the private fences within the community looked worn and questioned how the BOD would like the Manager to handle this matter.

Mr. Christofoli suggested tabling this matter until the next meeting.

- **Roads and Curbs**

Roads and curbs in some areas of the community have significant mold and mildew. Power washing by the HOA would be costly. One suggestion was to post a notice to residents at the main entrance, in the newsletter or on the website saying “*Please Power Wash the curb in front of your home*”.

Mr. Christofoli supported placing a notice on the website. Mr. Korn will send out an email blast to the residents.

- **Gates**

The BOD President authorized repair of the gates by Sunbelt in August to replace all four backup batteries and tighten the exit gate clutch. At this time, it appears the gates are now functioning. Mr. Korn agreed they seem to be working fine.

**VI. OLD BUSINESS**

- **Entrance Asphalt Painting**

The BOD approved the engagement of Repair Specialists for the entrance gate painting. However, at this time, the work remains incomplete, due to the unsatisfactory color and quality of the work.

Mr. Christofoli updated the BOD on the entrance asphalt painting. He pointed out bids were received for \$1,850, \$4,000 and \$10,000. The company they hired was known for painting parking lots. It was supposed to be the same color or close to it, but unfortunately this did not happen. They showed up to paint at night, but did not bring any flashlights. Ms. Drinkwater confirmed she spoke with the vendor to see if they had the resources to paint at night and they said yes. So far they have only done the first coat.

Mr. Christofoli reported the current vendor was looking for another paint color and offered to provide a sample; a brick tone to try to hide the patch. At the same time, the second highest bidder was looking at a fast drying paint. It will not be painted until the BOD sees the color on the pavement.

Residents suggested the following:

- Having input on the paint color.
- Having pavers
  - Mr. Christofoli pointed out pavers would cost \$80,000.
- Using an epoxy overspray for cracked driveways.

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- Having a color to compliments the walls.
  - Mr. Christofoli pointed out the pavers on Town Center Boulevard have faded and the BOD was not happy with it.

### VII. NEW BUSINESS

- **2011 Budget**

Ms. Drinkwater provided copies of the budget to the BOD members.

Mr. Christofoli indicated the budget includes the 2011 budget, which shows the amount collected through August 31, 2011, what was projected to be spent through the end of the fiscal year and projections for next year. In the current year, \$20,850 was placed into reserves for paving with a total of \$185,000 projected at the end of this year in reserves. For 2012, another \$20,850 was proposed for the paving reserves; for total reserves of \$206,000. They need a total of \$230,000 for the repaving and some drainage work. He recommended having an engineering study done before any work commences, which is two years out.

A straight line method of reserves was provided to the BOD. According to State Law, money cannot be moved out a specific reserve without a vote of the community.

Ms. Drinkwater reported the projected balance of \$214,000 at the end of the year mirrors what was required by the 2011 Reserve Study.

The following revisions were made to the budget:

- The number of units was incorrect. It should be 179 units. Ms. Drinkwater will confirm the exact number of lots with the County.
- *Community Functions* will be decreased to \$500.
- *Architectural Review* will be deleted.
- *Reserve Study* will be deleted.
- *Capital Improvements* will be deleted.
- *Non-Contractual Landscaping* will be renamed *Landscape & Irrigation Repairs*
- *Replacement Fund Transfer* will be changed to \$22,000.
- There are several typos.
- With the changes, the annual assessment will remain at \$480 per year.

She will provide a revised budget to the BOD at the October 3 meeting.

Mr. Christofoli suggested allocating money to replace street signs.

Mr. Korn suggested replacing the tree in the front median. Ms. Drinkwater recommended asking Austin Outdoor for suggestions.

**A motion was made by Michael Brady, seconded by Michael Brady to approve a replacement tree for the front median in an amount not to exceed \$750; with all in favor, the motion carried.**

**VIII. ADJOURNMENT**

With there being no further business to come before the BOD;

**A motion was made by Michael Brady seconded by Bill Korn to adjourn the meeting at 8:45 P.M.; with all in favor, the motion carried.**

Dianne Drinkwater, CMCA  
Severn Trent Property Management  
For Margaret's Walk HOA