

Palmer Ranch Master Property Owners Association, Inc.

**Meeting of the Board of Trustees
At Covenant Life Presbyterian Church
April 10, 2014 – 3:00 PM**

MINUTES

Attendees: S. Ambrecht, S. Anderson, F. Falkner, K. Harris, S. Jeantet, L. Katz, C. Leetzow, R. Mills, R. O'Connor, R. Seifert, B. Tierney, and G. Wharton.

Absent Trustees: F. Amazon, L. Gilbert, and B. Holzman.

Member representatives present were Phillip Arsenault, Deer Creek; Warren Russell, Palisades; and Carol Vartanian, Stonebridge. Managers Rick Barth and Tracy Smith were also in attendance.

I. Convene/Quorum – 3:00 P.M.

Rob O'Connor convened the meeting at 3:00PM and declared a quorum present.

II. Minutes of previous meeting:

A. Organizational Meeting of the Board of Trustees - March 31, 2014 (Convened 3/27/14 and Continued 3/31/14).

Motion by Garry Wharton, second by Fred Falkner, to approve the minutes of March 31, 2014 as distributed. Motion passed unanimously.

III. Community Representative Input – Agenda Items

Mr. Warren Russell introduced himself as the new community representative from Palisades. The Trustees and attendees also introduced themselves.

IV. Old Business

A. Election Committee Report: Bob Mills reported that an error had been made when the votes for Trustees had been counted at the Annual Members Meeting held on March 27, 2014. He provided a full report regarding the discovery of the error, the action taken to address the error, and the manner in which the matter was resolved. Attachment A is a copy of the Election Committee Report.

B. Employment Agreements: Kathrin Harris reported that the employee agreements for Rick Barth and Tracy Smith have been signed, with some benefit additions (Dental and Vision), and the Association having the option to match an employee's contribution to a 401K up to 4%.

Motion by Steve Jeantet, second Garry Wharton, that the Board of Trustees ratifies the employee agreements that were finalized by the officers of the Board and they be kept on file in the Palmer Ranch Master property Owners Association office. Motion passed unanimously.

C. Advisory Committee Charter Draft: Garry Wharton presented a draft of a resolution which provided for the establishment of a committee, to be called the "Advisory Committee," which sets forth the committee's powers and duties. Discussion was held and several changes were made to the draft. Upon motion made by Garry Wharton and seconded by Fred Falkner, the resolution, as altered, was unanimously approved by the Board. Attachment B is a copy of the resolution as altered and approved.

Mr. Barth suggested specifying the names of the Committee members when appointed by the Board.

V. New Business

A. Transition Audit by Cavanaugh & Co for the period January 1, 2014 thru March 27, 2014

Kathrin Harris explained that the previously established Advisory Committee (Pre Transition) on 2/20/2014 had recommended doing a Transition Audit by Cavanaugh & Co for the period of January, 2014 thru March 27, 2014.

Motion by K. Harris, second Bob Mills, that the Board consider authorizing a transition audit as recommended by the Advisory Committee; discussion followed. No votes in favor (of conducting an audit), motion unanimously NOT passed.

Further discussion ensued regarding confirming Palmer Ranch Master Association financials and bank statements.

Motion by Cathy Leetzow, second Lee Katz, that the Treasurer review and sign off on the financials, bank statements, and relevant documents from January 1, 2014 to March 27, 2014, and report back to the Board of Trustees. Motion passed unanimously.

Further to the discussion of motions, Steve Anderson asked the officers of the Board to review proper procedure for initiating motions per Robert's Rules of Order. Specifically, are previous "recommendations" by committees considered "motions" for the Board's consideration? This will be done and reported back to the Board.

VI. Community Representatives – Discussion

Mr. Arsenault asked about the timing of the upcoming budget of PRMPOA. K. Harris reported that it was the intention of the Board to have the budget ready for review by September with no expected increase of dues. She also reported that the current agreements ratified are within the budget.

VII. Board of Trustees Meeting Schedule – Second Thursday of each Month – 3 pm

Covenant Life Presbyterian Church, Room 134, 8490 McIntosh Road, Sarasota

The Trustees discussed the scheduled timing of the Board meetings vis-à-vis the monthly financial reports.

Motion by Bob Mills, second Garry Wharton, that the Board of Trustees will generally meet on the fourth (4th) Thursday of the month at 3:00 PM at Covenant Life Church. Motion passed unanimously.

Sending a 10-day written notice is acceptable according to R. Barth. Next meeting will be May 22nd, at 3:00 PM, Covenant Life Church.

VIII. Adjourn: Motion by Russell Seifert, second Garry Wharton, to adjourn. Motion passed unanimously. Meeting adjourned at 4:05 PM.

Respectfully submitted,
Barbara Tierney, Secretary

ATTACHMENT A: Election Report by B. Mills (two pages as follows):

Palmer Ranch Committee Report Master Property Owners Association Election Committee Report

April 10, 2014

During the March 27, 2014 members meeting, Dr. Chuck Holmes made a Motion to appoint Eugene O'Brien, Trustee, Huntington Pointe; Bob Mills, Trustee, Huntington Pointe; Ray Winberg, Resident, Stoneybrook Estates and Sue Ambrecht, Trustee, Palmer Holdings to the Election Committee. Motion was seconded by Gary Wharton and passed unanimously.

Then Election Committee then assembled to count member association votes for the eight open residential trustee positions per the rules in full view of the membership.

First, the Committee opened the ballots and transferred the vote counts to prepared work sheets and a lap top computer for counting.

Next, these work sheets were then tabulated. Unfortunately, at this time the computer version could not be accessed due to a computer shut down.

After completing, tabulating and comparing the manual work sheets, the four of us confirmed that the vote count was accurate.

Then Gene O'Brien, Chairman, asked me to speak for the Committee and present the election results since his term on the Board was officially ending.

I presented the results and identified the five new two year and three one year resident member Trustees.

- Gary Wharton – 2 years
- Barbara Tierney – 2 years
- Kathrin Harris – 2 years
- Cathy Leetzow – 2 years
- Lee Katz – 2 years
- Fred Amazon – 1 year
- Fred Falkner – 1 year
- Russell Siefert – 1 year

Shortly after the members meeting, a resident from Deer Creek contacted Rick Barth and said that he wanted to see the election vote counts by association.

Rick reported this at the March 31, 2014 Board meeting. At that time, Steve Anderson made a motion which seconded by Kathrin Harris to provide the tally of candidate votes to the Board Trustees, and any member who requests it. Motion was passed unanimously.

Rick Barth then reviewed the data and noticed that the vote count, as reported, did not appear to be correct.

Rick immediately contacted President Rob O'Connor and me together to review the situation. There appeared to be that something might be wrong.

After discussion, we agreed that the next step should be for Rick to contact the new association attorney for advice and counsel.

Attorney Kevin Wells advised Rick that the entire Election committee should meet as soon as possible to recount and certify the vote count.

On April 4, 2014 all committee members, Gene O'Brien, Sue Ambrecht, Ray Winberg and I met and recounted the ballots on the work sheets and on the lap top computer which was now working.

Unfortunately, we determined indeed there had been an error.

The result was that one new Board Member, Russell Siefert had been elected over Douglas Griffen in error.

Accordingly, the committee started actions to correct this mistake.

- All officers were notified of the situation on April 8 & 9, 2014
- Vice President kathrin Harris called Doug Griffen on April 8, 2014 and briefly explained the situation and to him and set up a meeting with Doug, Rob O'Connor and me.
- President O'Connor and I met personally with Doug Griffith yesterday, April 9, 2014. Rob and I explained the election problem in detail.

Mr. Griffin then told us that the main reason he ran for the Board because he wanted to help with the transition from Palmer Ranch Holdings to the residents. He stated that he had had previous experience in this type of residential transitions.

He also said that he was impressed with the transition work that had already been completed.

In further discussion, Mr. Griffin stated that he was very pleased with of the high quality level of all the members of the Board in the transition and as the community moves forward in the resident's hands.

He further said that because of this unusual situation that he would offer to step down and resign for the good of the Board. Rob O'Connor accepted this resignation and we thanked him for being so gracious and understanding.

In addition, Mr. Griffin said that he would like to be considered as first alternate should a vacancy become open this 2014-2015 Board. Also, in a wonderful gesture, he offered his services to serve in any advisory capacity to the Board.

- Following this meeting Rick Barth contacted Mr. Siefert to explain the situation and tell him that he was still on the Board.
- No further action is required.

The Election Committee apologizes to the Board and all others involved for this honest mistake.

We take full responsibility for this unfortunate situation that took place under our watch. Thank you for your understanding.

Respectfully submitted,

Bob Mills

ATTACHMENT B

ADVISORY COMMITTEE
Committee Charter / Scope of Authority

Whereas, on March 27, 2014, the governance of Palmer Ranch Master Property Owners Association, Inc. (hereinafter, "Association") was transferred from Hugh F. Culverhouse and Golden Eagle Service Corporation, d/b/a Palmer Venture, (hereinafter, "Declarant") to the Board of Trustees of the Association (hereinafter, the "Board"), and

Whereas, it is the desire of the Board to create a committee for the purpose of facilitating the governance obligations of the Board, which are set forth in the Association documents and which deal with the powers and duties of the Association.

Now therefore, be it resolved, that a committee, which shall be called the "Advisory Committee," (hereinafter, "Committee") is hereby established, and that the Committee shall advise and assist the Board with regard to those responsibilities and duties required of the Board by the Association documents. In no event shall the Committee have the power to act as the Board, and shall only act in a facilitating role.

Be it further resolved, that the Committee shall consist of Board appointees, not to exceed eight (8), which may include any Board or Association member.

Approved by the Board of Directors April 10, 2014