

Palmer Ranch Master Property Owners Association, Inc.

Board of Trustees Meeting

September 27, 2018

MINUTES

A meeting of the Board of Trustees of Palmer Ranch Master Property Owners Association, Inc., was held on September 27, 2018 at Covenant Life Church, 8490 McIntosh Road, Sarasota, Florida 34238.

Trustees present: Bob Holzman, Claudia Brooks, Richard Beitel, Garry Wharton, Joel Schemmel, Leatrice (Lee Katz), Nicholas Spina, Peggy Wells, Rob O'Connor, Steve Anderson and Steve Jeantet.

Trustees absent: Aaron Herschberger, Kathrin Harris and Andrea Suarez.

Representatives present: Diane Alfano of Arielle; Henry Warren from The Hamptons; Carol Auricchio of Mira Lago; Bob Holzman from Prestancia; Wayne Gold of Sandhill Preserve; Mark Newcombe from Silver Oak Estates; Denise of Stonebridge; Phillis Prager from Stoneybrook Estates; Jodi Cunnison of Turtle Rock; Joe Brand and Al Gryczka from Vineyards at Silver Oak; Gabriel Schlosser and John Cleary from Wellington Chase; Bob Holzman from TPC Prestancia; Steve Jeantet from Covenant Life Church and Steve Anderson of Palmer Ranch Executive Office Center.

Resident members present: Bob Swan from Prestancia; Bob Jenkins from Sandhill Preserve; Brian Wachter from Sandhill Preserve; Lee and Carol Kowicki; Fred Falkner from The Glenridge; Elaine Heckart from Marbella; and Jesse Carter, Hammock Preserve Community Manager.

Palmer Ranch Master Association staff in attendance: Tracy Smith, Sue Ambrecht and Carrie Agosto

Convene/ Confirmation of Quorum

President Richard Beitel convened the meeting at 3pm, following confirmation of a quorum.

Community Representatives - Discussion

Floor was opened for discussion from the representatives. There were no questions or comments.

Minutes of previous meeting

Motion by Nicholas Spina, seconded by Claudia Brooks, to approve the minutes of the July 26, 2018 Board of Trustees Meeting as distributed. Motion passed unanimously.

Financial Report

Tracy provided a recap of the financial statements for the period ending August 31, 2018.

Reports

With the exception of the President's Report and Community Center Report, all reports were provided to the Board prior to the meeting. Each report was referenced and opportunity to provide updates or ask questions was given.

- A. Management Report - Comments provided by Tracy Smith
- B. Grounds Report - Comments provided by Sue Ambrecht
- C. Advisory Committee - Comments provided by Tracy Smith
- D. Community Center Ad Hoc Team

Mr. Wharton reviewed the steps which had been taken to obtain approval from the County to construct a community center. He also reviewed the time it had taken to complete these steps. He then informed the Board that, because of the time taken and because of rising construction costs, the original construction cost of \$1,700,000, which was approved by the Board, was no longer

Palmer Ranch Master Association – Mission Statement

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realistic. The motion, which the Board approved, also contained a provision for increasing the \$1,700,000 figure by 25% with Board approval. With this increase, the construction cost approved by the Board would be \$2,125,000.

The construction management firm, hired by the Association, recently provided a construction cost estimate, based on the current version of the plans being produced by the Association's architect, and this cost estimate was considerably in excess of the \$2,125,000 figure. As a result, a meeting was held to discuss ways to reduce the amount of the construction costs. At the conclusion of this meeting, the construction cost estimate had been reduced significantly; however, the cost was still in excess of the authorized number.

The Association requested the architect and the construction manager to determine if there were any other changes which could be made to reduce costs and to produce a final construction cost amount as soon as possible. In the event this cost is in excess of \$2,125,000, a special meeting of the Board will be called to discuss this matter.

- E. Community Relations Committee - Comments were provided by Tracy Smith
- F. Palmer Ranch Watershed/Natural Assets Committee - Comments were provided by Tracy Smith
- G. Board Member Reporting - the following board members provided a report:
 - a. Nicholas Spina, Residential Trustee, resides in Wellington Chase
 - b. Steve Anderson, Commercial/Industrial Trustee, owns Palmer Ranch Executive Office Center
 - c. Bob Holzman, Recreational Trustee, is the General Manager of TPC Prestancia

Old Business

- A. Email Policy
Motion by Garry Wharton, seconded by Nicholas Spina, to appoint the Community Manager to respond to emails addressed to board@palmerranch.net. Motion passed unanimously.
- B. There was no other old business to discuss.

New Business

- A. Appointment of Residential Trustee to the Board
Motion by Nicholas Spina, seconded by Joel Schemmel, to appoint Bob Swan, from Prestancia, to serve the unexpired term of Residential Trustee to the Palmer Ranch Master Association Board, previously held by Cathy Leetzow of Isles of Sarasota. Motion passed unanimously. Mr. Swan was seated at the board table.
- B. 2018 Year-End Projection – Transfer Expenses Relating to the Community Center
Motion by Peggy Wells, seconded by Claudia Brooks, to recommend transferring monies, via general ledger, expensed for the Community Center out of the Community Center expense account, instead of Enhancements. The general ledger transfer would be for 2018 calendar year expenses, going forward. Credit Enhancement expense line item in the amount of \$125,385.98; debit the Community Center expense line items in the amount of \$125,385.98. All expenses for the Community Center going forward will be expensed out of the Community Center Expense Account. Following discussion, the motion passed unanimously.

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- C. Consideration for Approval – 2019 Calendar Year Budget
Motion by Garry Wharton, seconded by Rob O’Connor, to approve the 2019 calendar year budget as distributed to the Board of Trustees. Motion carried unanimously. (The 2019 calendar year budget is attached and made a part of these minutes.)
- D. Consideration for Approval – Carry forward any audited 2018 excess revenue to offset 2019 expenses
Motion by Nicholas Spina, seconded by Rob O’Connor, to carry forward any audited 2018 excess revenue to offset 2019 expenses. Motion carried unanimously.
- E. Appoint Residential Nominating Committee Chair
Motion by Nicholas Spina, seconded by Bob Swan, to appoint Richard Beitel as the Residential Nominating Committee Chair. Motion carried unanimously.
- F. Community Manager Salary Adjustment
Motion by Nicholas Spina, seconded by Claudia Brooks, to provide Tracy Smith, Community Manager, a 10% increase in her salary, effective July 1, 2018. Motion passed unanimously.
- G. Other
There was no other new business to discuss.

Board Meeting Schedule

The next Master Association Board Meeting will be held on November 15th at 3pm at Covenant Life Church, 8490 McIntosh Road, Sarasota.

Adjourn

There being no further business to discuss, a motion was made by Garry Wharton, seconded by Lee Katz, to adjourn the meeting. The meeting adjourned at 4:10pm.

Respectfully submitted,

Leatrice Katz
Secretary

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**Palmer Ranch Master Property Owners Association, Inc.
2019 CALENDAR YEAR APPROVED BUDGET**

For the period January 1, 2019 through December 31, 2019

	2019
	APPROVED
	BUDGET
Income	
Assessments	\$ 1,970,099
Prior Period Surplus	\$ 200,000
Estoppel Fee Income	\$ 12,000
Interest	\$ 120
Architect Review Fee	\$ -
Sarasota County Maint.	\$ 169,380
TOTAL INCOME	\$ 2,351,599
Expenses	
Administration	
Postage	\$ 2,861
Printing	\$ 3,000
Office Expenses	\$ 9,590
Office Equipment Maintenance	\$ 12,038
Meetings / Travel	\$ 7,540
Website	\$ 650
Employee Training	\$ 360
Organizational Memberships	\$ 1,400
Total Administration	\$ 37,439
Employee	
Salaries	\$ 301,480
Payroll Tax	\$ 26,273
Payroll Processing / Admin Fee	\$ 5,125
401(k) Plan	\$ 11,587
Health Benefits	\$ 56,300
Total Employee	\$ 400,765
Occupancy	
Rent	\$ 14,448
Electric	\$ 1,644
Telephone	\$ 5,400
Facility Maintenance	\$ 3,248
Total Occupancy	\$ 24,740
Depreciation	
Depreciation Expense	\$ 2,160
Total Depreciation	\$ 2,160
Insurance Expense	
Insurance Accrual	\$ 40,956
Total Insurance Expense	\$ 40,956
Professional Fees	
Legal Fees	\$ 9,000
Accounting	\$ 7,350
Architectural / Engineering	\$ 7,500
Consulting Fees	\$ 12,120
Total Professional Fees	\$ 35,970
Maintenance	
Ornamental Maintenance	\$ 247,000
Ornamental Refurbishment	\$ 128,916
Turf Maintenance	\$ 389,184
Turf Refurbishment	\$ 33,719
Fertilization / Pest Control	\$ 192,500
Irrigation Maintenance	\$ 98,142
Irrigation Refurbishment	\$ 45,000
Aquatic Weed Control	\$ 157,080
Repairs & Maintenance	\$ 50,400
Total Maintenance	\$ 1,341,941
Common Utilities	
Re-Claimed Water	\$ 45,600
Electric	\$ 6,300
Total Common Utilities	\$ 51,900
Permit Compliance	
Permit Compliance	\$ 1,000
Total Permit Compliance	\$ 1,000
Operating Contingency	
Operating Contingency	\$ 106,831
Total Operating Contingency	\$ 106,831
Income Tax Expense	
Income Tax Expense	\$ -
Property Tax Expense	\$ 500
Total Income Tax Expense	\$ 500
Enhancements	
Enhancements	\$ 23,124
Total Enhancements	\$ 23,124
Community Center	
Community Center	\$ 200,000
Total Community Center	\$ 200,000
Reserve Funding - Transfer	
Reserve Funding / Transfer	\$ 84,273
Total Reserve Funding - Transfer	\$ 84,273
TOTAL EXPENSE	\$ 2,351,599

NOTE: Assessments are based on a projected 11,797 assessable unit values at \$167.00 per assessable unit value.

**Palmer Ranch Master Property Owners Association, Inc.
Reserve Formulation - 2019**

	Reserve Calculation Year	Quantity	Estimated 1st Year of Replacement	Life Analysis		Unit Cost	2017 Replace Cost	July 1, 2018 Estimated Balance	2018 Budgeted Contributions	2018 Remaining Contributions	2018 Projected Expense	YE 2018 Projected Balance	Residual Balance	2019 Funding Requirement	
				Useful	Remain										
30110 - Entry Walls															
30111 - Clark Road / Sawyer Loop Road East	1995	1	2035	40	16	\$ 96,660	\$ 96,660	\$ 66,388	\$ 1,856	\$ 928	\$ -	\$ 67,316	\$ 29,344	\$ 1,834	
30112 - Beneva / Palmer Ranch Pkwy	1986	1	2026	40	7	\$ 156,375	\$ 156,375	\$ 107,511	\$ 6,635	\$ 3,318	\$ -	\$ 110,828	\$ 45,547	\$ 6,507	
30113 - Beneva / Sarasota Square Blvd.	1986	1	2026	40	7	\$ 31,950	\$ 31,950	\$ 22,194	\$ 1,325	\$ 663	\$ -	\$ 22,857	\$ 9,093	\$ 1,299	
30114 - McIntosh / US 41	1991	1	2031	40	12	\$ 70,875	\$ 70,875	\$ 49,524	\$ 1,732	\$ 866	\$ -	\$ 50,390	\$ 20,485	\$ 1,707	
30115 - PVC Fencing	2010	1	2028	15	9	\$ 44,505	\$ 44,505	\$ 16,581	\$ 2,971	\$ 1,486	\$ -	\$ 18,066	\$ 26,439	\$ 2,938	
30120 - Entry Landscape Lighting	2011	1	2027	15	8	\$ 71,000	\$ 71,000	\$ 27,819	\$ 5,142	\$ 2,570	\$ 20,700	\$ 9,690	\$ 61,310	\$ 7,664	
30130 - Street Light Resurfacing															
30131 - McIntosh Road	2018	1	2028	10	10	\$ 293,600	\$ 293,600	\$ 314,303	\$ -	\$ -	\$ 293,600	\$ 20,703	\$ 272,897	\$ 27,290	
30132 - Sarasota Square Blvd.	2018	1	2028	10	10	\$ 74,200	\$ 74,200	\$ 67,767	\$ 16,013	\$ 8,007	\$ 74,200	\$ 1,574	\$ 72,626	\$ 7,263	
30133 - Central Sarasota Pkwy - US 41 to McIntosh	2018	1	2028	10	10	\$ 39,200	\$ 39,200	\$ 39,719	\$ -	\$ -	\$ 39,200	\$ 519	\$ 38,681	\$ 3,868	
30134 - Central Sarasota Pkwy - McIntosh to Honore	2012	1	2022	10	3	\$ 16,300	\$ 16,300	\$ 10,814	\$ 1,616	\$ 808	\$ -	\$ 11,622	\$ 4,678	\$ 1,559	
30135 - Honore Avenue Phase 1	2012	1	2022	10	3	\$ 36,400	\$ 36,400	\$ 49,280	\$ -	\$ -	\$ -	\$ 49,280	\$ (12,880)	\$ -	
30136 - Honore Avenue Phase 2	2012	1	2022	10	3	\$ 54,050	\$ 54,050	\$ 77,203	\$ -	\$ -	\$ -	\$ 77,203	\$ (23,153)	\$ -	
30137 - Honore Avenue Phase 3	2012	1	2022	10	3	\$ 10,200	\$ 10,200	\$ 11,284	\$ -	\$ -	\$ -	\$ 11,284	\$ (1,084)	\$ -	
30138 - Honore Avenue Phase 4	2012	1	2022	10	3	\$ 13,800	\$ 13,800	\$ 12,018	\$ 532	\$ 266	\$ -	\$ 12,284	\$ 1,516	\$ 505	
30139 - Traffic Signal Resurfacing	2018	1	2028	10	10	\$ 70,045	\$ 70,045	\$ 87,054	\$ -	\$ -	\$ 70,045	\$ 17,009	\$ 53,036	\$ 5,304	
30140 - Community Identification Signs - Replace	2001	7	2026	25	7	\$ 125,350	\$ 125,350	\$ 90,121	\$ 4,788	\$ 2,394	\$ -	\$ 92,515	\$ 32,835	\$ 4,691	
30145 - Community Identification Signs - Capital Repair		7	2025	5	5	\$ 21,000	\$ 21,000	\$ 21,302	\$ -	\$ -	\$ 21,000	\$ 302	\$ 20,698	\$ 4,140	
30150 - Directional Signs	2003	24	2021	20	2	\$ 91,200	\$ 91,200	\$ 68,977	\$ 9,290	\$ 4,645	\$ -	\$ 73,622	\$ 17,578	\$ 8,789	
30160 - Flagpoles	2002	7	2027	25	8	\$ 37,100	\$ 37,100	\$ 18,553	\$ 2,211	\$ 1,105	\$ -	\$ 19,659	\$ 17,441	\$ 2,180	
30170 - Entry Pavers															
30171 - McIntosh / US 41	2005	1	2028	25	9	\$ 34,980	\$ 34,980	\$ 20,415	\$ 1,554	\$ 777	\$ -	\$ 21,192	\$ 13,788	\$ 1,532	
30172 - Central Sarasota Pkwy / US 41	2015	1	2040	25	21	\$ 72,469	\$ 72,469	\$ (20,160)	\$ 4,323	\$ 2,162	\$ -	\$ (17,999)	\$ 90,468	\$ 4,308	
30173 - Sarasota Square Blvd / Beneva Rd	2007	1	2030	25	11	\$ 39,600	\$ 39,600	\$ 25,973	\$ 1,201	\$ 601	\$ -	\$ 26,573	\$ 13,027	\$ 1,184	
30174 - Palmer Ranch Pkwy / Beneva Rd	2007	1	2030	25	11	\$ 71,280	\$ 71,280	\$ 39,608	\$ 2,785	\$ 1,393	\$ -	\$ 41,000	\$ 30,280	\$ 2,753	
30176 - Median Pavers	2011	1	2034	25	15	\$ 33,000	\$ 33,000	\$ 9,928	\$ 1,499	\$ 750	\$ -	\$ 10,677	\$ 22,323	\$ 1,488	
30175 - Benches	2008	15	2028	20	9	\$ 8,250	\$ 8,250	\$ 6,385	\$ 200	\$ 100	\$ -	\$ 6,485	\$ 1,765	\$ 196	
30177 - Silt Removal - Restoration Area F	2018	1	2028	to 10	10	\$ 50,000	\$ 50,000	\$ 47,197	\$ 7,102	\$ 3,551	\$ 50,000	\$ 748	\$ 49,252	\$ 4,925	
30178 - Silt Removal - Restoration Area D	2018	1	2028	to 10	10	\$ 29,585	\$ 29,585	\$ 30,105	\$ -	\$ -	\$ 29,585	\$ 520	\$ 29,065	\$ 2,907	
30179 - Silt Removal - Restoration Area C	2005	1	2019	to 10	0	\$ 69,540	\$ 69,540	\$ 58,537	\$ 26,962	\$ 13,481	\$ -	\$ 72,018	\$ (2,478)	\$ -	
30181 - Silt Removal - Restoration Area G	2005	1	2019	to 10	0	\$ 46,360	\$ 46,360	\$ 39,025	\$ 17,974	\$ 8,987	\$ -	\$ 48,012	\$ (1,652)	\$ -	
30182 - Silt Removal - Restoration Area H	2005	1	2019	to 10	0	\$ 13,420	\$ 13,420	\$ 11,297	\$ 5,203	\$ 2,601	\$ -	\$ 13,898	\$ (478)	\$ -	
TOTAL								\$ 1,822,294	\$ 1,426,725	\$ 122,913	\$ 61,456	\$ 598,330	\$ 889,848	\$ 932,446	\$ 106,831