

GRENELEFE ASSOCIATION OF CONDOMINIUM OWNERS NO. 1, INC.
Minutes of the Meeting of the Board of Directors
September 3, 2009

John Rasmussen called the meeting to order at 1:10 p.m. on the date above noted at the location and time specified in the notice of meeting.

Those present were:

John Rasmussen, President	Earl Monari, Director
Shirley Gold, First Vice-President (via phone)	Joyce Morris, Director
Joyce Brown, Second Vice-President	Brian Siegel, Director (via phone)
Robert Krueger, Treasurer	Chris Gourdie, General Manager
Bryon Smith, Secretary	Carol Post, Asst. General Manager
Carl Bauer, Director	

The president announced that a quorum was present and that the notice for this meeting was posted in accordance with the bylaws and statutory requirements.

The minutes of the February 27, 2009 board meeting were then presented to the board. There being no corrections to the minutes, the president stated that the minutes of the February 27 meeting stand approved as submitted. The minutes of the June 4, 2009 board meeting were then presented to the board. There being no corrections to the minutes, the president stated that the minutes of the June 4 meeting stand approved as submitted.

Melvyn Hobbs then indicated that he didn't receive the poll referred to in the June 4 minutes. Carol Post replied that the poll went out via regular mail on August 27 and e-mail on August 28. He also asked if all delinquent owners were being billed for interest charges, to which Ms. Post replied yes.

Robert Krueger then gave the treasurer's report. He indicated that the Association ended July with a surplus of \$61,477 and operating cash of \$241,699. He reported that cash in reserves totaled \$877,007, \$197,351 of which is the SunTrust Property Insurance Fund. He also indicated that almost \$7,000 in back fees had to be written off due to bank foreclosure on a unit.

The next item on the agenda was the general manager's report. Chris Gourdie reported on the progress of building maintenance, indicating that the carpenters were one building behind on their preventative maintenance schedule but would be caught up by mid-September. Under grounds, Mr. Gourdie reported on several new landscaping installations done recently and four acres of hydroseeding completed in June.

Under administration, Carol Post reported that delinquencies totaled \$114,255. Two owners (four units) were making payments, and the others were in attorney collection. She also reported that an owner of 19 units which had been lienied by the attorney had promised to make monthly payments and was asking the board to postpone foreclosure proceedings. No payments had been

received to date, and it was decided by consensus of the board to have the attorney continue filing for foreclosure.

Mr. Gourdie then reported on the status of building 356 restoration. He indicated that the Association's portion of the work was completed except for installation of interior doors, and that the Association had been issued a final check. He also reported that the adjuster planned to pursue payment of the Association's \$10,000 deductible by the at-fault party.

Mr. Gourdie indicated that information was sent out to owners regarding laundry room storage closet rental, and that the Association had received 20 responses, with 10 persons wanting to rent space.

Mr. Gourdie then reported on owner response to two proposals which had been sent out, the construction of an owner pool/recreation area and the accelerated renovation proposal which Mr. Pike had proposed at the June board meeting. He indicated that of 102 responding, 59 owners indicated interest in a recreation area and 43 voted no. On Mr. Pike's proposal, 58 owners had responded, with 8 yes votes and 50 no votes. Regarding the pool proposal, Robert Krueger indicated that the board serves the entire membership and has no right to run a project in separation from the remainder of the membership.

The next item on the agenda was discussion of opening a new line of credit. Mr. Gourdie indicated that the Association had borrowed against its \$100,000 line of credit with Centerstate Bank to purchase the mailboxes, leaving approximately \$60,000 available should the Association need emergency funds. Considering the current state of the economy and the possibility of multiple-unit owners defaulting on their fees, Mr. Gourdie suggested opening another line of credit with Citizens Bank. Discussion ensued, then Earl Monari moved and Robert Krueger seconded a motion, which was approved unanimously, to open a line of credit with Citizens Bank and renew it on an annual basis with the Citizens CD, with the stipulation that the general manager must gain approval before tapping into the line of credit. It was then decided by consensus of the board that the amount of the line of credit be \$100,000.

The next item on the agenda was discussion of reallocation of the lakeloft roof reserve. Mr. Gourdie indicated that since the lakeloft roofs were all replaced in 2002 and later and wouldn't need any work done for a number of years, Garrett Kenny of Feltrim Development, who owns 12 of the 34 lakelofts as Tree House, LLC, had suggested that the funds in the lakeloft roof reserve be reallocated and divided between the units for payment of prior and future maintenance fees. Carl Bauer expressed the opinion that if the lakeloft roof reserve fund was liquidated, that the funds should be used to fix up the units. Earl Monari suggested that the board take the position that it is not in support of Mr. Kenny's suggestion, and John Rasmussen advised that if Mr. Kenny wanted to pursue this, that he would have to call a special meeting of the lakeloft owners.

The next item on the agenda was discussion of a location for the annual meeting. Mr. Gourdie indicated that he had priced a 20-foot by 40-foot tent with tables and chairs at \$850 to \$900. The tent could be set up behind the Association office, with access to the Association's restrooms. He also looked at a meeting room approximately the same size at Howard Johnson's which would cost \$150 to rent, but appeared rundown. John Rasmussen suggested checking the Garden Center and Nora Mayo Hall in Winter Haven and Sun Air, and Joyce Brown suggested checking

the Senior Center and the new community center in Haines City. Mr. Gourdie was directed to get an e-mail consensus from the board before choosing a location.

The next item on the agenda was the proposed operating budget for 2010 and reserve study substantiating allocation of reserves. Brian Siegel indicated that he had done some research on the prior day and that, although price increases were expected earlier this year, insurance premiums seemed to be saying flat. He recommended that the 2010 insurance figure reflect the current actual with no increase rather than the 10 percent increase included in the proposed budget. John Rasmussen suggested that employee pay increases be limited to 3 percent rather than the 5 percent budgeted. After further discussion, Carl Bauer moved and Joyce Morris seconded a motion, which was passed unanimously, to adjust the budget, reducing the salary increases to no more than 3 percent, reducing the increase in insurance costs, and reducing the bad debt contingency so that dues to owners stay the same as they were in 2009.

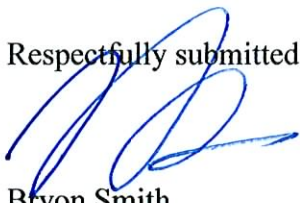
Under old business, John Rasmussen asked for an update on the Verizon marketing agreement. Mr. Gourdie indicated that capital for new projects had dried up and that installation of FIOS Grenelefe was being put on hold.

Under new business, Carl Bauer asked that parameters be set governing how much the Association's general manager can spend on equipment purchases without board approval. After discussion, Carl Bauer moved and Joyce Morris seconded a motion, which was passed unanimously, to pass a resolution that any equipment purchase in excess of \$3,000 requires the approval of the board and/or president, and that the current resolution supersedes all discretionary spending limits previously set.

Mr. Rasmussen then asked Mr. Gourdie to look at the salary structure of Association employees in relation to pay ranges for similar positions.

At 4:30 p.m., Carl Bauer moved and Earl Monari seconded a motion to adjourn.

Respectfully submitted,



Bryon Smith
Secretary