

I'On Assembly Board of Trustees Meeting

March 27, 2017

Members Present: Jody McAuley, Chad Besenfelder, Lori Bate, Matt Walsh, Karen Dillard, Michael Purcell, Tom O'Brien, Paul Gillis

SCS: Mike Parades, Lesley Ramey

Guests: Marilyn Follmann, 93 N Shelmore Blvd; Carla Gilman, 344 N Shelmore Blvd.

Homeowner Forum:

Marilyn Follmann, 93 N Shelmore Blvd., stated she was at the Board meeting to observe.

Call to Order: 6:02 pm by Jody McAuley.

Approval of Minutes:

*Motion to approve the February 27, 2017 I'On Assembly Meeting Minutes.
Motion Seconded. All in favor. Motion passed unanimously.*

Presidents Report:

Jody McAuley submitted a letter from Mr. Ron Follmann to the record. (See Exhibit A). Mr. Follmann is acting as the representative for the petitioners hoping to change the governing documents. Mr. Follmann's letter was to inform the Assembly Board that the petitioners have retained legal counsel for their efforts.

Treasurer Report

Paul Gillis directed the Board's attention to his Executive Dashboard Report. Currently, the Assembly is ahead of schedule on revenue collections, mostly from the IDC, but is slightly higher in expenditures. Paul Gillis noted these will most likely balance out as the year goes on.

In regards to Collections efforts, Paul Gillis commended Mike Parades for his multiyear effort to bring down the number of delinquent accounts. The number of delinquent accounts is down to approximately 7 accounts and 8 accounts are on a payment plan.

Paul Gillis informed the Board that there were approximately \$946,000 in Replacement Reserves. This is the Reserve fund dedicated to repairing and replacing elements of the community (i.e playgrounds, bulkheads, etc). The draft version of the 2017 Reserve Study indicated these Reserves were well funded, and the annual contribution to the Replacement Reserves may go down to \$115,000 from \$120,000. Chad Besenfelder asked who performed the Reserve Study. Mike Parades stated Miller – Dobson had done this one as well as previous studies. Paul Gillis noted the final Reserve Study would be posted on the website. The largest Reserve expenditure will be the dredging of the lake, costing approximately \$600,000. A barometric study was done in 2016 to measure the amount of silt buildup in the lakes. The study showed silt is building up at a far slower rate than estimated. Dredging of the lake has been moved further into the future based on this study. The bulkheads are also a large piece of the Replacement Reserves. The Reserve Study estimates 10% of the bulkheads will be repaired each year. A bulkhead study has just been completed, and those results will dictate when those repairs will need to occur. Mike Parades informed the Board that the Landscape & Infrastructure Committee will be walking the marsh path on Tuesday, March 28th to confirm some information about the repair needed. Once that is complete, the Reserve Study can be finalized.

Paul Gillis reminded the Board that the Finance Committee met with the Landscape & Infrastructure Committee to go over the Reserve projects for 2017 and have them approved at the estimates listed in the Reserve Study. The Finance Committee will then monitor the projects spending against the budget as those project bids come in.

Matt Walsh asked for information regarding the Capital Projects fund. Paul Gillis informed the Board that the Capital Projects fund was separate from the Replacement Reserves and currently sits at \$104,000. The Capital Projects fund was specifically designed as a way to properly fund new projects in the Community. This fund received \$46,000 from the Operating Fund in 2016 and 2017. This \$46,000 is discretionary and can be altered depending on the yearly budget needs. The rest of the Capital Projects fund comes from excess Reserve funds. The initial \$80,500 from transfer fees goes into the Replacement Reserves and anything over that \$80,500 goes into Capital Projects. This is dictated by the Covenants, Conditions, and Restrictions and cannot be altered by the yearly budget.

Paul Gillis pointed out the separate Reserves fund for the Insurance deductible. If a major event happened, the insurance company requires a \$150,000 deductible before insurances kicks in. The last Reserves fund is an \$80,000 Contingency fund for situations like the tree damage from Hurricane Matthew or if transfer fees fall short one year. This fund is set at 10% of Revenue.

Finally, Paul Gillis informed the Board that \$26,000 had been used of the Contingency Fund for Hurricane Matthew Cleanup. The 2016 net income would be enough to replenish the Contingency fund. The Finance Committee would like to move the 2016 net income to the Contingency Fund. If the Board elects to not follow this course of action, the Finance Committee will follow the contingency funding policy which would mean the fund is replenished from the Operating Budget over the next 3 to 5 years.

Motion to approve the Contingency Reserves Fund with the net income from 2016. Motion Seconded. All in favor. Motion passed.

Jody McAuley commended the Finance Committee's work on the Assembly's finances, highlighting the separate Reserve funds based on each need and the full funding of those Reserves.

Guest Question

Carla Gilman, N. Shelmore Blvd., asked to briefly address the Board. Mrs. Gilman was a bit late to the meeting as family is in town, but she wanted to have a chance to voice her concern. Jody McAuley agreed to let Mrs. Gilman speak as there was a pause while the correct Amenities Report was being printed. Mrs. Gilman voiced concern that the agenda and the minutes were not sent out till a few days before the meeting. Mrs. Gilman highlighted the meeting today did not have an agenda out until that morning. Karen Dillard apologized for the delay. The agenda had not been finalized into much later in the process than normal and the Board had it posted as soon as possible. Mrs. Gilman agreed to transcribe the minutes when she was in town. Jody McAuley agreed the Board would review its process.

Finally, Mrs. Gilman reminded the Board there was concern in the community about when the Rookery would be cleared of the trees that went down during Hurricane Matthew.

Amenities Report

Matt Walsh informed the Board that the water to the docks project was on track. Phase 1 was complete and Phase 2 was almost complete. Phase 3 will be completed by American Dock & Marine bringing water from the fixed dock to the floating dock. That phase is scheduled to be completed by the end of the month. A shut off valve was added.

Matt Walsh reminded the Board that boat registration this year was slightly different. Boaters would not be charged for the decals, but boaters needing a key would be charged the \$20.00 fee. This was to ensure all boaters are registering, even those who do not require use of the boat ramp. Matt Walsh asked Mike Parades to provide updates. Mike Parades informed the Board there had been a delay in receiving keys for the new boat lock, scheduled to be changed on March 31st. The keys would likely be in by March 29th. Michael Purcell asked if there was a sign at the boat ramp that the lock would be changed or had been changed. Mike Parades stated there was not. Matt Walsh asked what the communications plan had been. Mike Parades had emailed all boat owners and told them information about registration & the boat lock change date. Matt Walsh asked that signage be added to the boat ramp area to ensure owners knew the lock had been changed and asked that the lock change be delayed a week due to the keys coming in late. Mike Parades agreed to do so.

Matt Walsh updated the Board on the dock expansion plans. A notice will go out to folks on the channel for comment on the dock expansion. After 30 days, the Assembly can respond to any comments given. Then, a permit will be issued at the earliest 4 months after that and the permit is good for 5 years and can be renewed for an additional 5 years. Jody McAuley reminded the Board that the new easement with Olde Park would mean their likely support and a portion of the dock expansion project would be funded by their neighborhood. Jody McAuley thanked Tom O'Brien and the former Board President, Bruce Kinney, for their hard work on making that happen.

Finally, Matt Walsh directed the Board's attention to the half-court design and bids included in the Board packet. The half-court itself would cost \$27,000 based on the Weave bid. Along with the half-court installation, Matt Walsh asked the Board to approve preliminary landscaping that would shield the

half-court from Mathis Ferry Rd. Matt Walsh noted landscape maintenance will be included in future budgets.

Motion to approve the installation of a half basketball court and preliminary landscaping not to exceed \$35,000 funded from Capital Projects. Motion Seconded. All in favor. Motion passed 7-0-1. Chad Besenfelder abstained.

Mrs. Follmann request permission to make a comment on the matter being voted on. Jody McAuley denied Mrs. Follmann request as voting on the matter had begun.

General Manager Report

Mike Parades informed the Board that the additional palm trees for Latitude Ln. had been installed as well as a tree on Ponsbury Rd. and Civitas St. The Landscape & Infrastructure Committee and the Greenery will be walking the marsh path on Tuesday, March 28th to assess what is needed for the path rejuvenation and renovation of the pocket parks.

Landscape and Infrastructure Report

Michael Purcell presented the Board with the Ponsbury Rookery entrance cleanup project. The bidding process for this project started last year, but the original bid was much too high. Chad Besenfelder was able to help refine the scope of work and lower the costs. Paul Gillis asked about the specifics of the plan. Michael Purcell stated the wax myrtles would be cut down to 18-24 inches to allow them to regrow and allow light in for the new plantings. The Greenery would then remove the undergrowth and debris in the area and add native plantings. Chad Besenfelder noted the goal was to have a natural, native buffer that can sustain itself without irrigation or constant maintenance or replanting. Chad Besenfelder reminded the Board the natural buffer was one of the responsibilities of the Assembly when the deed to the Rookery was turned over. Paul Gillis asked where the funding was coming from. Mike Parades confirmed this project would be funded from Capital Projects and was planned in the 2017 budget. Michael Purcell also informed the Board that the Greenery plans to use a temporary meter with the fire hydrant to irrigate the plants until they were viable.

Motion to clean up the HOA owned area on Ponsbury Rd by the Rookery for \$18,214 funded from Capital Projects. Motion seconded. All in favor. Motion passed unanimously.

Covenants Committee

Tom O'Brien presented 1 home for fining. The home had received two letters and would receive a phone call prior to the fine letter being sent out.

Motion to levy a \$10 a day fine beginning April 7,2016 on 1 home. Motion seconded. All in favor. Motion passed unanimously.

IDC Liaison Report

Lori Bate informed the Board an issue with a homeowner had been resolved by granting a variance instead of fining them. The variance was granted due to the nature of the lot's design. Paul Gillis commended the IDC for working with homeowner and finding a happy resolution. Jody McAuley and Matt Walsh agreed with Paul Gillis' comments.

Communications Committee:

Karen Dillard informed the Board that the website redesign project was nearing completion. A proof of the new look was included in her report. Karen Dillard noted the look had changed slightly since this packet went out, but the look was very similar. The I'On Design Committee tab was moved to the main header bar though.

Board of Appeals

Mike Parades informed the Board that the Board of the Appeals would meet on April 20th to hear an IDC appeal.

There being no further business to come before the Board of Trustees, the meeting adjourned at 6:37 pm.

Respectfully submitted by _____