

Minutes
Board of Directors Meeting

16 November, 2023, 6:30 PM CT

Location: The Gulf Beach Baptist Church, Middle Beach Rd., Panama City Beach, FL

Call to Order: Tom Trossen called the meeting to order at 6:30 P.M. CDT

Quorum: Tom Trossen, President/Director
Rob Jagger, Vice President/Director
Bill McDaniel, Director
Martha Cook, Director (on Zoom, not counted for quorum)
Daniel Darce, Director

4/5 Board members were physically present, 3 owners physically present, with one board member and 3 owners on Zoom.

Tom Trossen made opening remarks, indicating that in accordance with Florida Amended Statutes taking effect 1 October 2023, the past BoD Agendas were now all available on The Glades Webpage. **He also motioned to add one agenda item under Old Business in addition to the published agenda: an estoppel fee resolution per Florida Statute. Seconded by Rob Jagger. Board members present unanimously approved to add agenda item.**

Approval of 28 September Board Meeting Minutes: Tom Trossen presented the draft minutes for board approval. Martha stated a correction to men's luncheons are held on second Tuesdays, not the ladies luncheons. Rob Jagger noted his name misspelled and asked for correction. **Daniel motioned to approve amended minutes, seconded by Rob Jagger. 4 Directors present voted to approve as amended.**

OLD BUSINESS

Tom Trossen noted that the Nominations Committee continues to seek nominees and volunteers to the three Directors positions up for election in 2024. So far none received, but incumbents have volunteered to serve additional 2 year terms: Martha Cook, Daniel Darce, and Tom Trossen. Positions advertised through Facebook and Email. Due to cost constraints, Tom recommended not to mail a solicitation letter due to lack of response to any solicitation letters in the past several years. Additionally, the Secretary position remains open and needs to be filled. Tom did not want incumbents volunteering to serve again to dissuade any other association members from volunteering to serve on the board.

Bill McDaniel provided research on investment strategies for reserve fund. There are numerous funds available, and presented three options. FDIC Approved, Non FDIC Approved, JP Morgan Liquid Assets paid 5.4% historically. Rates are locked in at investment. Enhanced Saving Program requires \$100,000 initial investment, but can withdraw funds after 48 hours. \$100k was qualifying amount, not required minimum. Federated Treasury Obligation Fund, 521 Treasury Markets with no early withdrawal penalties. Investing in CDs is for a term and cannot withdraw during term. Process has become simpler

vice previous rules – Directors no longer must provide personal investment disclosure information which resulted in many associations not investing. Current requirements require government ID copy and signature of Directors only. Financial advisors for these funds do not profit from HOA transactions normally. As with any investment, there is potential to lose funds. FDIC insured funds and Treasuries are no-risk options. Daniel Darce asked if board must unanimously agree to invest – answer was “yes”, and if the board changes composition the initial investment is still valid but future changes can be made by new board. **Rob Jagger motioned that TGOA Board Of Directors agrees to invest Reserve Funds in low to no risk investment fund and further directs Bill McDaniel to provide a minimum of three options at the 11 January 2024 board meeting. Seconded by Daniel Darce, approved by 4 Directors present and Martha via Zoom.** Bill McDaniel requested George McNitt and Tom Trossen to investigate CD options with the Association’s bank.

BOARD AND SUPPORT STAFF REPORTS

Treasurer’s Report: George McNitt provided funds account balances \$47,422.09 in checking and \$107,842.63 in the reserve fund for a total of \$155,264.72.

- Nine properties are for sale, 114 Hombre Circle closed last week.
- **Tom Trossen** noted he forgot to introduce the Estoppel Fee Resolution in Old Business and that it was important to George’s report, he then introduced the Estoppel Fee Authority Resolution 2023-1 and read the text. He also noted that no estoppel fees had been collected since 1 November, but that with approval tonight the resolution will have immediate effect and all future closings will include the estoppel fee. **Tom Trossen motioned to accept the resolution as written, seconded by Daniel Darce. Approved by 4 Directors present.** Tom noted that the resolution will be posted to the association website tonight.
- There are no members in arrears.
- No trash dues are outstanding.
- \$400 received in fines as a result of ECC fines notices.

Tom Trossen asked for payment cycles for TGOA bills. George noted several are one-time fixed date yearly payments, and trash, water, electricity and maintenance contract are monthly payments.

Bill McDaniel introduced the 2024 refined budget proposal and outyear projections for line by line evaluation and consideration.

- Projected 2023 expenses of \$123,279.29 would result in a surplus of \$1,612.04 to carry over to 2024.
- Budgeted expenses for 2024 of \$155,544.90 will result in a shortfall of \$6,455.70

Bill noted the board’s job is to balance the expenditures with total annual revenue. There is no assumed Estoppel Fee income level in the projected budget. Tom noted the current dues of \$258.75 plus \$266.40 trash/amenity portion equates to 2024 Annual Dues of \$525.15. Even with an assumed 10 estoppel fees added, there is still a budget shortfall. With respect to Phase II, Tom noted that the DCR for Phase II specifies a Drainage Maintenance Assessment separate from the general maintenance accomplished

through the association's maintenance contract, and that all future references to this assessment needs to be titled properly: Phase II Drainage Maintenance Assessment. Historical records accurately track expenses for this assessment. George noted that the expenses of drainage maintenance and the separate pond insurance liability cost results in a cost per Phase II member of \$107 per year and there is no "reserve fund" for pond maintenance. Discussion then transitioned to including an estimated estoppel fee collection as part of association revenues for budgeting purposes. Based on historical data and number of homes currently listed, income from 15 estoppel fees will be projected in the budget which still results in a projected 2024 shortfall. Discussion transitioned to the size and required size of the Reserve Fund and to how it is calculated and explained to members. Martha provided insight on how this money can be spent and what the interest on this fund can be used for. This requirement is affected by inflation and replacement costs. For further discussion and assumption of 15 estoppel fees at a total of approximately \$4,500 was included for budget analysis. Directors then engaged in line by line expense analysis for each entry. Significant discussion ensued on potential reductions – cut back on Recreation, reduce elements of the maintenance contract such as once per year palm tree trimming vice twice per year; once per year pine straw application vice twice per year; stop maintaining R Jackson / Grand Heron Drive entrance roadside grasses. Rob Jagger noted the intent of the board is to improve The Glades year over year and provide the Best Place To Live in PCB. The board should consider an appropriate increase in dues to cover the shortfall as costs will continue to rise due to inflation year to year. With that in mind, and based on past statement of the Treasurer, the potential increase of dues was considered. After discussion, the rate of \$550 per year would be an increase of \$24.85 which is within the boards DCR authority to raise, and in the long term analysis would cover inflation at a rate of 10% per year for current costs for the next several years. **Rob Jagger motioned to raise Annual Dues to \$550 per year and Phase II Drainage Maintenance Assessment to \$107. Seconded by Daniel Darce and approved by 4 Directors present.**

George commented that the annual dues billing statement will have two payment options, half or full by end of January, second half payment by end of June. Enforcement of past due accounts will be more strict this year, with late notices and imposition of late fees imposed in February.

Daniel Darce then motioned to accept the Treasurer's Report. Motion seconded by Bill McDaniel and approved unanimously.

Environment Committee Report: Daniel Darce updated the board on 6 modification requests. Two fines for unauthorized modifications were delivered, and two garage sale requests were approved.

Maintenance Report: Rob Jager reported that the pressure tank and pressure switch on South Glades Trail entrance was replaced, new flowers were planted at R Jackson entrance, and electrical repairs were made at R Jackson entrance to fix irrigation issues.

Safety Committee Report: Bill McDaniel reported that Flock Safety Camera data summary for comparison. There was a slight increase in total traffic counts in October. The shutdown of South Glades Trail provided valuable insight into cut-through traffic.

Publicity Committee: newsletter is up and running. Members must submit signed form to receive electronic communications.

The Glades Welcoming Committee Report: Rob read report from Lydia. Eight welcoming baskets have been delivered this year with three new arrivals getting baskets soon. Also new arrivals are featured in a newsletter profile if they so desire. Lydia requests that any owner in The Glades that has a business and wants their business card included in the welcome baskets to drop them off with the committee.

Recreation Committee Report:

- Ladies Luncheon 1 December
- Mens Luncheon 12 December
- Glades Mailbox Island Decorating 25 November 3:00 pm
- Christmas Tree Lighting Ceremony 5 December
- Christmas Parade and neighborhood pot luck 16 December
- Christmas Caroling at Superior Residences 17 December

NEW BUSINESS

Bill McDaniel - Fines and Suspension Committee Composition discussion. TGOA Members and potential conflicts of interest with Lake Hombre Association. George noted that member in arrears on Hombre Circle paid dues and fees and will not be appearing before the Fines and Suspension Committee. Several members have left the association and should be removed from web page committee listing.

Three Minute Open Comment Periods for Members to Address the Board

Geri Laws asked for permission to remove dead rose bushes from mailbox island to facilitate Christmas Tree installation. Also noted there will be four Christmas Trees this year – 3 donated and one purchased with association funds.

George Hefner asked for and received board permission to repair community bulletin board at the mailbox island. There is wood rot on the top cover board which needs to be replaced.

ADJOURNMENT

The next meeting will be held on 11 January 2024 at The Gulf Beach Baptist Church at 6:30P.M.

Daniel Darce made the motion to adjourn the meeting. The motion was seconded by Bill McDaniel and passed unanimously. Meeting adjourned at 9:05 pm.