

NEWBERRY STATION HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING

December 6, 2017

I. Call to Order

A. The meeting was called to order at 7:12 PM.

B. Roster

Board Attendees Brandon Farlander
 Michael Miller
 John Saulsbery
 Mark Dalton
 David Simcic

Management Shave Gardiner

II. Approval Of Minutes

Mr. Farlander moved to approve the minutes of the November 1 meeting; Mr. Dalton seconded.
Approved unanimously.

III. CD

Mr. Farlander corrected the November minutes regarding the PenFed CD; PenFed had closed our account thinking that Newberry Station HOA is a business; Brandon shared our articles of incorporation with the bank confirming that the HOA is a non-profit entity; the bank thereupon reopened our account. The cashiers check for \$78,000 that had been mailed to Sentry Florida was voided and the amount deposited in a PenFed money market account.

IV. Audit Report

In a letter dated October 30, 2017, the Goldklang Group had conveyed a draft audit for Newberry Station Homeowners Association, Inc. for the years ended December 31, 2016 and 2015.

Mr. Miller had several comments on the audit (Attached); Mr. Simcic said Sentry should require that these comments be added to the report as our response.

The audit report also had this language regarding insurance:

Deferred Insurance Proceeds The Association received reimbursement from its insurance company in 2015 for damage repairs. To date, \$4,651 of the reimbursement has not been spent on repairs and remains as a liability. We recommend the Association decide if this amount will be refunded to the insurance company, used for repairs, or written-off as income. If written off as income, this amount will be taxable. This decision should be documented in the minutes. Insurance proceeds can only be deferred for two years from the date received. After the two years have expired, the remaining insurance proceeds will be recognized as income and will be taxable.

Mr. Farlander stated that he was not aware that we had received but not spent insurance money in 2016. If for damage to the clubhouse, Mr. Farlander said that the Association had made the repairs. Mr. Simcic said that we need to check our bank records (and also with the insurance company) to determine the subject of the insurance claim; the actual amount deposited, and the follow-on checks for repairs; the audit report should be corrected where factually incorrect.

Next, there was this entry:

Prior Owner Assessment Balances

As of December 31, 2016, the Association is carrying forward a prior owner prepaid balance of \$1,339. We recommend the Association investigate this balance and either refund the amount or turn the funds over to the State as unclaimed property, if the owner cannot be located.

Mr. Gardiner said that at settlement the parties would have seen that prepaid balance and documented it as a credit on the new homeowner's account; Sentry has copies of closing papers and will need to find the closing papers related to that "prepaid balance" and verify that the balance had been properly credited.

Loan Documents We were unable to obtain the signed M&T bank loan documents. It is our understanding that the current management agent did not receive them from the prior management agent. We recommend the Association contact the bank to obtain the loan documents.

Mr. Simcic said that the auditors need electronic copies of these documents.

Mr. Simcic said that the auditors should begin field work on the 2017 audit 3-4 months after the close of the fiscal year and that the auditors should have a subsequent events page in the report to cover changes since the last report, such as we needed the loan documents, subsequent event we got the loan documents; questioned whether there were minutes, subsequent event we got access to the minutes; we said they need to be putting \$84,000 into reserves; subsequently in 2017 the Association paid off the loan and in 2018 the Board is putting that amount into reserves, and the like. Although not required by Generally Accepted Accounting Principles (GAAP), he has never seen an auditor not provide for subsequent events. There is a Note 9 for subsequent events that is incomplete; the auditors apparently had not talked to Sentry to cover such events.

Finally, Mr. Simcic said that what must be resolved before signing off on the audit: acknowledgement of the existence of minutes and incorporation of Mr. Miller's comments; the other matters can be corrected in the 2017 audit report.

V. Towing

Given inadequacies in A1's performance, Mr. Dalton moved that the Association cancel the A1 contract and contract with a different company; Mr. Miller seconded. Passed unanimously. The new contract shall provide a 30 day grace period for out-of-date inspection stickers and licenses.

VI. Inspections

A. Trash Cans On Ona Drive

Apparently residents are leaving trash cans outside their fences along Ona Drive; they need to be cited.

B. Due Date For Correcting Violations

The sense of the Board is that homeowners may be allowed up to but not exceeding April 30, 2018. to correct violations.

C. Door Knockers

Mr. Miller will submit a revised list of items for the door knockers.

D. Interior Retaining Wall

The Board tasked Mr. Gardiner reinspect the rotting interior retaining wall at 8212 Stationhouse Court and begin the violation process to correct it.

VII. Retaining Wall Project

Mr. Budnik had forwarded two offers for the Board's consideration to build the temporary construction ramp on the Ona Drive easement. Lacking the RFP and given the disparity in what each offeror had proposed to do, the Board deferred selection of a contractor. Mr. Gardiner will arrange a meeting with Mr. Budnik and Mr. Miller to obtain RFPs and determine the status of the project.

VIII. Sewer Line.

The Board tasked Mr. Gardiner to have our attorney send a letter responding to Mr. Haile 's complaint that a tree on Association property damaged his sewer line; the letter basically stating the homeowner has no standing to sue.

IX. Adjourn

Mr. Miller moved to adjourn; Mr. Saulsbury seconded. Approved unanimously.