

Minutes of Special Meeting of the Board of Directors of Cove Pointe Owners Association, Inc.

Date: March 3, 2008
Time: 12:00 PM
Location: Imondi's Restaurant
Attendance: Chris Reiss, Vice President; Tom Neubauer, Secretary;
Margaret Neubauer, Treasurer; Steve Butler, Director, Roger
Spencer, Member.

The meeting was called to order at 12:10 PM.

- (1) **Meeting Notice Compliance:** Chris Reiss certified to the board that appropriate notice was posted for the meeting on site and notice was also posted on the CovePointe.com internet site by Tom Neubauer.

- (2) **Financial Report:** A financial report and a detailed comparison of budgeted versus actual expenses was presented by Chris Reiss. The status of billing and payment of lot owners was discussed and it was noted that two lot owners are delinquent in payment, however another lot owner may have paid the 2007 assessment twice. There will be additional follow-up to collect the unpaid funds and to sort out the possible double payment, however it appears that lot 4 is in foreclosure. Mrs. Reiss noted that the association documents would assure that the assessment could be transferred to a subsequent owner regardless of the results of a foreclosure. A motion was made to approve the financial statement which was adopted by unanimous vote. It was also noted by Chris Reiss that \$12,000 of association funds was placed on deposit in special CD type product (a Timed Deposit) which matures June 9, 2008, at Regions Bank and is yielding a rate of 4.64%. In addition to the funds in the Timed Deposit, as of today, the current balance in the Association's operating account is \$26,331.45. In addition to the operating account, the Association also maintains a savings account for the reserve funds which are collected, and the balance of that account is currently \$4,669.08.

- (3) **2008 Association Budget:** Chris Reiss presented the proposed 2008 budget (attached). With due consideration to anticipated savings in utilities as a result of the installation of irrigation wells, it was recommended that the annual assessment be reduced to \$675 from the \$780 fee collected for each lot in 2007. Capitol expenditures from operating funds already on hand authorized include payment for the irrigation wells (anticipated to be about \$12,000) and approximately \$3,300 - \$5,600 estimated by GAC for repairs to the dock parking area which was damaged by torrential rains in February.

- (4) **Dock area Parking Lot Storm Damage:** City engineers suggest that the damaged area is the result of extraordinary volumes in the system as a result of the torrential rains experienced in February. According to Neil Fravel with the City of Panama City, the erosion was apparently caused by a clogged skimmer in the retention pond. It was agreed, however, that the association will further investigate the issue to determine if modifications to the current design would be beneficial in avoiding

additional problems in the future. It was noted that the City of Panama City provided engineering recommendations recently to help resolve the issue at no expense to the association. Roger Spencer plans to discuss the proposed repairs with Don Churchwell, a representative of GAC during project construction.

- (5) **Election of Officers**: The annual election of officers was opened and the following board members were elected to the officer positions: President:: Dr. Roger Spencer; Vice President: Steve Butler; Secretary: Tom Neubauer, Treasurer: Chris Reiss.
- (6) **Lot Maintenance**: At the October association meeting two bids were presented for the mowing of all lots. Toby's Tractor service bid \$100-125 per lot and Smiley's Tractor Service bid \$70 per lot. A motion was made at that meeting to accept the lowest bid, however Dr. Spencer volunteered his personal tractor equipment, and he, association president Pat Higgins and Dr. George Reiss personally completed the work at no cost to the association or lot owners. Dr. Spencer was thanked for his generous contribution to the association and Cove Pointe property owners. It was further noted that another mowing, just prior to summer, would be most likely be necessary. This project will again be put out for bid.
- (7) **Landscape Maintenance and Irrigation**: Culligan water services was engaged to complete the installation of wells and redesign the irrigation system to eliminate the city water meters which totaled more than \$9,000 in 2007. This work has been accomplished and a bill of approximately \$12,000 is anticipated with the probability that the amount would be adjusted after completion of the contractors' investigative work and subcontract cost for to bore under the roadway. An invoice was also presented to reimburse a resident for damages caused by the contractor, a subcontractor or the landscaper during the roadway boring. A motion was made to reimburse \$127.77 and \$65.00 for repairs and excess water usage resulting from the leak.
- (8) **Tree Removal**: Tom Neubauer reported that the dead magnolia tree near the community dock was removed at a cost of \$475.00 including grinding of the stump. This amount is reflected under the miscellaneous budget line.

The meeting was adjourned at 1:10

Submitted for record March 09, 2008 – subject to review and approval at the next board meeting.

Cove Pointe Owner's Association, Inc.

A handwritten signature in black ink, appearing to read "Tom Neubauer". The signature is stylized with large loops and a cursive style.

Tom Neubauer

Secretary