

**POLO PARK HOMEOWNERS ASSOCIATION ANNUAL MEETING
CHALLENGER CLUBHOUSE
JANUARY 9, 2017**

Call to Order

The meeting was called to order at 7:00 PM by President Peter Sampiere with the following Board members present: Jim Glynn, Dawn Bissell, Dot Dorrington, Pete Sampiere, Shirley Hosner, Marletta Frantal and Walt Gorenflo.

Pledge of Allegiance and Invocation:

Pete opened the meeting by asking all to stand for the Pledge of Allegiance, followed by the invocation offered by John Scott.

Counting of Votes:

Ken Stephens stated that the number of homeowners necessary for a quorum to conduct the meeting had been reached. Pete stated the Election Committee will be counting the votes and will notify the Board when the results are tallied.

Secretary's Report: Minutes of 2016 Annual Meeting

Dawn Bissell read the highlights of the 2016 Annual Meeting:

- The Annual Meeting of the Polo Park Homeowners Association was called to order by President Janet Kelbaugh at 7:00 pm on January 11, 2016. Board members present were Ken Stephens, Patti Kares, Shirley Hosner, Walt Gorenflo and Jim Glynn. The Pledge of Allegiance was done and Invocation was offered by Warren Whittaker. The Secretary recapped the minutes from the 2015 annual meeting.
- Other Business: Shirley made a motion to approve the Bingo Committee and the Barnyard Bingo Committee meeting to use the Activity money to replace the all the toilets in both clubhouses and the outside pool area. Motion was seconded and passed unanimously. Special presentation was given by Barbara Atkins the team leader for Certs and a National Weather Spotter. She provided us with a lot of information for the upcoming tornado season for Polk County. Shirley explained the proposed HOA budget; Judy Berube made a motion to accept the HOA budget, seconded by Carole Young; budget passed 133 yes, 3 no. There was discussion on the golf course budget. Judy Berube made a motion to approve golf course budget, seconded by Brenda Reynolds; budget passed 135 yes 1 no. Hosner presented the Reserve budget for approval. Motion made by Warren Whittaker, seconded by Carole Young; budget passed 141 yes, 0 no. The RV Parking Lot Proposal was approved 241 yes 118 no. The Community golf cart parking was approved 285 yes 74 no. George Geake was thanked for his hard work on the Election Committee and how smooth it went. Election of the Board. Kelbaugh seated the Board of Directors. Pete Sampiere was declared President. Duties: Pete Sampiere President and co-golf; Marletta Frantal Vice-President and CAP; Dawn Bissell Secretary and ARC; Shirley Hosner Treasurer and Activities; Dot Dorrington Director and Rules & Regs; James Glynn Director and Building and Grounds; Walter Gorenflo Director and Co-Golf Committee. Discussion was had on coverings for Bocce Ball. Walt Gorenflo made a motion to adjourn the meeting, Jim Glynn seconded. Motion passed.

A **motion** was made by Marletta Frantal to accept the 2016 Annual Meeting minutes as read, seconded by Jim Glynn. **Motion passed unanimously.**

Homeowners Comments:

Pete Sampiere opened the meeting for homeowner comments. He asked that there be no talking over other homeowners making comments.

Donald Delle Donne asked why the golf course can't be used for items other than golf. He helped lay the cement pad around the golf course. It could be used for walking, biking, walking dogs. Times could be set aside to be used for everybody that pays for it. Learn to utilize the property for other things. We can all help put in the sprinkler system. He likes the golf course, but should be able to use for other purposes.

Joan Ralston asked when last audit was done. She wants an audit done to know where exactly the money is going. Shirley Hosner stated an audit is not required by law and costs about \$15,000. She balances (audits) the checkbook separately from the bookkeeper. The accountant does a reviewed statement. She can show her from the time the HOA began in 1997 up thru today where the money is spent.

Pat Munifo said her and her husband reject the entire 2017 budget because, after reviewing the 2016, there is an excess of approximately \$33,000. This excess is enough to fund the reserves, golf and golf maintenance in the park. The 2017 budget dollar amounts are very exaggerated as the cost to run the park and the high dollar amounts for the Reserve (in the amount of \$86,000 plus) can't be touched unless for a really good reason. It was created to trick homeowners to believe we need to pay an additional \$10 a month, for a total of \$120 a year. Don't approve the budget. Vote no. Dues we pay are sufficient for 2017.

Alan Benware asked how many paying golf members do we have. Pete stated the last figures he had were: 46 - 12 month; 17 - 6 month but he did not have a count for punch cards.

Walt Gorenflo stated that these numbers are available in the pro shop.

Bill Sousa, 302 Wade, wants a raise in the cost to pay golf. They will have to pay if they want to play.

Paul Helmstetter stated just about all golf courses near us are under financial hardships. Raising the fees to play will keep outside golfers away. A park would also need an irrigation system. He would have liked a report on the condition of the course at this meeting. He wants to know what the cost of irrigation system is and what happened to the volunteers to replace the irrigation system.

Pat Hess stated dues for the golfers were raised 1-2 years ago. A couple pays \$625.00 per year, not \$400.00 as some think. She believes everyone thinks we are going to replace the system right way. This is not the case. We are putting money away for when it needs to be replaced. She asked Shirley to breakdown the irrigation cost. Shirley explained the existing irrigation system was installed 30 years ago with the cheapest available materials. Over the years there have been many breakdowns especially from leaks. A schematic was done by Rainbird for \$700.00; that cost would have been refunded if we used Rainbird products. John Kennedy is Class A superintendent and knows what he is talking about. Bids were from \$104,000 up to \$150,000 to replace the irrigation system. \$150,000 was put in a line item to replace the irrigation system. Proper water does not reach the greens or tee boxes as years go by. The system is 4' down. Volunteer changed his mind after he found out how much work it would be. The

pipng would be welded together and no couplers. It is much more complicated than your yard system. Tree roots have ruined the cart paths. Shirley has facts and bids.

Al Tatro said he feels we don't need a new irrigation system right now. He talked to a homeowner in our park that installed systems for a living and he said the pipe will outlast us. The guy Shirley talked to just wants to make a sale. He suggests that John Kennedy is not supervised and does very little work on course, especially in the summer. He believes that both Walt and John Kennedy need to go.

Julie Ponkow said prices should be raised for outsiders. They might be impressed with a higher price. Advertising, Facebook, Groupon coupons would attract golfers.

Bill Williams, 245 Piedmont Park, said the proposed budget has a lot of holes in it. He stated that with the people we have doing the budget we ought to be audited by outside people.

Perry Gibson asked when HOA dues were raised. Shirley stated 2 years ago it was raised \$5. Residents move here because of the low HOA dues. Homes are attractive here because of the low HOA dues and the golf course. Raise golfers HOA dues with discount for golf.

Gary Ruschak said amenities when there is no profit should go. Golf is only amenity people pay to use. Golf has a separate budget like a business. As a business, it needs to take care of its own needs without handout from homeowners.

Delilah Lanning said she moved here because it is a community. She works in the pro shop. John Kennedy is a wonderful person and residents should be proud he is working here. Shirley should not be attacked and does her very best. The entire Board did the budget. (Pete stated the budget committee prepared the budget.) Delilah accepted this and stated that Shirley did not do on her own. She also stated that many people walk or ride the golf course after golfers are done.

Barb Woodridge asked Shirley to explain why there 3 budgets. Shirley explained that in 1997, when formed, Mr. Bornstein turned it over to the HOA and everything was under one account. Our accountant suggested in 2004 the separate golf budget to keep us as Not for Profit. Once we became Not for Profit we could only make so much money. We paid property taxes for 3 years costing \$28,000 and now we pay no property taxes. We only pay property taxes on equipment we lease which at this time is only the copy machine in the office. There are 26 or more accounts in Activities, people raising money to do things for the park to keep the dues down. Golf is an amenity. Golf budget itself was not raised, only the reserves had been increased due to past Boards not putting away money for irrigation or equipment. Many pieces of equipment need to be replaced but new pieces are not necessary; used equipment will work. Maximum allowed to borrow in our by-laws is \$100,000.00. We need to start saving money as the system needs to be replaced. Activity money is not used to pay bills. Activity Committees will be donating toward the irrigation reserves this year. Money has already been donated for irrigation. Dawn Bissell donated \$2300.00 from her Ham Dinner activity last year. The Geothermal cost \$37,000. We had \$4000 and we borrowed \$33,000 for the Geothermal system and it was paid off in 2 years.

Linda Hansen, 112 Belle Isle Court, stated that she is an avid golfer and she bought a membership for two years. Because of her experiences dealing with the golf course that were not good, she has not and will not ever golf here again. She opposes any increases for the golf course and wants anything to do with the golf course deleted from the budget. The course is not for us; it is for the few who think they are privileged golfers. Linda made a motion, realizing the importance that we need to have an

operational 2017 budget in place for operational expenses so that life goes on, but will not support any increase in dues for the purpose of operating the golf course or reserves. Linda made a **motion** "to delete from the 2017 budget all expenses of the budget that refer to or are listed under the golf course, golf course reserves, or golf course irrigation for the purpose of it being studied. Then come back with a realistic budget with realistic revenue that includes increasing the fees whether it is for residents or non-residents. She used to see little kids running, hacking with irons, parties of seven playing golf and nobody cares - this is not a serious golf course so why should we be giving it serious money. She made that motion.

Amy Rusckak commented on last budget committee meeting. She did attend the last meeting. There were 20 residents and maybe 3 or more board members. Her question is to Shirley: Shirley told this meeting that the increase would be \$5.00; the board meeting was presented with \$10, what happened to the \$5? What good does it do to have a Budget Committee meeting when you can change your mind and come to the Board with a different figure; they approve it, and send it out to us? Shirley stated that she did not change it.

At this point, Linda Hansen interrupted Shirley to ask about her motion on the floor. She asked that her motion be seconded and dealt with before any more conversation. Pete asked for Linda to reread her motion. Linda said: She realizes the importance of having an operational 2017 budget in place so that life goes on, but she will not support any increase in dues for the purpose of operating the golf course or reserves. My motion is to delete all allocations of the budget that refer to the golf course, golf course reserves or golf course irrigation for the purpose of it being studied. The Board can make a committee (she will serve on it) for the purpose of resolving our issues, studying on what we are going to do and making a determinate decision on what the fees are going to be and so on. That is her motion. Dawn Bissell stated that is a problem. Without a budget, we cannot operate the golf course. We cannot pay payroll or nothing, which shuts down everything on the golf course. Dawn understands what Linda is saying and why, but if the budget does not pass tonight, the budget has to be redone anyway. We would have to operate with no budget until an acceptable budget is passed. Linda **amended her motion** to say that for the 2017 budget, the allocations of the 2016 budget be extended and approved and we do not adopt the 2017 budget as presented. Motion seconded by Pat Maiellano.

Jim Hiss called for Point of order: stated that since no one seconded her motion, when discussion continued the motion was dead. Budget cannot be changed right now as it has been sent out to all homeowners. All we can do now is vote yes or no on the budget that was sent out. Shirley stated it is in the By-laws that the budget can be revised tonight. There was much confusion and discussion as to what the motion means and if the budget can be changed at the meeting tonight.

Donna Sweet commented on how we vote. A lot of people are not able to be here for many reasons – work, disability, away. Can something be done to change the way we vote so that everyone can vote at the next meeting.

Pat Munofa asked that Shirley address the question from Amy Ruschak. Shirley Hosner stated she did not change the budget; the budget committee changed it to \$10. Budget Committee is Ethel Wise, Judy Berube, Jim Hiss, Dawn Bissell, and Dave Thraen. Shirley said all homeowners are able to come to the budget meeting and are allowed to talk. Shirley stated that at the end of the meeting they all decided that we needed to go for \$10. Ethel Wise stated when Shirley increased the budget expenses by \$29,000 it put the budget in the red. Ethel said she told Shirley that if she felt the figures have to be increased this much, she could ask for a \$5 increase, but you are not going to get it. Dawn Bissell stated

she and Ethel went over the figures with Shirley at the budget meeting and she left the meeting under the impression all had agreed to a \$5 increase. Dawn further stated that she could have fallen off her chair when she saw the \$10 budget at the Board meeting. Shirley stated she gave both a \$5 budget and a \$10 budget to the Board members. Ethel stated that a \$5 increase was agreed to on 12/6/16. On 12/7/16, Shirley brought a revised budget to Ethel with a \$10 increase. Shirley stated she gave the revised budget to Ethel, Dawn and Judy and asked for input and no one responded to her. Ethel said she did not respond to her as she had told her on 12/6/17 she doubted that she would get a \$5 increase. Ethel went on to say that there is a lot of dissention on the budget at this meeting. Her thinking is that if the homeowners do not want to approve the budget, then the Budget Committee has to go back to the table, do the budget with proper figures from the Profit and Loss statement as of 12/31/16. The budget will be tight, will have to tighten our belt, and live with it for another year. We do not know what this outcome will be and it could be that next year we may need a raise. Let's forget the irrigation system for now, but put money in the reserves -we should have about \$30,000 to fund reserves- and put a little in irrigation this year and fund a little bit next year. However, if the irrigation system does go bad, the only way we could fund it would be by a special assessment.

James Remillard, 505 Tivoli Dr., asked if there is a motion to vote on the budget. He stated we should stop discussion and vote on the budget. Pete stopped discussion to have the vote.

Confusion and discussion followed on as to what the motion means and how to vote on the budget. Issues were raised regarding Roberts Rules of order and the motion on the floor.

Norm Young asked for clarification as to whether a yes vote was for the budget or against the budget.

Jim Hiss said the new Board sets the Budget. Pete responded that the new Board sets the quarterly fees.

Linda Hansen stated that her motion was amended to deny the 2017 budget. She called for a vote.

Homeowners were still unclear as to how to vote on the budget. Ethel Wise stated that this is the homeowners meeting to vote yes or no on the budget. If you vote yes, it goes through and we operate on the budget as presented. If you vote no, it goes down, it goes back to the Budget Committee, they redo the budget and they have to call another special meeting to vote on the new budget.

Pete tried to call for a vote on the motion. Shirley explained that if you do not want the budget, you vote yes; and, if you do want the budget you vote no on Linda Hansen's motion. Again, Ethel stated that we are there to vote on the budget that we received in the mail only: Yes to approve, no to disapprove.

Pete explained to vote on the motion on the floor, you have to vote "Yes" to deny the budget.

Larry Tompkins called for a vote on the budget.

Ken Stephens stated that it is simple: if you want the budget, vote yes; if you do not want the budget, vote no.

Pat Maiellano rescinded his second to the motion on the floor. Linda rescinded her motion on the floor. Pete called for the vote on the budget. Ken Stephens again explained that If you are in favor of the budget, use your Yes card, if you are against, use your No card. Hand one card only to committee collecting votes. Yes and No cards were collected.

Pete called for recess until the votes were counted.

Pete called the meeting back to order. Pete stated that all voting results are available.

Pete made an announcement for Ken Stephens that if anyone wanted to volunteer to reset the clubhouse please be there at 9 am tomorrow.

Results read by Chris Stephens. Chris thanked the Election committee for their hard work. Budget proposal: Yes - 40 votes, No - 237 votes. She announced the newly elected members to the Board: Drew Poteracki, Larry Parker, Patti Kares.

Pete thanked everyone for attending. Dawn thanked the departing Board Members for their years of hard work and hours they put in on the Board. Pete thanked Walt, Shirley and Jim.

Pete Sampiere made a **motion** to adjourn the meeting. Dawn seconded. **Motion passed unanimously.** Meeting adjourned 8:35 PM.