

THE FAIRWAYS OF PALM-AIRE, INC.
MINUTES OF BOARD OF DIRECTORS MEETING
January 25, 2010

Pursuant to call and upon proper notice, a meeting of the Board of Directors of The Fairways of Palm-Aire, Inc was held on Monday, January 25, 2010 at 6:30 p.m., at the Herb Skolnick Center, Pompano Beach, Florida.

PRESENT: Skip Sigh, President
Jason Bates, Vice President
Brian McCarthy, Treasurer
Michael Cherup, Secretary
Ralph Chiocco, Director (arrived late at 7:10 P.M)

ALSO PRESENT: Susan (Dedee) Westbay, from Exclusive Property Management, and seven (7) Unit owners were represented.

A quorum being present, the meeting was called to order at 6:33 p.m.

AGENDA

MOTION: Skip Sigh made a motion to accept the agenda as presented. MOTION seconded by Brian McCarthy and passed unanimously.

MINUTES:

Minutes of the meeting of December 21, 2009 were presented and MOTION was made by Skip Sigh to approve the Minutes. MOTION seconded by Jason Bates and passed unanimously.

Management Report- Management discussed that there were six (6) roof repairs. Management presented two (2) proposals for the replacement of the broken umbrella for the pool area. No decision was made regarding the pool umbrella. Board did approve trashing the broken umbrella. Proposal for the updated website and pictures were presented to Board. Skip Sigh wants actual photos of the community on the front page of the website. Skip will take the photos and forward them to management. Management is to be responsible for adding the landscaping schedule and the approved minutes to the website each month. Jason Bates will be the Board contact for the website. Restrapping of the chairs at the pool area was discussed again but nothing was approved. The Board now wants to know if restrapping of chairs means restrapping all straps on the chair, or just the broken straps. Skip Sigh had requested management send a letter to the President of Oasis HOA regarding some mesh fencing that had been installed on the association's property. Management received a call stating that a homeowner had installed the fencing to keep their dog inside of the Oasis community. The fencing will be removed by the homeowners. Mike Summers at Unit # 488 is requesting that the association pay for repair work that he had done to his chimney in 2008. The total cost of the repair was \$4,700.00. The roofing consultant for the association has stated that the repair was not legal. The repairs did not include structural truss bracing that should have been done. This repair ties into the neighbors unit. This is something that would have had to be fixed. Board requested that management ask PSI roofing what they would have charged for this repair. After the Board receives the information back from PSI, the Board can then make some decision. Further discussion will be made at the next Board meeting regarding this issue. Irrigation was discussed. The community is only being watered two (2) days per week and that is in compliance with South Florida

Water Management. There has been an increase from Comcast cable effective 2/16/2010. The budget for 2010 for cable TV was under budgeted. Discussion was made regarding the tenants in Unit # 708. Management is to move forward with the background check and this tenant can be interviewed by the Board.

Presidents Report- Skip Sigh discussed delinquencies in the community. Jason stated the association needs to start working with four (4) particular owners that have not been paying. MOTION was made by Jason Bates to move forward to foreclose against lean for Unit # 668,521,583 and 716. MOTION was seconded by Ralph Chiocco and passed unanimously. These four (4) Unit owners are still living in these Units. Association can file a lien, foreclose on lien and sue for basic maintenance. Brian McCarthy will contact Allen Bosworth regarding this issue.

Skip Sigh requested that Ralph Chiocco read the following information to the members regarding the homeowners that were over Eight Hundred Dollars (\$800.00) in arrears. Ralph Chiocco read the following Unit numbers, names and the amount of arrearage.

- 1) Unit # 404, US Bank \$1,330.00
- 2) Unit # 416 Rochelle A. Moussa, \$ 2,630.00
- 3) Unit # 449 NV& R Real Estate Investments \$ 1005.00
- 4) Unit # 521, Regulo Semidey, \$ 5579.90
- 5) Unit # 583, Muhammad Mujtaba/Imllaz Be, \$9,963.05
- 6) Unit # 599, Mellssa Pagano, \$5,605.00.
- 7) Unit # 600, Brad Hare, \$11,192.68
- 8) Unit # 668, Don & Lori Siegel, \$7,477.35
- 9) Unit # 716, Rafael & Alna Flores, \$4,797.00.

The Maintenance Chair- Mike Cherup discussed that checks had been received from litigation in the amount of \$675,000.00. These checks have all been deposited into the association money market account on Friday, January 22, 2010. There is one check that has not been paid in a timely manner for \$100,000.00 from RTS Insurance Company. The association is asking the attorney for interest on this money owed. Total settlement was \$775,000.00. The association did receive back legal fees and expert witness fees. Brian McCarthy discussed that the association attorneys were not prepared to go to trial. Even if the association received a judgment there was some exclusions on the insurance policies. The association may not have been able to collect on some judgments. The attorneys for the association did cut their fees. The trial kept being delayed. The line of credit the association had was getting a very high balance. The Board made the decision to stop the litigation. To continue with the litigation was a large risk. Assessments could have gone up for the association. The Board wanted to do what was best for the association. The association will pay off the line of credit and replenish the reserves. The attorneys have been paid in full.

Homeowners Forum- Some unit owners asked if the Board had a plan to return any money back to homeowners for an assessment that was make in the past for \$900.00. Board stated that the roofs are 10 to 15 years old. Association must decide what to do about the roofs. The Board would like to make this decision together with all Unit owners. Actual cost to replace all roofs is somewhere between 2 ½ million

to 3 million dollars. At the annual meeting the Board will discuss the roofs. The purpose of the litigation was for the roofs, roads, chimneys, lift station. Expected roof life was not projected correctly. The association must start thinking about catastrophic insurance on all buildings. Roofs and Insurance are the two big items the association needs to address. One homeowner stated that CPM blew leaves under a car and left leaves on the property. Jason Bates stated that the Board must check all PSI proposals to see if the association is getting the best pricing. The Board requested that the unit owners get involved on some of the committees. Board must start some long range planning.

MOTION was made by Ralph Chiocco to adjourn the meeting. MOTION was seconded by Brian McCarthy. The meeting adjourned at 8:40 P.M. Next Board meeting date is February 22th, 2009.

Respectfully submitted,
Michael Cherup, Secretary
Recorded by Susan (Dedee) Westbay