

PIPOA Board Meeting Minutes

10-22-2019

Board Members attending: Marvin Jones (President), Marta Sprout (Vice President) (Electronically), Nick Colosi (Treasurer), John Weis (Secretary) (Electronically), Carter Tate, Dan Brown, Dan Herrington.

5:30 P.M. Meeting called to order followed by the Pledge of Allegiance.

5:32 Presentation by Sherriff's Department describing enhanced presence on The Island. Boat and pickup truck patrolling – main mission blunt Mexican intrusion side benefit to the Island is canal patrolling and visible presence. Public advised regarding “target hardening”-Island homes are considered soft targets by criminals. Carter Tate and Robert Pruski asked/discussed no wake concerns.

5:43 Robert Pruski gave ACC presentation. Asked for appointment of Tom Ansara to the ACC. Carter made motion to appoint, Nick 2nd, vote to appoint 7-0. Discussion of past due fees, dues, etc. have to be up to date before applications approved led to a motion by Nick 2nd by Dan Herrington that the ACC may approve applications subject to applicant's properties being current with CAM fees, interest, fees, fines and other amounts due. Marta discussed possible inequities and Dan Herrington cautioned that this should not sound punitive. Motion passed 7-0. Further discussion involved putting violations on resale certificates. Carter and Dan H. opined and Marvin stated that the certificates have a place to record such notes and this does not hold up closing dates. Subject was tabled for further research. (Carter to check with title company)

5:55 Conflict of interest-none.

ISAC representative Polly Balzar reported that the Newport Pass/Zahn Rd. work should begin this winter. Packery boat ramp work should be underway currently. Shower at Packery should be installed next week. The Packery dredging permit expired and FEMA approval may hold up dredging until next year. 634 tons of trash were removed from the beaches this year which is likely to raise beach permits from \$12 to \$15. PR 22 and Sea Pines intersection is being looked at regarding safety.

6:01 Member comments.

Nita Smith questioned upcoming election and whether appointed Board members seats should be up for election. President Jones replied that what she was suggesting was illegal and policy documents needed to be changed. Further discussion involved Carter and Marvin saying ballots may not be sent prior to 60 days before the election nor later than 10 days prior.

Richard Pittman reported regarding lighting the Marlin Statue. Plan is a marine grade LED fixture. Funding will be from a private donor courtesy of Greg Smith. Richard has met with a contractor/superintendent. Carter asked who was trimming the trees? PIPOA owns the signs but not the land.

Mr. Cooper spoke to ditch safety worries, rocks thrown into canal. Jim Smock is to follow up.

Robert Pruski spoke to TPF&W being willing to enforce in the canals.

Officer Paul Janko cited article 12-31 regarding no wake enforcement.

6:16 President's comments: Financially ahead \$700K, cash flow good, bulkhead repair expenses upcoming.

6:17 Executive Director Jim Smock: Cleaning up data and loading into Caliber (new software system) project is moving ahead under project director Russell Wheeler. Data is being matched with the County. Collections: \$500K behind is down to \$400K. There has been an influx of past due settlements. Urged homeowners to call/negotiate/ settle. Detailed election nomination process. Discussed compliance complaint forms and need for anonymity. Addressed tracking and enforcement. Dan Herrington questioned follow up. Goal is to respond in 10 days to complaints. Dan Brown wants to rush collection. Dan Herrington inquired re collect at property sales and dealing with builders. Dan Brown inquired re past due accounts. DH asked re collect at time of property sale. "Do builders pay at close"? Marvin cited \$180K uncollected this year.

Consent Agenda: Marvin could not accept September minutes. There were 2 Email votes: Both motions made by Nick, both 2nd by Marta. (1) Accept the 2018 audit produced by Jennings, Hawley and Co. 7-0 (2) Accept and purchase Caliber as Caliber ASP hosted. 7-0

Election Committee: Dan Herrington reported the group met last night and is focused on simplifying the ballot and on guidelines and rules.

Treasurer: Nick stated well ahead for the year but bulkhead costs loom. Audit held up financial statements. DH asked a review of the investment policy be on the November agenda. DB opined that 11 months w/o a financial statement was frustrating and a better job needed to be done. Marvin deferred to JS who is asking CPA for a price on budget comparison. DH echoed DB's concerns need a comparative budget. JS replied Jeff Smith is working on same. Marta stated approved audit was necessary to complete. Marvin cited \$700K surplus, DB stated non-profit needs to spend, as budgeted.

Old Business: Marvin Jones stated the Urban Engineering report arrived today. 10 locations were ID'd as needing attention. Carter said not much to read motion to move on. Task Order: Urban wants entire job. Carter wants engineering stamp of approval on auguring system. Marta stated document arrived 1 hour prior to meeting and will not vote on subject. John Weis advanced E-vote next 48 hours when we all can read and question. Carter withdrew motion. Dan Herrington asked re Urban turnaround time told 28 days. (E-vote was held 10-24. Carter made motion to accept Urban's Task Order. John Weis 2nd vote was 7-0 to accept).

New Business: Marvin: Writing collection policy-status is back and forth with legal counsel and Board. Nick: Oakley usually \$25K. Offered services for \$10K (raised \$4K after 10 yrs.) Nick cited quality of service. Carter wants to shop to which Nick cited service, mentioned CD's. Nick explained ladder effect on CD's and made motion to retain Oakley. Marta opined the fees were low for the service provided and trained pros were looking out for our best interest. DB 2nd motion carried 7-0.

2020 Budget: Jim Smock: (See Packet) Includes contribution to investment account. Billish: PIPOA paid \$600K Corpus Christi to reimburse \$400K to PIPOA. Appears PIPOA total was ~\$540K. Marvin stated the budget is a working document and warned the Billish reimbursement is not revenue.

7:00 Carter asked about water inspections. JS said O2 is checked and the State is not concerned re an aberrant report. Short discussion re aerators and 1099's for aerator homeowners.

2020 Budget: Marvin and Marta discussed finances-need high receivable but ensure reimbursement is separate. Shoaling: Dredging is needed-last was \$500K. Marta made motion to accept, Nick 2nd. DB

talked re budget/investment income wants to wait for Jeff Smith paperwork. Carter asked DB if he believed the #'s. DB: "No". DH said investment needs to be budgeted. Maybe don't spend-put in accrual account. MJ asked reserve vs accrual, Marta said track reimbursement carefully do not make it look like disposable. DH: Line item-track to put in correct acct. Carter said cannot get a dredge here for \$250K-mixed discussion: Nick, DB, DH and Carter. Marvin stated investment account reserve is for disaster. a

Discussion combine November-December Board meeting to 12-10. Objections and meeting scheduled for November 19, 2019.

7:21 Call for Executive Session.

8:22 Nick motion to adjourn 2nd Carter 7-0

Appendix:

Motions and their results:

- 1) Carter: "I move that Tom Ansara be appointed to the ACC." Second by Nick. Motion passed 7-0.
- 2) Nick: "I move applications to the Architectural Control Committee (ACC) for construction approval may be approved, subject to all applicant's properties being current with CAM fees, interest, fees, fines, and other amounts due to the POA." Second by Dan Herrington. Motion passed 7-0.
- 3) Nick: "I move that Herndon, Plant, and Oakley be retained for the calendar year, 2020, to manage and advise regarding the PIPOA investment account. The fee for their service is \$10,000.00." Second by Dan Herrington. Motion passed 7-0.

Tabled motions:

- 1) Motion by Marta, 2nd by Nick to approve 2020 budget.
- 2) Motion by Nick 2nd by DH documenting on resale certificates open or unresolved covenant, compliance or construction violations. Carter to research with title company (ies).

Reported E-mail votes:

- 1) Motion by Nick, 2nd by Marta: Accept the 2018 Audit by Jennings, Hawley and Company. Passed 7-0.
- 2) Motion by Nick, 2nd by Marta: Accept and purchase Caliber as Caliber ASP hosted. Passed 7-0.