

Verandah Community Association, Inc.
11571 Verandah Blvd., Fort Myers, FL 33905
(239) 694-6358 ~ 239-694-1137 fax

MINUTES 10/24/13 3:00 PM Verandah River House

Meeting Called By: Paul Martin, President
Type of Meeting: VCA Budget Board Meeting
Note Taker: Kym Bill
Attendees: David Langhout, Randy Noble, Jim Harvey, Paul Martin, Kym Bill

AGENDA TOPICS

I. Call to Order

Discussion/Action: The meeting was called to order by President Paul Martin at 3:00 pm. Present are David Langhout, Randy Noble, Paul Martin and Jim which constitutes a quorum.

II. Approval of Minutes – June 25, 2013

Discussion/Action: Mr. Martin asked if anyone had any questions or comments regarding the minutes of the Board Meeting on June 25, 2013.

Motion by: Mr. Langhout made a motion to accept the minutes as written.

Motion 2nd: Mr. Noble seconded the motion.

Approval: All approved.

III. Budget Review and Approval

Discussion/Action: Paul Martin Reviewed the budget in detail. The assumptions are as follows:

- Assessments for 2014 will remain the same as they were for the 2013 budget year.
- We are budgeting for a loss of \$47,920 this year and are recommending that we offset that with previous year's excess revenues and projected 2013 positive variance to budget of \$41,023.
- Comcast Cable increase was set at 4.42% for the basic cable and 0% for the high speed internet or \$75.73 wo/tax per month. This is an increase from \$77.89 w/tax per month to \$81.33 w/tax per month per. This increase is still less than 65% of their regular retail rate; Regular Retail rate is \$118.90 * 65% = \$77.29. Our Bulk Cable agreement with Comcast Cable expires on October 31, 2014.
- It is our recommendation that we do not enter into another bulk agreement with Comcast. We have been working with them over the past three years with one major request; that they terminate services for individuals that do not pay their assessments. Cathy Skillas with Comcast informed us recently that they would not be able to fulfill that request. We can continue to work with a committee to investigate alternatives

throughout the year but for our budgeting assumption purposes we are recommending that when this bulk agreement expires we will not enter into a new one.

- It was recommended by the Board to form a Comcast Committee, directed by Randy Noble to review and analyze the renewal options with Comcast, other competition and cable/internet options to bring back to the Board to review. Randy Noble & Paul Martin will appoint some residents with background knowledge and experience in this area of expertise to meet with the committee.
- Increase in mowing contract is due to the increase in landscape area along Verandah Blvd past Woodhaven and the increased lawn care expenses of Fairway Cove and Woodhaven which are offset by the neighborhood assessments for these two neighborhoods.
- We did not budget for any bad debt in 2013 nor are we in 2014. We do still have over \$200,000 sitting in bad debt and these are mostly old ones that we are slowly working through. Mortgage amounts vs property values seem to be the driving factors which are delaying the foreclosure of most of these remaining units.
- Changes taking place in regards to staff are as follows:
 - Adding one part time person to community patrol to assist in the increased traffic and hours of the Tropic (east) gate.
 - Added 2 months to part time Activities Director (November & December).
 - Pay increases were entered for 3 managers (GM, Community Patrol & Grounds). These are the only salaried employees we have and they have done a fantastic job this last year.

Build out assumptions:

- Estimated retail closings were approximately 100 per year from 2014-2020 to show completion date of 2020.
- Increases in major expenses were additional landscaping to complete Verandah Blvd & additional Comcast connections to match absorption. This assumption will change next year along with a reallocation of assessments.
- Results show that we are charging an assessment that is not over inflated and does not produce an excess in revenues.
- Items for future years consideration:
 - Back Gatehouse opening – increase automation to make gate more accessible 24 hours a day.
 - Comcast agreement ends in 2014, we need to continue discussions in 2014 as to whether we are going to renew a new bulk agreement contract, discontinue for future years or replace the services.
 - We still have \$200,000 in bad debt that has been written off in previous years that we are still collecting. This can be used to offset deficits.

Capitol Requests totaling \$80,875 Include:

- Kubota Utility Vehicle for Grounds Maintenance
- Trailer for Ground Maintenance
- Bush Hog for mowing vacant lots
- Community Patrol Vehicle
- Christmas Tree for Tree Lighting
- 4 new irrigation controller for new irrigation down Verandah Blvd.
- Expansion of dog park/split between large and small dogs
 - The Board requested for Kym to form a dog park committee to assist with a proposal to bring back to the board.
- Kayaks (2 new)

Motion by: After discussion, Mr. Harvey moved to approve the budget as presented.

Motion 2nd: Randy Noble

Approval: All approved.

Adjournment: Mr. Martin made a motion to adjourn the meeting at 4:34 p.m.