

CASA DEL LAGO
BOARD OF DIRECTORS MEETING
May 10, 2007

The Board of Directors meeting of Deer Lake Homeowners Association, Inc. (a.k.a. Casa Del Lago) was held on May 10, 2007 at the Casa Del Lago clubhouse.

Board Members Present: George Boyer
 Ed Zeglarski
 Bob Golden
 Rob Cooper
 Jeff Holiman

In attendance by invitation of the Board: Bob Gelles, Schoo Management.

Call to Order: The meeting was called to order at 7:03 PM by George Boyer who presided.

Proof of Notice: A copy of the Proof of Notice of the meeting was posted in accordance with Florida Statutes.

Determination of Quorum: The Board acknowledged that a quorum was present to conduct business.

Minutes of Prior Meetings: A motion was made by Rob Cooper to waive the reading and approve the minutes of the Board of Directors Meeting of April 18, 2007. The motion was seconded by Ed Zeglarski and passed unanimously.

Opening Remarks: George Boyer opened the meeting by introducing each member of the Board to the residents in attendance. George Boyer introduced Bob Gelles, Schoo Management, as the management company for the Association.

OLD AND NEW BUSINESS OF THE BOARD OF DIRECTORS:

Old Business: Association's Website – www.mycasadellago.com:

George Boyer stated that the approved April 18, 2007 minutes of the Board of Directors will be posted on the Association's website – www.mycasadellago.com. George Boyer also stated that past minutes of the Board of Directors meetings and other useful Association information can be found on the Association's website.

George Boyer stated that the cost of creating and operating the new website is less than the cost of the operating the old website run by Family Property Services.

Old Business: Pressure Cleaning of the Clubhouse Roof:

George Boyer stated that the pressure cleaning of the clubhouse roof was complete.

New Business – First Quarter 2007 Financial Update for the Association:

George Boyer announced that a summary of the First Quarter 2007 Financial Update for the Association was made available to the residents in attendance at the meeting.

George Boyer summarized the First Quarter 2007 Financials as follows:

1. Actual Income - \$155,990.00
2. Budgeted Income \$124,800.00
3. Actual Expenses were \$8,359.00 over the Budgeted Expenses due to:
 - a. Forge Engineering – general engineering survey and report for the Association’s turn-over from Engle Homes (initial payment of \$2,000.00). George Boyer stated that this payment was not in the original 2007 budget.
 - b. American Engineering – general engineering survey and report for storm water management system for the Association’s turn-over from Engle Homes (initial payment of \$4,375.00). George Boyer stated that this payment was not in the original 2007 budget.
 - c. LP Gas for the Pool - \$5,431.00 over budget given that there are higher gas needs in the colder months. LP Gas use is typically less in the warmer months. George Boyer stated that the Association expects to be on budget at the end of the fiscal year for LP Gas.
 - d. Legal Expenses - \$4,400.00 over budget due to the Association’s annual meeting for 2007 and other non-budgeted items. George Boyer stated that some of the extra legal expenses were incurred in 2006.
 - e. Irrigation Repairs - \$4,484.00 over budget. George Boyer stated that irrigation repairs in the community are higher during the dry months.
4. Unpaid Assessments – Certain residents owe the Association approximately \$45,675.00 for unpaid quarterly assessments, late fees, interest charges and legal fees for liens through March 31, 2007.
5. Total Assets of the Association - \$240,889.00. Current Liabilities of the Association - \$99,620.00.

The Board of Directors answered several questions from residents in attendance regarding the First Quarter 2007 Financials.

Old Business -- Entrance Gates Survey Summary:

George Boyer provided the results of the entrance gates survey:

1. 44 residents indicated a preference to keep the entrance gates operating as currently operating.
2. 21 residents indicated a preference to keep the entrance gates closed 24 hours / 7 days a week.
3. 18 residents indicated a preference to keep the entrance gates open on a limited basis.

George Boyer stated that the entrance gates will operate as currently operating. George Boyer also stated that the operation times for the entrance gates may be revised by the Board of Directors in the near future in light of the anticipated road construction on Six Mile Cypress.

New Business -- Policy for Collection of Unpaid Quarterly Assessments:

George Boyer stated that he had asked Bob Gelles to suggest a policy for the Association for collection of unpaid quarterly assessments. Bob Gelles then read the suggestive policy to the Board of Directors and the residents in attendance at the meeting.

The Board of Directors engaged in discussions regarding the policy suggested by Bob Gelles. The members of the Board of Directors provided several comments to Bob Gelles and Bob Gelles modified the policy accordingly.

The members of the Board of Directors and Bob Gelles responded to several questions from the residents in attendance at the meeting.

A motion was made by Jeff Holiman to approve and adopt the Association's policy for collection of unpaid quarterly assessments as presented to the Board of Directors by Bob Gelles and as modified during the preceding discussion among the members of the Board of Directors. The motion was seconded by Bob Golden and passed unanimously.

New Business -- Suspension of Use of Common Areas by Residents for Unpaid Quarterly Assessments:

George Boyer read to the other members of the Board of Directors and the residents in attendance a sample policy regarding suspension of use of common areas by residents, their guests and tenants for unpaid quarterly assessments. The members of the Board of Directors engaged in discussion regarding the proposed policy.

Bob Gelles brought to the attention of the members of the Board of Directors that the Hearing Committee is the body responsible for issuing a suspension of use of common areas by residents for unpaid quarterly assessments. Rob Cooper suggested that the

Board of Directors could recommend a suspension and a hearing to be held by the Hearing Committee at the same time the delinquent residents is sent to the Association's attorney for the start of legal collection procedures. The other members of the Board of Directors agreed with Rob Cooper's suggestion.

Jeff Holiman then suggested that the Association's 30 day letter of delinquent assessment sent to residents also state that the Association will schedule a Hearing Committee meeting in accordance with the governing documents to suspend the resident's and the resident's guests' and tenants' right to use the common areas of the Association at the next meeting of the Board of Directors.

A motion was made by Jeff Holiman to modify the previously approved and adopted Association's policy for collection of unpaid quarterly assessments be modified to include in the Association's 30 day letter of delinquent assessment sent to residents a statement that the Association will schedule a Hearing Committee meeting in accordance with the governing documents to suspend the resident's and the resident's guests' and tenants' right to use the common areas of the Association at the next meeting of the Board of Directors. The motion was seconded by Ed Zeglarski and passed unanimously.

An exact copy of the Association's policy for collection of unpaid quarterly assessments and suspension of use of common areas of the community is attached hereto.

New Business – Foreclosure Actions for Unpaid Assessments:

George Boyer stated that the Association is working with its attorney to prepare and file foreclosure actions against certain properties within the community as a result of unpaid assessments.

A motion was made by Rob Cooper to authorize the Association's legal counsel to prepare and file a foreclosure action against the properties identified below:

1. subplot 71
2. subplot 152
3. subplot 126
4. subplot 134
5. subplot 1
6. subplot 176
7. subplot 41
8. subplot 83
9. subplot 8
10. subplot 197
11. subplot 132

The motion was seconded by Bob Golden and passed unanimously.

A resident, John Luvera, asked how many of the properties identified for foreclosure actions by the Association were part of the 2006 liens. George Boyer stated that all of the foreclosure actions result from unpaid assessments that started in or before 2006.

The members of the Board of Directors engaged in further discussions with residents in attendance. Specifically, the Board of Directors told the residents in attendance that the worst case offenders are approximately 1.5 years late in paying assessments.

New Business – Addition of 2 Residents as Members-At-Large (non-voting) of the Architectural Review Board:

Elaine Toole, chairperson of the Architectural Review Board (ARB) asked the Board of Directors to approve Susan Juncal and Cathy Camp as Members-At-Large (non-voting) of the ARB.

A motion was made by Bob Golden to approve Susan Juncal and Cathy Camp as Members-At-Large (non-voting) of the ARB. The motion was seconded by Jeff Holiman and passed unanimously.

New Business – Appointments to Clubhouse Committee; New Responsibility of the Clubhouse Committee:

A motion was made by Bob Golden to appoint Susan Hosfeld as the chairperson of the Clubhouse Committee and Tom Howard as a member of the Clubhouse Committee. The motion was seconded by Ed Zeglarski and passed unanimously.

Bob Golden also made a motion to appoint the Clubhouse Committee as the committee responsible for welcome packages for new residents of the community. The motion was seconded by Ed Zeglarski and passed unanimously.

CONCLUSION OF OLD AND NEW BUSINESS

The Board of Directors and the residents in attendance engaged in discussions regarding Association's business, including foreclosures, liens, unpaid assessments, making claims against rental payment to satisfy unpaid assessments, malfunction of the key pad at the front entrance, general maintenance of the Association, etc.

ADJOURNMENT: At 8:43 PM Ed Zeglarski made a motion to adjourn the meeting. Jeff Holiman seconded the motion and it passed unanimously.

Assessment Collection Motion (as approved at Board Meeting May 10, 2007)

In order to clarify how the Association intends to collect assessments, I make a Motion that Schoo Management and the Board of Directors follow these steps:

1. Once a owner is late 10 days, a statement will automatically be sent by Schoo Management to the homeowner showing the amount due immediately and include a \$25.00 Late Fee. Schoo will provide to the Board members a recap of the addresses of the owners who have been sent the \$25 late fee letter.
2. If the quarterly assessment and late fee are not paid by the end of the same month due, Schoo Management will automatically send another statement asking for immediate payment of all money due or the account will be turned over to the attorney for collection. Schoo will provide to the Board members a recap of the addresses of the owners who have been sent this Final notice letter.
3. If the quarterly assessment is not paid within 45 days of the due date, and the amount still owed is equal to or exceeds one quarterly assessment owed and late fees and interest by the Owner, the account information will be immediately turned by Schoo over to the attorney for collection and Schoo will provide all information necessary for the Attorney to File a Lien. Schoo will provide the Board with a recap of the owner properties that have been sent to the Attorney for Collection and Lien placement.
4. Schoo Management will stay in contact with the Attorney and make sure to get copies of any liens and lien letters filed by the Attorney. Both Schoo and the Board should be notified by the Attorney when it is necessary to take Foreclosure action. The Board will review the Attorney recommendation and vote to authorize commencement of a foreclosure lawsuit on each property that has not satisfied the Liens as requested.
5. If an owner has already had one lien filed for non-payment, a lien filed on the property for failure to pay assessments on time, the Board will follow section 3.6 Collections of Assessments (B) and accelerate the due date for the entire remaining unpaid balance of the annual assessment and any special assessment against the Owner's Lot for the remainder of the calendar year notwithstanding any provisions for the payment thereof in installments.
6. In the case where an owner owes less than one quarterly Assessment payment and late fees and interest but the amount is over 45 days in arrears, the Board will vote on whether to turn over the account to the attorney for collection.