

**PINEAPPLE PLANTATION POA, Inc.**

**Board of Directors Workshop**

**November 9<sup>th</sup>, 2023**

**Meeting held Advantage Property Management Offices  
(No Zoom)**

**Call to Order: 7:04 PM by President Karl Chalupa (1 Homeowners attending)**

**Roll Call:** Karl Chalulpa (President), Kevin Sullivan (Vice President), Ron Marcucci (Treasurer), Bill Wah (Secretary) (absent Greg Timmer-Director)

Kevin Beers, (Advantage). Quorum, yes, 4 members Residents, 1

It was agreed to reorder the agenda items as follows:

1. 2024 Operating Budget
2. Covenants Committee – Draft of procedures for violation & fines
3. Rules & Regulations Draft

**2024 Operating Budget:**

Ron M presented the detailed budget and then its impact on the quarterly Maintenance Assessment. The current quarterly assessment amount would increase from \$199 to \$248, an increase of \$49 or 24.6%. Almost half of the increase, \$24 or 12.1%, is the result of the Reserve Funding requirements recommended by the 2022 Reserve Study. Another major increase was the costs of preserve/lake maintenance, up \$9 or 4.5%. Another item which caused an increase in the quarterly assessment was the loss of the Comcast cable revenue sharing, \$7 or 3.5%. Those three items account for \$40 or 82% of the total increase in the assessment amount. Kevin B. was asked how the \$248 quarterly assessment compares to other associations he manages. Kevin B. stated that another association of comparable size and services has a monthly assessment of \$175 or \$525 per quarter. The Board is ready to decide on the 2024 Budget at their Nov. 16 BOD meeting.

One open item is the loss of the cable income and the two offers, Comcast & QXC, for future contracts. These offers were presented at the Oct. 25<sup>th</sup> BOD meeting and are documented in the Treasurer's report. A lengthy discussion occurred as to the pros and cons of each offer. The major pro for QXC is the opportunity for annual revenue sharing income for 12 years. The major con for QXC is the possible damage to owners' property and utilities while QXC installs if fiber network in the community. It was decided to ask the consultants to go back to Comcast to get their final and best offer. With this information, the Board will be able to decide at their Nov. 16 BOD meeting.

**Covenants Committee – Draft of procedures for violation & fines**

The Directors went through the document in detail, discussing many items and making numerous revisions. Ron M needs to make revisions to the cure period and fine table – add a reference to the Rules & Regulations document and send the revised draft to the members of the Board.

## **Rules & Regulations Draft**

The Directors went through the document in detail, discussing many items and making numerous revisions. They only got through 11 pages of the total 17 pages. The remaining pages will be discussed at the next meeting. Ron M needs to make some revisions (add section identification and others) and send the revised draft to the members of the Board.

## **2024 Budget Revisited: Advantage's Request for a 2024 Increase**

The Directors asked Kevin Beers, Advantage Property Manager, to leave the room so that they could discuss Advantage's request for a 6.5% increase for 2024 in an Executive Session. This request would raise Advantage's management fees to \$79,875 from \$75,000. While the Board is very pleased with the elevated service levels that the POA's new Property Manager, Kevin Beers, has accomplished, the majority of the Board is not satisfied with the overall service being provided by Advantage. A number of items have been discovered over the past several months.

The accounting and financial services produced a number of errors and practices allowed for double payments. When Advantage changed to TOPs back in Sept. 2021, the opening balances for accrued expenses and prepaids booked in Sept. 2021 were still on the books in April 2023 – 19 months later. Numerous vendor payments were made without the actual invoice which caused double payments. In April, the Treasurer discovered that the Preserve/Lake Maintenance Company that was just rehired in August 2023 walked off the job in November 2023 and Advantage was not aware. Additionally, in August of 2022, the Property Manager was told by SFWMD that the POA was in noncompliance with its maintenance of the preserves, but that information was not given to the Board. Additionally, in August 2023 when SFWMD came back to fine the POA for its noncompliance, SFWMD stated that no or hardly any maintenance had been performed in the preserves for several years. This statement was supported by 3 vendors who came to bid on the maintenance work. So, that means for several years the POA possibly paid an average of \$27,000 annually for nothing because Advantage was not verifying that the vendor was actually performing the work but approved the invoices for payment. An lastly, the discovery that for several years Advantage had been charging new POA members fees, transfer and application, which were not authorized by the POA's Documents nor the Management Agreement. Additionally, the Board was never notified of these fees nor did the Board approve them or the practice.

Therefore, three months ago the Board started to investigate other Property Management Companies. A month ago, a firm was selected, and an agreement was negotiated. The Directors agreed to provide Advantage with the required 30 day termination notice at the next Board meeting. The effective date will be December 31, 2023.

**Owner Forum:** no comments

**Next Meeting:** Wednesday November 16, 2023, at 6:15 PM, at Advantage Property Management offices 1111 N E federal Highway Stuart at 6:15 pm and ZOOM

Notices via signs, email, and website.

**Adjournment: 9:46 PM**

Respectfully submitted Ron Marcucci