

June 2017 Palermo Newsletter

The Palermo Board of Directors wishes to provide its owners with a brief update of material activities occurring within our Association that were discussed at the recent Board Meeting.

Board Meeting: On June 15 2017 a Board Meeting was held. Expectations are for the next Board Meeting to be held after the Summer Season, when many of our homeowners have returned to Venice.

Palermo Financial Status: At the Board Meeting an unaudited balance sheet and income statement of Palermo through April 30, 2017 was distributed and discussed by Mark Faford, Treasurer and Secretary (these can be found on the Palermo web site). Mark discussed that, as of the balance sheet date, the Association had \$50,192 of cash on hand, for the most part due to the timing of quarterly collections and the fact that some of the expenses payable, such as mulching and insurance, are due and payable in the latter part of the calendar year. He noted that due to WCI's obligation to pay any deficit prior to the community transition to homeowner control on December 7th, and the completion of a Transition Audit, WCI/Lennar presently owes the Association \$7,990 (see **Transition Audit**, below), which when paid will augment the cash balance. Mark reported that collections from all homeowners have been fully paid. It was also noted that a few homeowners have inadvertently overpaid their quarterly fees and as a result checks are being cut to reimburse them. From an expense perspective, Mark reported that at present expenses incurred have been substantially less than those budgeted, primarily due to timing, and also due to the fact that the new landscaper, who commenced services in March, is costing the Association less than the prior vendor. Expectations are that further savings will be realized when the Association's current management company is replaced (see below, **Management Services**). Due to the positive budget to actual results the Board has decided funds will be available for a few landscaping/irrigation initiatives described hereunder.

Neighborhood Update: As soon as the three remaining spec homes in the Palermo neighborhood are sold, the initial sell out will be completed. Kareen Richard has informed the Board that no definite plans for WCI/Lennar's asphalt top coat of the roadways, completion of the plantings, and closure of the construction entrance are currently available. We have also been told that Tri-County is currently the only vendor with a key to the construction gate and that they have been granted continued use of the construction entrance until completion and conversion to an emergency-only entrance.

Landscaper Update: ArtisTree Landscape commenced services to the community effective March 1. The Board has not been entirely pleased with ArtisTree's performance and therefore has taken several steps to clearly communicate areas of concern. A high level meeting with the President and management of our account took place with Phil Occhino (Board VP and Board Liaison to the Landscape Committee) and Richard Stufft (Landscape Committee Member) to go through the issues. A thorough monthly walk through process was established in which each lot is walked with the ArtisTree Account Manager, Pedro, a Board Member, and in most cases a Landscape Committee Member and/or our Community Manager to identify any significant issues. The first such walk through took place in June with Mark Faford and Pedro Mares, ArtisTree Account Manager. If any homeowner would like to raise any specific concerns to be addressed during these walk throughs, please email Shawna (who will forward to Landscape Committee Members), as well as Phil Occhino. Note, that after expiration of the developer warranty period (90 days on shrubs, one year on trees), homeowners are responsible for replacement of all dead shrubs and trees. If you have any dead shrubs it is suggested that you arrange for replacement so that our neighborhood continues to look well cared for.

Areas brought to the attention of ArtisTree:

- Pruning schedule is to be altered so that fronts of homes are trimmed in one day, followed by the back of homes;
- Edging is to be improved (edging of hardscapes is done with each mowing and beds are edged every other mowing);
- Weeding is to be improved and areas around sewer pipes and front yard tree surrounds are to be given more attention;
- The Board is to be better informed as to the timing and scheduling of certain work;
- During the Summer months grass is to be mowed slightly lower; and
- Round-Up use around sprinkler head donut areas is to be discontinued

Other Landscaping Initiatives:

- All Irrigation Box batteries have been replaced (thank you Richard and Kitty Stufft for doing this and saving the Association several hundred dollars);
- The Board has approved hiring ArtisTree to clean all drip line filters at a cost of \$800;
- The Board has approved installation of Irrigation Donuts surrounding sprinkler heads at a cost of approximately \$2,000;
- Damaged Irrigation Control box covers are to be replaced at a cost of \$190; and
- The Board has asked ArtisTree to provide samples and cost information for various options of mulch that could be used for the Fall remulching

Thank you to Tami Gray and Denise Sucher for volunteering to join the Landscape Committee chaired by Harry Wildman. Richard Stufft, the remaining current member will appreciate your support, as will Phil Occhino, Board Liaison to the Landscape Committee.

NOTE: The landscaper currently uses Round-Up for weed control on hardscapes and in planting beds at the time of trimming. Instructions are to carefully apply this product so as not to have an impact on plant health. If any homeowner prefers to weed their own property and not to have Round-Up used, every effort will be made to satisfy this request. Please email Shawna Frank and Phil Occhino with your request. Please note that on occasion new personnel are employed by the landscaping company and mistakes can be made. Best efforts will be made to honor any request.

NOTE: Pruning is scheduled for the latter part of the week of June 19th. If you prefer not to have any part of your bushes pruned, please notify Shawna Frank and Phil Occhino and every effort will be made to comply with your request. Note that community protocol generally includes – trimming bushes by front windows to sill height, trimming front sidewalk plantings to the top edge of the decorative trim, and trimming shrubs to cover mechanical equipment. Hibiscus trees will be pruned to allow for further branching, hence existing flowers in many cases will be cut off.

Transition Audit: WCI hired an auditor to conduct the Transition Audit to ensure that all sums due from WCI to the Association, as of the date of transition of the Community to the homeowners, are audited. This audit was paid for by WCI and resulted in the determination of a sum owed to the Association in the amount of \$25,278, of which \$7,990 is still due and payable. No information has yet been provided to the Board as to when this sum will be paid, although the Board is actively pursuing this matter.

Damaged Pavers: On May 12, 2016, Tri-County's landscaping equipment damaged some homes' driveway and walkway pavers with dripping oil. Tri-County placed a claim with their insurer based on an inspection they performed in connection with Castle Group. Tri-County's insurer has reviewed the claim and offered a sum to compensate for replacement of the damaged bricks. The Association has polled all homeowners regarding whether they feel there is damage of bricks and whether or not replacement is desired. Thirty-seven homeowners have not responded at this juncture and hence the Association's attorney is working with the Board to send correspondence to these homeowners regarding this matter, so that the Association can proceed to settle the claim and arrange for replacement of bricks where desired.

Management Services: As management services represent 10% of the Association's budget and are an important part of the communication and resolution of homeowner issues, the Board determined that it was necessary to bid out management services. An RFP (Request for Proposal) was prepared and sent to five management firms, including the Castle Group, our current management firm. All five firms responded and three firm's management and their proposed Community Association Managers (CAMs) were interviewed in person. The Board members called references provided by all three finalist firms. As a result, the Board has decided to proceed to negotiate a management contract with Sunstate Association Management Group, for services commencing August 1, 2017. No change in management protocol or payments for the July 1 quarterly payment will take place. Homeowners will be provided contact information and introduced to the new CAM at the proper time. We appreciate the services of the Castle Group and Shawna Frank and wish them well.

Homeowner Preparedness: Now that hurricane season is upon us, it is more important than ever that homeowners are prepared. If you are away from your home for the Summer Season or for shorter trips at any time it is highly recommended that you arrange for a local person to have access to your home and that this party periodically checks your home (if power is lost and your breakers and GFI's are not reset your irrigation clock may not function and your home could be damaged due to air-conditioning/refrigerator failure). In addition, it is recommended that you have a plan for attachment of your hurricane shutters and removal of potentially flying objects, if required.

Timing of the next Board Meeting is yet to be scheduled. We welcome your feedback and encourage volunteerism. If you have any questions or comments, please send them to Shawna Frank of Castle Group (sfrank@castlegroup.com) who will direct your message accordingly.

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