

**Kempton Park Homeowners Association
Board of Directors Meeting
May 1, 2009
7:00 in the Gatehouse of Kempton Park**

Call to Order: Orlando Perez, President of the Board of Direction called the meeting to order at 7:12PM.

Attendance: Attending this meeting was the Board of Directors, Neil and Anita Bailey of the management company and approximately forty (40) - (50) owners.

Notice of Meeting: The notice of meeting was posted on gatehouse door and a sign was posted. The notices were duly posted prior to the forty-eight (48) hours required by law.

Explanation of Meeting: This meeting is basically to discuss three (3) issues, new management company, audit of the books and new legal representation

Secretary's Report: No Secretary's report was presented.

Treasurer's Report: No Treasurer's report was presented.

Old Business: No old business was presented

New Business:

Management Company: The Board is soliciting bids for a new management company. A homeowner asked what happened to the old management company. Flavio Antonino - Secretary explained the old management company gave their notice. A homeowner asked why? Mr. Antonino - Secretary explained they gave their thirty (30) days notice. A homeowner asked Neil Bailey of the management company to explain. Neil Bailey explained to the Board and the owners present that the Ne-An Services did submit their resignation, the resignation was submitted for several reasons. The reasons being, several items have been brought to the attention of the management company and at the annual meeting which was a duly called meeting of the owners, these items were discussed in open public, bringing these issues not only to the attention of the owners present but also to the management company. First and foremost is a newly elected Board member is indeed running a business from their house and is renting rooms in their house, both of these items are in direct violation of the association's CC&R's. This same board member has not paid assessments in over five (5) years. (Again this was brought to the attention of the owners at the annual meeting of the members, by an owner - not a previous Board member nor the management company) A management company is only an administrator for the Board of Director's, the management company has been put in the unenviable position of either working under the direction of a Board with a member who sits in violation of the documents, or terminate the contract. Neil further explained Ne-An Services

contacted everyone they could think for advice before submitting their resignation, they have contacted the association's insurance company, legal council, the State of Florida and the person who provides their update courses, all said there is no law against this person sitting on the Board, the best course of action would probably be for the management company to resign the contract. The insurance agent for the association explained should a lawsuit be filed for the Board not providing their fiduciary duty to the owners, the D & O insurance would not cover the suit. Why should the insurance cover the suit if the violating member sits on the Board? This would mean the Board personally and individually and the members of the association would be held accountable for paying the cost of legal fees to retain an attorney to defend the actual people who are violating the documents. Furthering these fees, any court issued awards would likely come out of the pockets of the owners, the Board and the management company would also most likely become involved should this ever happen. A homeowner stated she thought this member brought a check to the last meeting to pay past assessments, several owners stated the check was taken back. As a management company who believes in the documents of the association, Ne-An Services can not work for a Board when a member of the board, clearly sits in violation and refuses to correct the violation, thus putting the rest of the Board, the management company and the homeowners in jeopardy. Furthering this, Ne-An Services does not feel they can provide professional services to an association by contracting with a Board who is not equally enforcing their documents. A discussion ensued at this point and several owners asked the Board member to step down from the Board, the Board member refused. Orlando Perez - President, stated he would like to see no changes at all in the association until such time as the Board problem is solved. A homeowner asked why the Board cannot just vote to remove this person. Orlando Perez - President of the association and Neil Bailey of Ne-An Services stated there is no law prohibiting this behavior on the part of a Board member, the only way to remove this person from the Board is do a re-call. It will take a simple majority of the owners plus one (1) or 148 owners to sign a re-call ballot in order for the person to be removed from the Board. A homeowner stated they were in the process of going door to door to get the proper re-call ballots signed. A discussion again ensued and Orlando Perez - President brought the meeting back to order.

The Board has only obtained one (1) bid for a new management company and therefore the decision of hiring a new management company was tabled until May 15, 2009.

Audit of the Books: Flavio Antonino explained an audit of the books is necessary for the last three (3) years. A homeowner asked why? Mr. Antonino explained he will not sit on a Board without clearing the money. Mr. Silva - past president stated he has been accused of stealing from the association, Mr. Silva further stated he would like to demand an audit for the past three (3) years to clear his name even though the books of the association are reviewed by a CPA every year. Mr. Antonino explained there is a review every year, he wants a full audit. Ne-An Services has provided a bid to the Board for a three (3) year audit which is \$6,500.00. A homeowners stated this is ridiculous, now you want to spend our money on stopping rumors.

As only one bid was obtained for an audit, hiring a CPA for a three (3) year audit was again tabled until such time as more bids can be obtained.

New Legal Council: The Board came prepared with a bid to retain new legal council for the association. The proposal was submitted by Attorney Keith Turner, a homeowner asked why do they need new legal council? Another owner asked what will it cost to switch attorneys? It was explained, to switch legal council (remove every account from the Law Firm of Becker and Poliakoff to a new attorney) it will cost \$16,000 - \$18,000 which is what the association currently owes Becker and Poliakoff, it will then cost approximately \$150.00 per lien to release all liens. The owners present were in an uproar over this money being spent. **Flavio Antonino - Secretary made a motion to keep the Law Firm of Becker and Poliakoff, Mohammad Bhatti - Treasurer seconded the motion and the motion past by a vote of four board members voting to keep the current law firm retained (Orlando Perez - President, Jamal Louiyne -V-President, Flavio Antonino-Secretary, Mohammad Bhatti - Treasurer all in favor of retaining the current firm) and one member abstaining (Maria Herrera - Director abstains).**

Presidents Announcement: Towing Rules are still in force. Mr. Orlando Perez - President explained he made the announcement because there was a towing incident reported to him. A couple of cars were towed April 30, 2009 after midnight, one of the people who went to pick up their car told the towing company Ne-An Services was no longer employed by Kempton Park, they stated they were on the Board and wanted their car returned to them as a courtesy (without paying), At this point Ms. Maria Herrera - Director stood next to Mr. Perez, Mr. Perez read a brief synopsis of the statement made by Hector Ramos of the towing company, At 12:50 AM Maria Herrera's car was towed from the property at Kempton Park for being parked on the road. Ms. Herrera came to the tow yard and stated she was on the Board of Directors and wanted her car returned as a courtesy, Ne-An Services no longer is employed by Kempton Park, Hector explained to Ms. Herrera the price for the towing and she would either have to pay the price or come back in the morning, Ms. Herrera demanded her car be returned because she sat on the Board and as a courtesy the car needs to be returned, or when a new contract for towing is discussed, she will see to it that Massive Towing is not considered. Again Hector Ramos stated the price and told Ms. Herrera she could either pay or come back in the morning when Massive Towing could reach Ne-An Services. Although angry, Ms. Herrera left. Massive Towing contacted Ne-An early in the day and spoke to Anita Bailey about this situation, Anita explained to Hector that Ne-An Services had submitted their resignation, however, this does not take place until May 18 and as far as Anita knew the towing rules were still in place. No one from the Board has contacted her and told her differently. Upon returning to the tow company, Ms. Herrera proceeded to tell Hector, Ne-An Services are not employed because they do not have the proper paper work to be a management company. The association is now being run by the community, and the community is taking Ne-An Services to Tallahassee for an audit. Again, she demanded her car be returned, again Hector told her the price. In the end Hector returned her car for approx. \$55.00 but told her it was not fair that the rest of the owners had to pay full price to get their cars

back but she refused. Ms. Herrera simply left the tow yard. A homeowner asked Ms. Herrera if she did this, Ms. Herrera stated she went to pick up her car, A homeowner asked Anita if this happened, Anita stated yes and she had the written statement from Hector Ramos of Massive Towing, at this point Ms. Herrera stated to Anita “you have nothing and I have witnesses” again Anita stated she had a statement from the towing company, the towing company wrote the statement because they did not think it fair a Board member threaten them and lie about Ne-An Services. Ms. Herrera claimed Anita was abusing her and stated Ne-An Services stole her proxy’s, she stated she had 172 proxies that were stolen. Anita explained after verifying the proxy’s and returning proxy’s to owners who attended the meeting Ms. Herrera ended up with 62 proxy’s. A homeowner stated proxy’s had nothing to do with a car being towed and using your position on the Board to get your car returned and lying about the management company, another owner stated she was promised a pool, a sports yard, and a 2 % mortgage, now the Board is spending her money on an audit to stop rumors, hiring a new management company for nothing, trying to get a new lawyer, what happened to the promises that were given to her? Ms. Herrera started to respond, the owner interrupted stating she read everything that was delivered to her door and she knew what it said.

The meeting was clearly out of control Anita asked the Board if they were going to adjourn the meeting. Mr. Antonino -Secretary stated the meeting was adjourned.

Adjourn: As the meeting is out of control, and there is no further business to come before the Board, the meeting adjourned at approximate 8:24 PM

Next Meeting: The next meeting of the Board of Directors will be May 15, 2009, 7:00 PM in the park area.

These are notes of the Southchase Phase 1A, Parcels 12, 14 and 15 Homeowners Association (FNA and DBA Kempton Park Homeowners Association) Board of Directors meeting and are not intended to be a word for word, grammatically correct account of the meeting.