

**Minutes of Master Management Board Meeting
April 11, 2013**

President Donna Capobianco called the meeting to order at 9:30 a.m. on April 11, 2013.

In attendance were: Donna Capobianco, Dan Glickman, Danielle LoBono, Bill Morse, Pierre Laliberté, Charles Lusthaus, Fred Rosenzweig and Ira Somerset. Absent: Gene Goldman

Open Mic:

Maureen Doherty: Over the past weekend the phone lines to security were not working and security was allowing visitors to enter the Village without checking or calling residents. Sergio stated that he would speak to Kent security and look into the matter.

Minutes:

Donna asked for a motion to waive the reading and accept the following meeting minutes: Executive Session on February 27, 2013; Election of Officers on March 15, 2013, BOD Meeting on March 18, 2013; Executive Session on March 21, 2013 and the Executive Session on March 29, 2013

Fred Rosenzweig moved and it was seconded by Danielle LoBono to waive and accept the reading of the above mentioned meeting minutes. The motion carried unanimously by a show of hands.

Treasurer's Report – Bill Morse

The CVE Master Management Financial Report was distributed to all Board members and discussed in detail by Bill Morse. For March, the Revenue was \$980,658; Total Expenses were \$946,203; Gross Profit was \$34,454; Cash on Hand is \$1,918,882; YTD Total Revenue was \$2,938,269; YTD Expenses was \$2,748,030; YTD Gross Profit was \$190,238; Total Assets are \$4,988,255; Total Liabilities are \$3,755,950 and Total Equity is \$1,232,304. Overdue Accounts Receivable from unit owners is \$830,071. He discussed in detail the overdue accounts receivable in detail with the Board.

Bill distributed an analysis on the Accounts Receivable of \$1,030,184.

President's Report – Donna Capobianco

Executive Session Status: A decision was made not to argue a case against a previous employee's ability to collect unemployment compensation. The previous Board made a decision in Executive Session, but did not report it publicly, to sever immediately all relationships with attorney Patrick Murphy. This action, taken by the previous Board, impacted current litigation issues causing the current Board to make emergency decisions and to take costly measures. Because of certain court proceedings and stipulations, the new attorney would not be able to act on MM's behalf if an immediate litigation proceeding arose, leaving MM dangerously exposed. No consideration was given to cost sharing and savings in ongoing litigation where both MM and COOCVE are jointly named. Approximately \$250,000 in work was done by Mr. Murphy on collection/lien proceedings, which would have to be paid immediately. Mr. Murphy has existing knowledge of MM documents, suit background and preparedness while Goede, Adamczyk & DeBoest (GAD) would have to get up to speed on. Two out of the five cases handled by Mr. Murphy have shown positive results. The Board determined that was in MM's best interest to negotiate a contract with Mr. Murphy.

Golf Course: An non-binding loan application was filed with the bank. The previous Board ordered an appraisal. This was unnecessary as part of the application process for commercial property, the bank always orders an appraisal. The relevance of the appraisal is related to use of the property, and our use would be green space for now, not to develop the property or even maintain it as a golf course at this time. The bank needed first to be educated on the relevance, or lack there of, of appraisal value, which

we have spent much time on, hopefully successfully. The next critical step is to proceed with a non-binding letter of intent which states intention to purchase based on contingencies. Once contingencies are met, the next step would be the purchase and sale agreement which stipulates a purchase price, closing date and a final commitment to proceed prior to closing. When a bulletin is sent regarding the status of the golf course, it is not a response mechanism; it is simply a notification to communicate to residents what the status is. Please do not reply to these bulletins as your reply will not be picked up.

Insurance:

The D&O policy has constraints due the many suites against MM and COOCVE. There are named exempted parties, including Ross Gilson and Ventnor B. CVEMM has been denied coverage if any new suites are filed against CVEMM by the named exempted parties. This means that if a new suit is filed against CVEMM by named exempted parties, CVEMM has no coverage and must pay all expenses out of pocket. To minimize this exposure, each D&O can buy a personal umbrella policy with specific coverage which states that you are a volunteer for a not for profit company.

Donna **moved** and it was seconded by Danielle LaBono **for CVEMM to reimburse any Director who chooses up to \$1,000 for proof of purchase of a personal umbrella policy specifically covering them as a volunteer for a not for profit company.** After a detailed discussion including the strong indemnification in Master Management's documents, the **motion was defeated.**

Ventnor B: A letter was received by Ventnor B's attorney stating that they do not want the irrigation installed on their property. Since MM has a responsibility to the unit owners who they have an agreement with and to be sure they understood the ramifications of the Board's decision that there would be no portable water to irrigate once the new irrigation system comes on line and there would be no irrigation supplied by MM; a letter was faxed and e-mailed to the registered agent, East Coast. A letter was also sent via Federal Express to all members of the Ventnor B Board and none were accepted. Registered letters were also sent to all owners and only 4 were received. Ventnor B has until April 22, to respond if they wish to be included in the irrigation system at no additional cost. After April 22 all costs to join into the system would be borne by Ventnor B.

Committees: There is currently one committee and that is Insurance.

Donna stated that many things handled by committees and volunteers were on-going administrative functions and should be handled by employees who would be accountable for doing the job. If there is a need to appoint a committee, the specific task would be put in writing with a reasonable timeframe to accomplish it.

Joint Planning: Donna announced that COOCVE, Recreation and MM will hold its first joint planning meeting on April 30. These meetings will be held quarterly or more often if needed.

Executive Director - Sergio Purriños

Customer Service: Sergio stated that he is working on improving the customer service experience that many residents have with MM. When inquiries are received, we will be addressing them immediately and provide feedback to the resident.

Business Development plan: Sergio stated that he is working on a business development plan for the Board.

Irrigation: Working jointly with Recreation to incorporate the satellite pool areas into the irrigation project.

Transportation: Continue to address issues with the current bus provider. Working on the transportation RFP (request for proposal) as the current contract expires on December 31, 2013.

Solid Waste: Continuing to work with the City to replace damaged dumpsters in CVE. There is a schedule to replace single stream recycling bins.

Old Business – none

New Business – none

Fred Rosenzweig **moved** and seconded by Charles Lusthaus **to approve a Letter of Intent between CVE and Fairway Investors. Motion carried** unanimously by a show of hands.

Charles Lusthaus moved and seconded by Pierre Laliberté **to approve, upon signed Letter of Intent by Fairway Investors, Phase I Environmental study for \$3,000. Motion carried** unanimously by a show of hands.

Ira Somerset **moved** and seconded by Fred Rosenzweig **to approve, upon Letter of Intent signed by Fairway Investors, the Property Purchase Survey for no more than \$7,500.** Donna stated that this is a survey asking 8,508 unit owners of CVE if they want MM to purchase the golf course property. Donna stated that residents can either drop off completed surveys in the staff office, MM office or e-mail it to a specific e-mail address. Dan asked Donna to read the survey to the Board:

April 2013 PROPERTY PURCHASE SURVEY

Your Board of Directors of CVE Master Management Company, Inc. is currently negotiating to purchase the privately owned golf course property that runs through the center of our village. We are doing so because of the overwhelming vote from both the owners/Area Chairs and owners/Directors of COOCVE on the resolution sent to us asking: "CVE Master Management Co. Inc., Board of Directors to do everything in their power to immediately begin negotiations to purchase the golf course property in order to control our destiny and secure our future." The consensus being it is in the best interest of all CVE owners to own the property, control both our destiny and access into our gated community and end the threat of private development in the middle of our village. We highly respect COOCVE's request. Along with that important input, we wish to give all of you, our owners, the opportunity to voice your opinion on this very important undertaking. Please respond to the question below and return it to Master Management in the self-addressed envelope before May 31, 2013. If we do not receive your response by end of business May 31st, we will consider this an affirmative vote. Your response is very important to us and we thank you for participating.

Sincerely,

*Donna Capobianco
President, CVE Master Management Co., Inc.*

Do you agree CVE Master Management Co. Inc., Board of Directors should do everything in its power to purchase the golf course property on your behalf?

Please check only one. YES ___ NO ___ Your name and CVE Address is required.

Unit Owner Name _____

CVE Address _____

Please return your survey response in any manner listed below BEFORE MAY 31, 2013.

Drop off: Staff Office in Clubhouse or Master Management/COOCVE Office

FAX to: 954-421-9269

Scan and Email to: PROPERTYSURVEY@cvedb.com

Mail to: CVE Master Management Company, Inc; 3501 West Drive, Deerfield Beach, FL 33442

Dan asked for a **friendly amendment** asking to remove the following sentence: "If we do not receive your response by end of business May 31st, we will consider this an affirmative vote." Donna replied that the sentence was put in by the attorney. Ira replied that his motion was only for the mechanics of the mailing and not for the wording, so he will not modify his motion. Danielle asked who is monitoring the responses. Donna replied that we will have to hire temporary help. Many Directors stated that they need clarification as to why legal counsel added that sentence. Donna suggested that they **amend the motion** as follows: Ira Somerset **moved** and seconded by Fred Rosenzweig **to approve, upon Letter of Intent signed by Fairway Investors, the Property Purchase Survey for no more than \$7,500. Pending clarification on the following sentence by the attorney and approval by the MM Board: "If we do not receive your response by end of business May 31st, we will consider this an affirmative vote". Motion carried** unanimously by a show of hands.

Donna Capobianco **moved** and seconded by Bill Morse **to approve a general council contract with Patrick Murphy**. After a discussion, the **motion carried 6:1** (No Vote: Dan; Ira abstained)

A discussion was brought up about dogs in CVE. Donna asked Sergio to discuss with legal counsel our current policy, enforcement capabilities and to speak with Kent Security on how they are currently handling these issues and their experiences in dealing with them.

Announcements:

The next meeting is scheduled for May 16, 2013 at 9:30 a.m. in the Activity Center.

Motion to adjourn was made at 11:20 a.m.

Respectfully submitted,

Donna Capobianco