

September 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 August 30, 2017 a Board Meeting was held. Brian Rivenbark, the Community Association Manager from our new management company, Sunstate, which commenced services on August 1st, was introduced at the meeting. The schedule for future Board Meetings for 2017, all to be held at the River Club, will be as follows:

Wednesday, September 27th, 1 p.m.

Monday, November 6th, 9:30 a.m.

Tuesday, December 5th, 1 p.m. – Annual Meeting and Board Elections

Palermo Financial Status: At the Board Meeting an unaudited balance sheet and income statement of Palermo through July 31, 2017 was distributed and discussed by Mark Faford, Treasurer and Secretary. Mark indicated that, as of the balance sheet date, the Association had \$70,261 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 owed the Association \$7,990 which has been received. Mark reported that collections from all homeowners have been fully paid, except for one homeowner who has indicated payment was sent recently. 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. Further savings will be realized now that the Association's current management company has been replaced. Finally, expectations are that additional savings will be realized due to anticipated lower mulching costs than that budgeted (see **Mulch**, below). Due to the positive budget to actual results the Board decided to install sprinkler donuts (\$2,000) and to clean the irrigation drip filters (\$800). See **Landscape Update**, below.

October 1, 2017 Quarterly Maintenance Fees Due: Due to change in management companies as of August 1, the Association's bank accounts at Popular Bank have been closed and a new banking relationship has been established with Cadence Bank. Therefore, any homeowner with automatic billing arrangements through the Castle ACH (Automated Clearing House) system have now been terminated by Castle. Any homeowner using a bank bill pay system will need to ensure that the October 1 payment is not remitted to Castle. Sunstate has sent, by regular mail, an invoice to each homeowner for the October 1 payment. The invoice includes mailing instructions for the payment. Once the budget for 2018 is established, coupon books and ACH arrangements will be made for future quarterly maintenance fees due. If you did not get the invoice for the October 1 payment please contact Jo-Ann Finnell at Sunstate at your earliest convenience.

Neighborhood Update: As soon as the two remaining spec homes in the Palermo neighborhood are sold, the initial sell out will be completed. Further, we understand that Lennar is in the final stages of completing the common area finishes for the neighborhood, with the asphalt top coat now completed and work being done on the construction road access. This work being done by Lennar is in preparation for the neighborhood common areas being turned over to the CDD. The Board has only been provided minimal

information by the CDD regarding this endeavor and no definitive information about its timing, as the CDD has asserted it does not have these details at this time. Kareen Richard has stated that the CDD will not take title to the common areas until the work is “acceptable to the CDD.”

Landscaper Update: ArtisTree Landscape commenced services to the community effective March 1. The Landscape Committee and Board have been actively involved, along with Sunstate, in monitoring ArtisTree’s work and providing feedback on areas needing improvement. The installation of sprinkler head donuts and the cleaning of the drip line filters recently completed should improve the functioning of the irrigation system. Further, the drip line filter cleaning process allowed the Association to identify several homes that did not have drip line filter assemblies at all or that had incorrectly installed irrigation boxes preventing access to the filters. In coordination with the impacted homeowners in every case WCI/Lennar was contacted and agreed to remedy these construction issues.

Note, for any homes recently purchased from the developer, Lennar, please be aware 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. Further, there is a 90-day warranty on sod, so it is important that you report any sod issues to Customer Care, so that Lennar can remedy the sod issues as well.

Other Landscaping Matters:

Mulch: The community provides new mulch to each home in the fall of each year. The Board through its management company has obtained quotes for mulch and has been able to obtain a favorable price for Coco Brown mulch (vs. the Cypress Gold presently in place) from a source currently used by another neighborhood at the Venetian. As a result, it is expected that we will incur significant savings compared to the budgeted mulching expense. Thank you to Sunstate for helping us identify a provider that can save the community a sizable expense. It is hoped that we can schedule the mulching for early November.

Sod Issues: The Board, Landscaping Committee, and ArtisTree have identified a significant number of lawns which have experienced fungus damage. We understand that this has been a problem in general in Venice and the surrounding area due to the heavy rain this summer. ArtisTree has applied fungicide to attempt to deal with this problem, but it would appear we will ultimately need to resod or plant sod plugs in some areas. Additional investigation and options are being reviewed to ensure that we fully understand the extent and cause of the problems and that the Association’s remediation dollars, which could be costly, are carefully evaluated before being spent. In addition, a few lawns have been impacted by wild boar digging. This situation has also impacted the Venetian Golf Course and the areas bordering Laurel Road. It is suggested that any homeowner seeing boar destruction of any portion of their lawn call a commercial extermination firm to remove the pests to protect their property and home from further destruction.

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. At this

point the claim has been settled by the Association and the Association will continue to work with impacted homeowners who desire damaged bricks to be replaced.

Insurance: The Association's insurance policies will need to be renewed as of October 10, 2017. Sunstate has engaged Roberts Insurance to review the coverage and to obtain bids for the replacement insurance.

Hurricane Irma: Following the recent Board Meeting, hurricane Irma descended on our neighborhood. We were fortunate that the storm was downgraded before it reached Venice and our neighborhood was largely unscathed with a few large uprooted or otherwise damaged trees, some smaller trees that fell over or require restaking or straightening, and some damaged lanai screens. We are not aware of any structural or roof damage. ArtisTree will be inspecting the neighborhood and performing cleanup, as soon as they can get it on the schedule, after their emergency work is done. Note that if you have a leaning plant or tree that has been uprooted, repair will be the homeowner's responsibility. As per the email blast sent out to homeowners, ArtisTree is willing to do this work at homeowner's cost. If you would like ArtisTree to do this work for you please call them at 941-488-8897 to make any arrangements for this work.

In the course of installing hurricane shutters on their homes, a few homeowners noted construction defects of their homes such as missing shutter bolts at some openings, missing escape window construction, and faulty lanai paver installation prohibiting the installation of the lanai shutters. If any homeowner found such defects, it is recommended that Lennar Customer Care be contacted to report the issue and request remediation (SWFLCustomerCare@Lennar.com).

Contact Information: Sunstate sent a Contact Form request to all homeowners as a part of their Welcome Package to ensure the Association has your current information. Approximately 50% of homeowners returned the requested forms to Sunstate. If you have not returned your form, please do so as soon as possible (a copy of the blank form is attached).

Palermo Web Site: It is expected that our new Palermo Web Site will be available shortly. Further information will be supplied on this when appropriate.

The Palermo Board of Directors

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