

MINUTES

February 2018 Regular Board Meeting Briny Breezes Inc

**9:30 am Wednesday, February 14 2018
Briny Breezes Community Center**

- I. Pledge of Allegiance was recited, and a moment of silence observed.
- II. Call to order Meeting was called to order by the President at 9:32am & Roll call ensued:
Present were: Dir. Brannen, Dir. Goudreau, Dir. Oglesby, Dir. Gross, Dir. Coyner, Dir. Black
Absent with notice: Gene Adams and Mike Weir. The six Directors present for the meeting established a quorum of the Board so business could be conducted as indicated on the posted Agenda.
- III. Proof of Notice: Notice for this meeting was posted on Feb 9, 2018 at by GM Pussinen
- IV. Approval of previous board meeting minutes - Jan 10 Reg. & two Jan 31 Special
Mtgs: **Motion made by Dir. Brannen to waive the reading of and to approve the previously distributed minutes of the January 10 Regular Meeting, January 31 Special/Budget meeting and the January 31 Special Meeting.** Seconded by Dir. Black.
Motion passed unanimously.
- V. Reading of Correspondence: Director Brannen read a group of letters presented by residents of Briny Breezes Blvd, A-Row in regard to the parking spaces provided them on A-row and also on Cordova and Ruthmary. Letters were sent by A-Row Residents: Michelle Harkness/Michael Dunn (A11) Ira Friedman (A5), Claire Murphy (A13), Judy Kraft, (A17), Grant Perry (A7), Dorothy Orfe (A25), Janet Cullinan (A-9 /this is a renter), Jeannine Oesterrech (A2), Ann & Dan Harkness (A12), Phil McQuilling (A14), Gloria Rulli (A-10)
- VI. General Managers Report- GM Pussinen reported on inspections of property.
 - a. Since January 15, warning letters have been sent out regarding lattice/fences along with general overgrowth and debris in between units;
 - b. Request that stockholders have reflective unit numbers on your mobile to help police, fire, EMS, etc.;
 - c. All dogs need to be on leashes. GM has received several complaints about non-compliance.
 - d. The corporation will be purchasing 2 new laundry machines for the laundromat
 - e. New contract employee: Brian replaced Manuel to clean common-area bathrooms
 - f. AT&T phone numbers are now listed in the Bugle
 - g. Omar is looking a Corp. truck-looking to purchase, one being considered costs \$6,000
 - h. Keep insurance of your golf carts up to date with the office; please use side window for mail issues.
- VII. Report of Officers- Dir. Gross gave treasurer's report;
AS OF January 31, 2017
UNAUDITED

OPERATING ACCOUNT ONLY:

CURRENT ASSETS AS OF 1/31/2017	\$	640,271.90
PARK IMPROVEMENT CASH	\$	183,022.55

CATASTROPHE CASH FUND	\$	115,250.01
TOTAL OPERATING CASH	\$	938,544.46
RESERVE CASH AS OF 1/31/2017	\$	214,572.47
TOTAL OPERATING & RESERVE	\$	1,153,116.93
DELINQUENT ACCOUNTS TO DATE	\$	29,762.6
	6	
DELINQUENT YACHT BASIN TO DATE	\$	2,785.2
	4	
	\$	32,547.9
TOTAL DELINQUENT	0	
INCOME AS OF 1/31/2017	\$	178,773.84
DISBURSEMENTS AS OF 1/31/2017	\$	144,409.42

- a. Don Faron L-211 said Improvement Fund and Catastrophe Fund should be reported separately.

VIII. Police Report/ Captain Yannuzzi

- a. Captain Yannuzzi reported on December 2017 statistics from Boynton Beach Police Department. He reminded the stockholders present that if they have a complaint about a ticket, it must be contested at the Delray Courthouse, not at Town Hall or the Briny office. Judy Kraft, A-17 commented that the 'police' should not treat people rudely.

IX. Town Liaison Report - Town President Sue Thaler reminded everyone that the Town Council meeting is next Thursday at 4pm;

- X. Committee Reports- Sales & Rentals reported by Dir. Brannen: 4 family transfers were approved; they are already looking at rentals for next season; the committee did not approve the rental application for I-12.

XI. Unfinished Business

- a. Ratify addition to Jan 10, 2018 Regular Meeting Agenda: Repair of Ocean Clubhouse Porch / Oglesby: **Motion made by Dir. Brannen to ratify the Board decision on Jan 10th to add the agenda item to repair of the Ocean Clubhouse Porch to the Jan 10, 2018 Agenda** (this ratification at the next Regular Board Meeting is required by FI Statute 719 for items added to Agenda during a Board meeting). Seconded by Dir. Black. **Motion passed unanimously.**
- b. Consideration/approval - Adopt a Fraud Response Plan/Policy for the Board and Employees/ Oglesby: **Motion made by Dir. Oglesby to approve and adopt the Fraud Response Policy for the Board and Employees;** seconded by Dir. Black; Sue Thaler, Q-207 requested that the Policy be read to the stockholders, which Dir. Oglesby did. **Motion amended by Oglesby to include posting policy on Corporate website.** Seconded. **Motion passed unanimously.** (Approved Policy attached)
- c. Consideration/approval - Adopt a Conflict of Interest Policy for the Board/ Oglesby: **Motion by President Oglesby to approve a Conflict of Interest Policy.** Seconded by

Dir. Brannen. Dir. Brannen read the Conflict of Interest Policy to the stockholders; Dir. Gross believed the policy takes away certain stockholder rights when you are a Director. Discussion followed. Dir. Gross asked to consider tabling the policy. Dir. Brannen would like suggestions to add to the Policy. Ira Friedman, A-5 hoped the Board would not table this policy because feels the policy is a good one. Dir. Oglesby explained this Policy says you must disclose such activity that would likely be considered a conflict of interest but does not specifically prohibit the activity. Roger Bennett (I-8), Town Mayor, initiated a discussion on the potential value of a Board member simultaneously holding a state or county government position. It was suggested the policy only state "cannot hold a position with the Town of Briny". Dave Westgate (I-16) believes the policy should include close family relatives. Diana Moll (D-210) inquired as the "remedy" if a conflict of interest occurs. Dir. Oglesby said there are a number of remedies (legal, executive committee or board intervention, recall of the Board member) **Motion by President Oglesby amended to limit conflict of interest restrictions for holding government office to alderman positions on the Briny Breezes Town Council**. (Seconded. **Motion passed unanimously.** (Approved Policy attached)

VII. New Business

- a. Ratification/Approval - "consent agenda" items;
 - i. Sales & Rentals Committee Decisions/Brannen; was done earlier in meeting.
 - ii. **GM** expenditures - as needed / Pussinen: 2 workers digging on seawall - \$3,300; Harvel to fix storm drain pipe - \$2,000; AG Electric to fix rust on side of Auditorium - \$1,900. **Expenses were ratified by the Board**
- b. Consideration/approval - Board approval of Rental Agreement for 1-12/ Brannen: Sales & Rental Committee denied until application was approved but the renter showed up anyway. When it came back to committee in January, it was denied again, since despite being clearly told that the renter could not move in until the application was approved, renter came anyway; **Motion by Dir. Brannen**, seconded by Dir. Oglesby **to approve rental**. All requirements have been met at this point. Discussion followed. Judy Kraft (A-17) asked if there is any way to take care of the rental procedures in a shorter time than 30 days? Susan Atlee (F-201) asked about the consequences of approving 1-12 now or not? Regarding fines, eviction, etc. What would final results be? Dir. Oglesby said we could approve the rental and still fine the owner because requirements for approval before moving in weren't met. Dir. Brannen said consequences are probably the same. The renter will probably not be evicted either way. The owner will be fined either way. Gail Elble (O-203) asked 'what is the plan'? Feels rules were broken by both renter and owner. Frank Coppola (C-212) asked we allow these people to check in to the office even if they aren't approved. (*we learned later in the discussion that the renter never came to the office for a badge or to open the mailbox.*) Dir. Coyner feels this shouldn't be discussed further. Feels owner should be fined and kicked out. Dir. Black believes the fine isn't enough of a deterrent. Don Faron (L-211) asked if this is this the same incident regarding a signature issue from last month. The Question was called. **All opposed, unanimous:** Black, Oglesby, Brannen, Gross, Coyner, Goudreau. Motion failed.
- c. Board discussion/approval - Violations & Fines 1-12 violation / Brannen; **Motion by Dir. Brannen to fine 1-12 owner \$1000 for moving renter into property prior to approval.** Seconded by Dir. Black. Motion passed unanimously. **Motion by Dir. Goudreau to fine 1-12 owners \$1000 for not submitting completed application for rental in correct time frame.** Seconded. Rule C. 2 was reviewed for this motion and Dir. Brannen read the rule. Dir. Brannen explained this is the same rule used for previous fine. Frank Coppola, C-212: these people don't pay the fines anyway, so why

are we even bothering? Dir. Goudreau withdrew his motion.

At this point in the meeting, Mr. Shalek (a lawyer from the firm of Phillips, Cantor and Shalek, P.A. representing R-12 Stockholders Dean and Wayne Ryder) asked the Board if Item g could be moved up and discussed next on the Agenda. **Motion made by Dir. Oglesby to discuss Item g as the next order of business. Seconded. Motion passed unanimously.**

- g. Consideration/approval - Request for delay to appeal the decision of the ARC Committee to the Board regarding the R-211/R-212 lease line (Moved up in the agenda.) **Motion by Dir. Oglesby to delay the appeal for the decision of the ARC Committee to the Board until the March 14, 2018 meeting.** Seconded. Attorney Shalek is attorney representing Wayne & Dean Ryder. His clients reported that they did not get prior knowledge of ARC meeting. In response, Oglesby pointed out that Wayne Ryder was notified in advance of the Jan 26 ARC meeting by email (dated Jan 18, 2018) and by fax transmission of the ARC meeting Agenda sent to his office and verified as received by his secretary by phone call on Jan 22, 2018. Shalek asked that any decision on the matter be delayed. Discussion followed.. Dir. Gross who chaired the ARC meeting in question recommended that the matter should go back to ARC committee before any BOD consideration since the Ryders did not have the opportunity to make their case for the location of the lease line. He added that the decision at the last ARC meeting included providing notice to the Ryders and ask for a response within a given time frame. If they responded, the discussion would continue. Dave Westgate (I-16) who attended the ARC meeting agreed with Dir. Gross that this should be given back to ARC Committee. The Question was called, and Oglesby's **Motion failed by unanimous vote of the Board.** Dir. Brannen then read two letters related to this issue from David Westgate (I-16). Further discussion followed. **New motion by Dir. Oglesby to refer the R-12/R-11 lease line back to the ARC Committee for further consideration when he is no longer on the Board.** Seconded. Discussion followed. Gail Elble (O-203) requests that Board Meeting Agendas be posted on the Corporate website; aske who authorized GM to send letter saying decision was made; believes that Dir. Oglesby should be out of this discussion. The question was called on Dir Gross's motion. **The motion passed unanimously (5-0.** President Oglesby recused himself in this vote)
- d) Consideration/approval - Changes in Committees of the Board & Membership; **Motion by President Oglesby to remove Betsy Sullivan and replace with Carol Parmalee, remove Nancy Aceto and replace with Donna Clarke, remove Paul Sullivan and replace with Patrick Duffy, remove Phil Brackett and replace with Nancy Aceto. Add Janet Adams as an alternate for the Voting Oversight Committee.** Seconded. **Motion passed unanimously.**
- e) Consideration/approval - Repaving of Flamingo & Lark Drive/ select vendor and discuss specs/ Pussinen & Oglesby **President Oglesby made a motion to approve work discussed previously to rebuild roads on Flamingo and Lark Dr. and accept Trident offer for this work.** Seconded. GM Pussinen reported on the proposals received. Discussion followed. Don Faron (L-211) says Lark has been

dry for last few days due to such little rain. He asked if the contract discusses lowering the drain on Lark Drive. GM Pussinen said it does say 'catch basin adjustment to adjust grade'. The question was called, and the **Motion passed unanimously.**

- f). Consideration/approval - Clubhouse fence repair/replacement; ***Motion by Dir. Brannen that we replace the south end of beach fencing to use Allied Aluminum and Railing not to exceed \$14,000 paid for out of Building Reserves.*** Seconded. Discussion followed. Don Faron, L-211: pointed out that badge readers take a beating at the ocean with salt air in the past. **Motion passed unanimously.**
(Item G considered above.)
- h). Consideration/approval - Briny Breezes Future Club & Charter request for Board recognition; ***President Oglesby made a motion to recognize Future Club as a Briny Breezes Club.*** Seconded. Discussion followed. Judy Kraft (A-17) asked if we already have a Futures Committee, why do we need a new one? Don Faron (L-211) questions when the Briny Futures Committee last met? (Last week). He claimed that the committee hasn't been run by the board member responsible for it. Dir. Brannen suggested to Mr. Faron he join that committee. Doug Baumgarten (G-211) pointed out that this group can get together without being an official club. Question was called. **Director Black voted YES, all others VOTED NO. Motion failed 1-5.**
- i). Consideration/approval - Request for use of the Beach & Ocean Clubhouse for a family wedding to be held on a Saturday (or Friday) in January 2019 (Hayes, B-16) ***Motion by President Oglesby to inform the Hayes that we would consider this if they give us a date before other reservations are made.*** Seconded. Discussion followed. ***Motion amended 'subject to clubs reserving their dates' by the end of the month.*** Roger Bennett (I-8) his daughter was married at OCH in December a few years ago; thinks it is a bad move to talk about clubs making reservations so early because things change. VP Brannen will check to reservations at the end of February and let the Hayes know of the available dates. Question was called, and **Motion passed unanimously.**
- j). Consideration /approval - PARKING A-Row Revisit, options and solutions/ Gross & Brannen: ***Motion by Dir. Gross that people on A row have first preference over their current spots on Cordova to rent out/reserve.*** Seconded. Discussion followed. ***Motion withdrawn. New motion by Gross, that on A Row, we mark out a designated parking spot in front of their unit or very near their unit.*** Seconded. Marie Solis (E-13) asked why we don't use Section 5 as a parking area. Anne Harkness (A-12) is very happy with her A row parking and thinks it would be nice if the space was marked off. Roger Bennett (I-8) doesn't see that it would be a problem with Town to mark off parking spaces. Doug Baumgarten (G-211) pointed out that most people don't have 2 cars, most rent out second spot because it's so cheap. Don Faron (L-211) said there is no reason that the Town wouldn't give permission to mark those A-row spots and asked what the Corp pays per resident on A row to the Town for A-Row parking? Mikee Rulli (A-10) adds that she has plenty of spray paint! Judy Kraft (A-17) expressed concerned with flooding near the

storm the drain and mentioned that some A-row stockholders move their cars to their Cordova parking spot when heavy rains are expected. Jean Ravalli (A-8) asked for something in writing that says she will get her parking space back if it is needed. **Motion passed unanimously. Motion by Dir. Brannen that Nothing be done with second spot on Cordova until BOD reviews cost, etc. (in the Fall) and we find out currently who on A row has 2 cars registered in Briny.** Seconded. **Motion passed unanimously.**

k). Board discussion/approval - Purchase portable 220-volt, gasoline or diesel auxiliary generator for storm drainage pumps - \$16,131.94 vs \$15,000 authorized in Dec 2017; **Motion by Dir. Oglesby that \$16,200 be paid out of Road & Drainage Reserves to buy diesel generator.** Seconded. Discussion followed. **Motion passed unanimously.**

VIII. Shareholder Forum:

Ira Friedman, A-5: we could be making big mistake purchasing Tiki Hut product instead of metal roof product due to potential hurricane winds.

Doug Baumgarten, G-211: parking spots in section 3 have been taken up by unit owners. They are using the wrong parking pass that doesn't allow for overnight, as well. Guests are not checking in at the office. Needs another article in Bugle.

Gail Elble, O-203: repairs of seawall in front of O-203, O-204 and O-205. Locations of spots with cracks that had been indicared with spray paint were not filled. Will there be any follow through with Qualmann to find out why those weren't actually repaired? Dir. Oglesby said that divers were supposed to patch all cracks along the section of seawall that was recently capped and in addition, repaired a 40-long open crack just west of the new cap and in front of Sally Long's home, O-206, thought to be responsible for most of the water coming through the seawall in this area.

Jan Hoffman, O-203: concerned with people parking in front of pharmacy and office without guest parking placards.

Director Brannen thanked Dir. Oglesby for his service since this was the last regular Board meeting.

IX. Adjournment: **Motion by Dir. Brannen to adjourn.** Seconded. **Motion Approved Unanimously (6-0)** and the meeting was adjourned at 1:13pm.

Respectfully submitted,

Michael Weir, Secretary Briny Breezes Inc

Date Approved: March 14, 2018

NOTICE

Regular Meeting of Briny Breezes Inc. Board of Directors

9:30 am Wednesday February 14, 2018

Briny Breezes Community Center

AGENDA

ALL STOCKHOLDER COMMENTS MUST BE LIMITED TO THREE (3) MINUTES PER AGENDA ITEM

- I. Pledge of Allegiance & moment of silence
- II. Call to order & Roll call
- III. Proof of Notice - Feb 9, 2018 at 4 pm by GM Pussinen
- IV. Approval of previous board meeting minutes – Jan 10 Reg. & two Jan 31 Spec Bd Mtgs
- V. Reading of Correspondence to the Board
- VI. General Managers report
- VII. Report of Officers
- VIII. Police Report / Captain Yannuzzi
- IX. Town Liaison Report / Town Manager Dale Sugerman or Town President Sue Thaler
- X. Committee Reports
- XI. Unfinished Business
 - A. Ratify addition to Jan 10 2018 Regular Meeting Agenda: Repair of Ocean Clubhouse Porch / Oglesby
 - B. Consideration/approval - Adopt a Fraud Response Plan/Policy for the Board and Employees / Oglesby
 - C. Consideration/approval - Adopt a Conflict of Interest Policy for the Board / Oglesby
- XII. New Business
 - A. Ratification/Approval - “consent agenda” items;
 1. Sales & Rentals Committee Decisions / Brannen
 2. GM expenditures - as needed / Pussinen
 - B. Consideration/approval – Board approval of Rental Agreement for I-12 / Brannen
 - C. Board discussion/approval - Violations & Fines
 1. I-12 violation / Brannen
 - D. Consideration/approval - Changes in Committees of the Board & Membership /All
 - E. Consideration/approval - Repaving of Flamingo & Lark Drive / select vendor and discuss specs / Pussinen & Oglesby
 - F. Consideration/approval - Clubhouse fence repair/replacement / Pussinen
 - G. Consideration/approval - Request for delay to appeal the decision of the ARC Committee to the Board regarding the R-211/R-212 lease line / Oglesby
 - H. Consideration/approval - Briny Breezes Future Club & Charter request for Board recognition / Brannen
 - D. Consideration/approval - Request for use of the Beach & Ocean Clubhouse for a family wedding to be held on a Saturday in January 2019 (Hayes, B-16) / Oglesby
 - I. Consideration /approval - PARKING A-Row Revisit, options and solutions / Gross & Brannen
 - J. Board discussion/approval – Purchase portable 220-volt, gasoline or diesel auxiliary generator for storm drainage pumps - \$16,131.94 vs \$15,000 authorized in Dec 2017 / Pussinen
- XIII. Shareholder Forum
- XIV. Adjournment

All Stockholders are Welcome

This notice is dated and posted February 9, 2018, 4pm

Theresa Pussinen, General Manager, Briny Breezes Inc.

BRINY BREEZES INC. FRAUD RESPONSE POLICY / PLAN February 14, 2018

Briny Breezes Inc. hereby establishes a fraud response policy in order to require a consistent response for action. The Corporation treats any suspicion of fraud or any suspected misappropriation of assets seriously and all instances will be reviewed by the Board of Directors or others, if necessary.

Confidentiality for all parties should be maintained over reports made in good faith which cannot be substantiated following investigation.

A Director of the Corporation or member of staff may choose to report their concerns anonymously and such anonymity should be respected. It should be noted that, if the report suggests criminal activity and the case is to be pursued by police, the identity of the person reporting the details will be needed at a later date if criminal proceedings are to be pursued effectively; identification is preferred and would assist the investigation.

Directors or Employees:

If you become aware of a suspected fraud, a suspected misappropriation of assets, or anything else you determine to be out-of-the-ordinary, document *in writing* your concerns immediately noting all relevant details, such as: what came to your attention that you felt necessary to communicate, who you discussed the matter with (if anyone), the dates and times of any discussions, any evidence to support your assertions, and any other information that might be relevant to the matter. This documentation should then be immediately provided to either the General Manager of Briny Breezes or the President of the Board of Directors directly and as appropriate, unless the President is suspected of the alleged fraud. In this case, the documentation should be provided to the 1st Vice President. You should obtain documentation that this communication occurred (saving a sent email, certified letter, etc.).

You should not do any of the following:

- Contact the suspected perpetrator in an effort to determine facts or demand restitution,
- Discuss the case facts, suspicions, or allegations with anyone outside the Association (including unit owners) unless specifically asked to do so by the Board,
- Attempt to personally conduct investigations or interviews.

General Manager:

If you are alerted by an employee, as discussed above or have reason to suspect fraud, misappropriation of assets, or notice anything else you determine to be out-of-the-ordinary, you should do the following:

- Listen to the concerns of your staff and treat every report you receive seriously,
- Make sure that all staff concerns are given a fair hearing. You should also reassure staff that they will not suffer retribution because they have told you of their suspicions.
- Get as much information as possible from the member of staff, including any notes and any evidence they have that may support the allegation. Do not interfere with any evidence and make sure it is kept in a safe place.
- Do not try to carry out an investigation yourself.
- Report the matter immediately to the Board or other authorities if necessary.

Malicious Allegations

If an allegation is made frivolously, in bad faith, maliciously or for personal gain, disciplinary action may be taken against the person making the allegation.

Investigation Procedures

If the allegations are deemed credible, the President of the Board of Directors or an alternated appointed by the President or 1st Vice President will immediately consult with an attorney on the best course of action.

Recovery of Loss

The Corporation will consult with its attorney for the best course of action.

Learn from Past Experience

The Board will make any necessary changes to internal control policies and procedures to ensure that similar frauds will not happen again. Any investigation may highlight where there has been a failure of supervision or a breakdown or absence of control.

Signed: _____
President of the Board of Directors

BRINY BREEZES INC
Conflict of Interest Policy
February 14, 2018

It is the policy of Briny Breezes, Inc. that its Directors avoid any situation that is or could reasonably be perceived as a conflict between their own personal interests and the interests of the Corporation. A conflict of interest arises when a Director takes action(s) based on his or her personal interests rather than the best interests of the Corporation.

Corporate Directors and the relatives of such Directors must disclose to the Board of Directors any activity that may reasonably be construed to be a conflict of interest. Two such activities are as follows:

- A Director, or a relative of a Director, enters into a contract for goods or services with the Corporation.
- A Director or a relative of a Director holds an interest in a corporation, limited liability corporation, partnership, limited liability partnership, or other business entity that conducts business with the Corporation or proposes to enter into a contract or other transaction with the Corporation.

Directors are expected to protect the Corporation's assets and use them efficiently to advance the interests of the Corporation and its Stockholders. They are prohibited from profiting from either their position with the Corporation or through their use of corporate assets.

Finally, it is a conflict of interest for any Director to serve as Director or Officer in another corporation, public or private, whose activities oppose or work against to the best interests of the Briny Breeze Inc. Because government bodies may, from time to time, have interests conflicting with those of the Corporation, no Director is permitted to hold public office for the Town of Briny Breezes while serving on the Board of Directors for the Corporation.

President	_____	1 st Vice President	_____
	Thomas Oglesby		Susan Brannen
2 nd Vice President	_____	Secretary	_____
	Gene Adams		Mike Weir
Treasurer	_____	Director	_____
	Ted Gross		Joe Coyner
Director	_____	Director	_____
	Tom Goudreau		Keith Black