

Mobile Manor, Inc.

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150 Lantern Lane

North Fort Myers, FL 33917

April 3, 2017

John Horan

106 Amber Ave

North Fort Myers, FL 33917

Dear John,

The Mobile Manor Board of Directors thanks you for your input in an obviously earnest effort to contribute to the well being of Mobile Manor and its residents. We believe that your background and experience can eventually be of great help in our efforts to unite a divided community. However, we believe that your relatively brief and limited experience in Mobile Manor has led you astray in parts of your recent analysis. For example, you find fault with how the board interacts with each other, and especially with our president. And, you have done so in great detail. Yet, you had been to just one Board meeting when you issued that finding. Other parts of your analysis reveal your lack of knowledge regarding Mobile Manor's history. For example, anyone who lived through or had knowledge of our previous experience with two management companies, the schism they caused, and their aftermath would never seriously suggest to the **community**, "A management company could provide smooth continuity for either entity. A vote of all members/users of the Water Company could be taken to determine if this is desired by the membership. The board could decide if the management company should be retained for **(sic)** include MM Inc." **And, frankly, without knowledge of the history, we don't understand how you can so quickly conclude:** "The of the **(sic)** primary core issue seems to be related to the actions of the board of

(sic) Mobile Manor Inc and Mobile Manor Water Co Inc. (same board) and their members."

The following statement seemed odd to three board members: "This "looking the other way" by board members has encouraged the president to make decisions and take actions that grossly exceed the legal authority of his position and the board. The board should be clear; this is not acceptable behavior for any board member and will not be tolerated. This has not happened to the best of my knowledge and underlies the root cause of the division." **On March 8th, eleven days after you observed your first board meeting, you attended a meeting with the three to whom you said that you were pleasantly surprised how well most of the board members "stood up" to the president.**

We have also concluded by studying your analysis that most of your data seems to have been gathered from residents who have issues with our current president, Bob Gilliland. Bob has been President of Mobile Manor's Board of Directors since he, as vice president, succeeded Ralph Schioppa who resigned in the summer of 2014. Since then, Bob has been elected once and re-elected twice. There have been various plans to unseat him. The first plan was to beat him fair and square through the election process as prescribed in our by-laws. This plan failed. At that point, many of his opponents quit paying maintenance fees which deprived them of using the electoral process or impeachment process to attain their goal. Some of them, instead, resorted to other means. This included spreading rumors, exaggerating, making false accusations, and, reprehensively, demeaning and harassing Bob's wife. Another tactic has been to encourage others to stop paying maintenance fees. We assume the purpose of this is to hamstring Mobile Manor, Inc. financially to bring us to where we are today. And now, a new plan has come forth to unseat Bob and to get around the by-laws i.e. paint a dire picture of Mobile Manor which seemingly can only be corrected by his immediate resignation so that a promised 50 or so residents will start paying maintenance fees.

Your analysis enumerates issues that either happened or are purported to have happened. We recognize we are not perfect and have made mistakes

which, of course, are fair game for criticism, but when they are exaggerated and used over and over after corrections and apologies have been made, one realizes that the motives may be suspect. It is also well known, but frequently ignored, that we have a By-Laws Committee which is doing a thorough review and rewrite of the by-laws which address many of these issues. However, that raises another issue which we can't do much about. To change any of Mobile Manor's established by-laws requires a vote by community property owners who are eligible to vote in Community Meetings. That eligibility is established within the by-laws themselves. So, as you can see, that sets up a Catch-22 for anyone who has chosen to disenfranchise themselves.

The rest of this response is composed of the comments from individual board members. Some of them have been edited and/or combined for space and clarity's sake.

Executive Sessions: No member of this current board served on it prior to 2013. Since then there have been four executive sessions (2/26/14, 10/21/14, 11/30/15, 2/3/16) The first three regarded personnel matters and the fourth regarded pending litigation. As you can see, they have generally been reserved for personnel matters, but we did deviate from that one time. Executive sessions, according to Robert's Rules, may be used for other purposes and need not be limited to strictly personnel matters. Issues such as legal matters (which require attorney client confidentiality), possible litigation, disciplinary matters, major strategic business issues, crisis management, and privacy laws. Also, issues that, if discussed in public, would produce great embarrassment for the community, and the roles and responsibilities of directors and officers are all issues that may call for an executive session. Nevertheless, though neither Robert's Rules nor our by-laws prohibit the practice, we still believe the board should limit their use. Our meeting schedule is set forth in our by-laws, so is known well in advance. Since 2013, we only recollect two instances of postponements. Furthermore, prior to 2013, board meetings were not open to anyone and we have juggled meeting times trying to accommodate residents'

schedules. Your comments contain fodder for By-laws Committee review. We appreciate that.

Financial Records: What follows are separate comments by board members. 1.) The records should be kept all together in the office and made available to all of our paid members because it is their money we are spending. The non-payers contribute nothing financially to the park so I see no reason why they should be allowed to view the records. 2.) Financial records are filed on site and available to be reviewed by making an appointment. I don't believe any responsible club or corporation would permit nonmembers access to their financial records. 3.) The hours of operation are clearly posted on the office door. Everybody is afforded the same opportunity to come into the office and examine the books to their hearts content; be that during normal office hours or by appointment. To date, I have not heard of any member who has reached out to review the records. There has been a lot of innuendo as to such requests being denied. However, to my knowledge there have been no such requests. 4.) We all own and pay taxes in Mobile Manor. We all have the right to attend meetings where decisions are made concerning roads, security, lawn mowing, upgrades, etc. Why? Because they involve all our property values. 5.) I, frankly, don't have a problem with anyone in the Mobile Manor community examining our financial records, especially, if it would lead to a better understanding and/or clear up residual issues left over from previous boards. I believe this could easily lead to new paying memberships. I, also, believe this should be made as easy as possible through electronic means or otherwise.

Restriction of "non member/payers": Regarding the community property (common areas), those properties are "deeded" to Mobile Manor Inc. Their use, per Mobile Manor's by-laws, is regulated by the Board of Directors. Why would a responsible board allow non-paying owners access to its property? If you were a resident and had total access with the exception of maybe voting rights, would you pay? This complaint not only has no merit, it simply makes no sense. Regarding the right of the board to install speed bumps, we feel your analysis is basically flawed. It has been well established that Mobile Manor Inc., by virtue of

being a deeded land owner, has an easement by prescription, or at a minimum, by necessity, to the roadways which are pertinent to the individual lots in the Mobile Manor community. It is also well established that the individual with the right of use is burdened with its upkeep. As a result, the establishment of speed bumps is a maintenance issue especially in the regulation of heavy truck traffic that has access to the Mobile Manor community. The impediment to the members of the community is of minor concern. Speed bumps are a well established mechanism to regulate speed and road deterioration throughout society. It is highly unlikely that a court would view them as an unreasonable obstruction.

Speed Bumps: Several board members are willing to revisit this issue and bring it before the paying membership for a vote either to remove, correct, or replace them. The following are separate comments: 1.) They were voted in by the community and we had been talking about it for a year, so there were no surprises. 2.) This issue came before the Community at least three times that I'm aware of. The last time the PAYING Members voted that they be installed. This was not a Board decision but an affirmation by the membership. 3.) With regard to the membership vote, there was a quorum, it was passed by an official motion which was duly seconded. He can complain to the community for not showing up to vote.

Deed Restrictions: *(Note: We believe a topic heading was left out of your correspondence, so, we are calling it "Deed Restrictions" and placing it here.)* We couldn't agree more. Your analysis is spot on. There are no deed restrictions and since we are not a home owners association there never will be. In 1962 the organization of Mobile Manor was flawed from the very beginning. As a result, the only enforcement mechanism in this community is Lee County zoning and code enforcement. Regarding the second paragraph of this topic (Understanding the limitations above, it is reasonable the owners should form an organization to maintain both the private water system and the common areas. Any and all lot owners or their proxies' should be eligible to join, pay fees that they agree to, elect officers and vote. Ideally all lot owners should contribute to maintenance by paying the monthly fee, or contributing in other ways, but this is strictly voluntary. The addition of

owners/proxies should be encouraged by an atmosphere of inclusion and desirable activities.), **we might consider adopting it as our mission statement. Thanks.**

Voting Security and Requirements: The By-Laws Committee recognizes that voting and elections need to be revised to preserve the integrity of the process and is working to do so. To this point the committee has not considered the issue of how long it takes to be eligible to vote and will do so at their next meeting. Thank you for pointing that out to us. Also, the use of proxies is under review.

Resident Use of Community Facilities: This issue, too, is a subject of the By-Laws Committee study. Several board members have expressed the view that they are amenable to a compromise on this topic. Here are some individual comments: 1.) I feel that if we allowed the non-payers to use the facilities it would anger most of our members in good standing and we might lose a lot of our paying members. Why should they pay if we give the same privileges to non-payers? 2.) This issue has been raised numerous times and each time those that are members have approved the policy. Those that pay the fees, make the rules!! If you don't pay, you don't play! 3.) I feel that there must be a way to satisfy our paying membership and allow reasonable participation by owners who don't pay maintenance fees. Even though we've tried it before with little success, we should try it again in hopes that it will lead to new paying memberships.

Management: You really lit a fire with the portion of this topic which mentions hiring a management company. First, it drew a response in the preamble of this response and it also drew the comments that follow: 1.) Is he for real??? In all his conversations with the "RESIDENTS" no one informed him about Benson and Hayden? If he wants to be the "Savior of the Park" he should do some research and not just listen to lies and gossip!!! Benson (2006) and Hayden (2011) were both hired by former boards without residents' approval. As a matter of fact, membership dropped to its lowest level ever. Maintenance rates went up and neighbors were fighting neighbors. Remember all the NO TRESSPASSING signs?? 2.) I was here during Benson and Hayden and we didn't get great service from them. We still had an office employee that we needed to pay plus their fees

were high. I help work on the audit and I was not on the board at the time and it was a disaster, when we had questions we did not get good answers. We now have better record keeping and a very efficient office manager (I am speaking as a previous office manager and accountant for 38 years.) We do have a very good CPA who does all of our tax filing and answers all accounting questions that we have. The cost of our office manager and our CPA is less than we were paying Hayden and we are getting better service. 3.) His communication mentions the use of a management company. Obviously he has not been properly briefed by his Mobile Manor constituents in this regard. 4.) It was a nightmare and led directly to the expenditure of \$135,000 in legal fees and the brink of insolvency. I believe it still plays a major role in why more people don't pay maintenance fees. Here are other comments on the Management topic: 1.) We need a clear operations manual of office procedures and policies and of Water procedures and policies. 2.) I am weary of people NOT asking questions of Bob Gilliland, our president. He is a brilliant financial manager and a great delegator. However, if you ask a simple question, he may blow up in your face. How do I know that? He has blown up in mine twice. 3.) There is currently a water manual which could be followed in the event of a contingency. However, it may simply contain a calendar of events and not procedure. This issue has been discussed in the water meeting, but, to my knowledge, no action has been taken. Should our president meet with an unfortunate demise will we be in a position to carry on with the responsibilities required by the Florida Public Utilities Commission? A water manager needs to be appointed and a manual developed, if not already in existence.

Residents feel they are losing their +55 Community: The 55 and over requirement is currently being updated by our office manager. In addition, it is our understanding that Mobile Manor is in compliance with the existing law. The 80/20 requirement currently sits at 88/12. We have been criticized for not doing a good job of keeping younger residents from moving in and for not doing a better job of checking driver's licenses for ages. But, as we are sure that you are

aware, our hands are tied on both counts. In the former case, we have no control over who can purchase properties in Mobile Manor or who landlords can rent to in Mobile Manor. Regarding the latter case, we can't force anyone to show us proof of age and even when age is revealed, all we can do is record it.

Office staff pay: Thanks for the kudos on this topic; however, we think "....current levels are not excessive and performance is satisfactory." is grossly understated. Our office manager's pay is less than the last two office managers and some of that goes back over ten years. Also, to use the term "satisfactory" to describe her work is an insult. Here's another comment: Bonnie Gilliland is an unbelievably kind and hard working office manager. The park is blessed to have her. I feel any dime she makes she is entitled to. She has been asked to do a time study. What an insult to her. She does not need to take the time to validate what is obvious.

Lee County Takeover: (Your reference to Lee County drew a few comments which we chose to put into its own category.) 1.) It would turn out to be a very expensive take over. Our water bills would double and we would now have sewerage bills which in most cases would be double the water bills. This does not include the cost of installation. 2.) Do I want Lee County to take over? Heck no. If Tom Hawkins, who was driven out, was to be trusted, his numbers were that each resident would be assessed \$30,000 for reconstruction. 3.) I'm not sure this would even be an option but what I do know as fact is that the first thing that would occur would be the installation of water and sewer lines at a cost of over \$30,000 PER HOME. (*Note: This \$30,000 is one of those numbers that will probably always be disputed. However, see the next comment.*) 4.) In January 2013, Lee County sent a representative, Ms. Denise Sabatini, to our community meeting to brief us and explain the consequences of Lee County Water taking over. At no surprise to us, Ms. Sabatini explained that if the county took over, all existing water lines would need to be replaced. In addition, sewer lines would more than likely be installed and our septic tanks condemned. Again at no surprise, the cost of this project would more than likely reach approximately \$2,693,886.00, which translates to \$8,392.00 per Mobile Manor unit. In actuality however, the great likelihood is that the end costs would be even higher. Ms.

Sabatini went on to explain that each resident would be responsible for their own hook up, and an additional \$260.00 "capacity cost", per unit, would be added in. And finally, if that was not enough, the placing of the costs as a 15 year assessment on your taxes would generate an interest payment to the county of approximately \$5,371.00 per unit at the current 2013 rate. As predictable, the residents chose not to believe the county representative and have put their heads in the sand ever since. I just guess some people would rather believe the @#%&-house lawyers in the community and have to touch the red hot stove to learn a lesson. Should this happen, all potential buyers of Mobile Manor lots would need to be advised of the actual or pending county assessment. Good luck with selling your property.

General Comments: 1.) Mobile Manor Inc. has to maintain our common parks, lawns, roads, etc. If no one pays the maintenance fees we have no money to pay for insurances and all other expenses that need to be paid to maintain this park. We all need to understand that if we want to improve our personal property so our value will go up we also need to keep our park in good condition so future buyers will want to buy properties here. We cannot do this without paying maintenance. When this new board took over we had \$56 in the Mobile Manor bank account. Now we have almost \$50,000 and \$9,000 in savings. 2.) I do hope that we can try to be welcoming to non-payers so they feel we do consider their opinions about what is going on here in Mobile Manor. We need to try to answer their questions politely and positively. I'm sure no one wants to be talked down to and should expect and receive respect, as we all should. 3.) He seems to be saying that owners who have quit paying maintenance fees have been victimized by this board which should immediately repent and apologize. I believe that the true victims over the last 10 years or more are the owners who have had the burden of being the sole financial support of this community. They have endured a lot; however, they have had the common sense not to lose their voices in making community decisions. They are the ones we are most beholdng to and should be listening to most intensely.

Summary: Thank you, John. This was an exercise that was very enlightening. We know we haven't addressed all the issues you raised, but trying to coordinate the opinions of eight people in a short time is daunting, but so is the unraveling of the 55 year old puzzle that is Mobile Manor. It's a puzzle that doesn't have an easy nor quick solution; however, if you don't believe anything else, believe that right now there are eight people on the board who want the best for Mobile Manor and for all the people who live here. We're certainly not in it for self-aggrandizement, fame, or fortune. We look forward to working with and listening to anyone with similar goals.

Sincerely,

Bob Gilliland, President

Tim Burchfield, Vice President

Maureen Huff, Secretary

Kathy Thorpe-Holder, Treasurer

August Sims, Board Member

Pauline Lacourse, Board Member

Charlene Womack, Board Member

Karla Gentry, Board Member