

**Minutes of the
ASSOCIATION of PELICAN POINT Condominium Association
Board BUDGET Meeting
THURSDAY, NOVEMBER 1, 2018**

Budget Meeting Call to Order

The meeting began at 1:00 pm in the clubhouse.

Establish Quorum

A total of 70 units were accounted for by either personal attendance or proxy.

Voting Results on CPA Audit vs. CPA Review for 2018 Financials

There were 8 votes in favor of a CPA Audit, and 60 votes in favor of a CPA Review. Jim made a motion to accept the voting results and perform a CPA Review of the 2018 financials in 2019. Terri seconded, all were in favor.

Budget Meeting Adjournment

Glen made a motion to adjourn the Budget Meeting at 1:02pm. Terri seconded, all were in favor.

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Board Meeting Call to Order

The meeting began at 1:02 pm in the Clubhouse.

Establish Quorum

Board President Randy Malecha, Vice President Glen Farnum, Secretary Jeanette Cullen, Treasurer Terri Knapp, and Director at Large Jim Bakos were present. Michelle Davis from Reconcilable Differences attended, as well as over 30 residents.

Approve Minutes of Last Board Meeting

Terri motioned to approve the minutes of the September 27, 2018 meeting as written & posted. Glen seconded, all in favor. The minutes will be posted on the website and bulletin board.

Financial Report

Through the end of September, the Association has \$395,661 in the Operating account, but \$150,000 of that will be needed to complete the Seawall Project. The Reserves Account is very healthy at \$476,401. There is \$6,144 in Accounts Receivable, which includes Unit B302, which is now being actively foreclosed on by the bank. The Association's attorney will be requesting a 120-day relief because there will be a 3-month tenant in the unit for high season. This will allow the Association to recoup some of the losses on the unit, because when the unit is foreclosed, the Association will only receive about \$1,500. The A/R total also includes a number of residents that paid their Assessments late but refused to pay the late fees. The Board is in agreement with Management that the late fees should be enforced and collected. Year to Date, the Association is \$11,650 under budget and doing very well.

Group Reports

Building & Grounds: Randy stated that a Fire Alarm test and annual inspection is scheduled for Friday, November 2, at 11:00am. The Seawall is nearly completed, the final deliveries of dirt are filling in the spaces. The irrigation crew is working on installing the sprinkler system, and 60 pallets of sod will be delivered next week. The Board signed a contract with Donaldson Irrigation to assist with the irrigation and sod. The contracted work amounted to \$22,008, with an additional \$860 negotiated to add additional coverage areas if needed.

Social Group: Terri Knapp stated that Diane has a signup sheet in the back of the Clubhouse for the Thanksgiving Dinner. Terri will resume the Potluck Dinners in January, February, and March, when more residents are present.

Other Business

Smoking in Common Areas

Randy stated that there have been several complaints about smokers in the common areas and opened the floor for discussion. There are smokers who smoke near neighbor's windows and doors, or on the outside patio under another resident's balcony. The cabana is currently a non-smoking area, but the pool areas and common walkways could also be added. A resident suggested making the stairwell landings at the ends of the buildings a designated smoking area. There are no residents nearby, and ashtrays would be added to the areas. The Board would like to form a Committee that can head the Project and vote. A resident suggested that the Committee should include smokers and non-smokers for fair decision-making. The Committee is expected to have suggestions and a plan to present in December, to be voted on by all residents. A resident suggested posting a Suggestion Sheet in the Clubhouse so that all residents can anonymously post ideas for Smoking Rules.

Gate Code Change

The gate code has been updated to #1947. Tenants and emergency personnel have their own access code. Please do not give this code to delivery people. Ask them to call you from the gate entry system so you can buzz them in.

Trim Paint Color

Several residents have complained about the color of the building trim. A resident suggested a completely new color, perhaps an earth tone. It will have to pass by resident vote with 51% of all voters. A Committee will be formed to discuss colors and organize the member vote for the Annual Meeting.

Spectrum

Michelle reported that Spectrum has offered high-speed wireless internet (100mbps) for an additional \$7/month per unit. Each unit would also receive the Bronze TV package with premium channels, modem, high-speed wireless internet, and 2 DVR boxes. The monthly charge, per unit, would go from \$46/month to \$53/month. Any resident who already pays for internet can cancel their personal account when the bulk account is put into place and save at least \$25/mo. The offer expires on December 15th, so the Board will be sending a voting ballot to all residents just for this matter. Please send it back as soon as possible. As soon as Management receives 70 yes votes, the Board will be approved to accept the offer. The current bulk contract expires in 2021. That contract will be voided, and a new 5-year contract at a 5% annual increase will be started. Spectrum will also give the Association \$19,500 towards the increased cost in the 2019 budget.

Discussion & Approval of 2019 Budget

A resident asked about the increase in Workman's Comp. Michelle explained that the figure used to be lumped into the employee's wages but has now been broken out into its own line item. A resident asked if Management ever hires contractors without Workman's Comp. Michelle explained that she avoids it as much as possible, but occasionally contractors can cancel their policies after providing certificate of insurance, and she wouldn't know. A resident asked about the increase in monthly fees. Michelle confirmed that the Association fee is increasing from \$275/month to \$285/month. A resident asked for confirmation that the Spectrum upgrade will not come

out of the resident's pocket. Michelle confirmed that it is included in the Association fee, and the increase will not affect the Association fee until 2020. Glen made a motion to approve the 2019 Budget as mailed. Jim seconded, all were in favor.

Open Forum

A resident asked who would be responsible for water damage if the condo above leaks into their unit. Michelle explained that each unit is responsible to repair damage in their own unit, per Florida condo insurance statutes. It is vital that all owners have an "H06" policy to cover damages. If a neighbor is found to be at fault for the damage, your insurance company may subrogate to their insurance company, so that neighbors do not have to sue neighbors. If the damage is less than your deductible, you could ask your neighbor to help with the cost, but there is no legal way to obtain reimbursement from a neighbor.

Michelle asked that anyone who wants to change from coupon book to automatic debit, or vice versa, please let her know as soon as possible so she can notify the bank. They are ordering coupon books now.

It has been a few years since the Association Rules were reviewed and tweaked, so there will be a Rules & Regulations Committee formed soon, and issues will be discussed at the Annual Meeting.

A resident asked about the fish cleaning tables; the Board confirmed that the fish-cleaning and picnic tables will be put back up after the sod is installed.

Set Next Meeting/Annual Meeting

The next Board meeting will be Friday, December 7th to vote on the Spectrum upgrade. The Annual Meeting will be held on Thursday, January 10th at 1 pm at the library. Residents will have to submit their "Intent to Serve" on the Board 40 days before the Annual Meeting. That notice will go out early next week.

Adjournment

There being no further business to transact, Glen made a motion to adjourn the meeting at 1:45 pm. Terri seconded, all were in favor.

Respectfully Submitted,

Michelle Davis

Michelle Davis, CMCA, AMS, LCAM #17226
Community Association Manager
Reconcilable Differences, Inc.