



Date: January 6, 2020

Location: Errol by the Sea Condominium Clubhouse
4501 So. Atlantic Ave.
New Smyrna Beach, Florida 32169

Time: 1:00 PM

1. Call to Order

The meeting was called to order at 1:00 PM by President Dale Fage

2. Establish Quorum

There was a quorum at the meeting with 5 board members present, in person: Dale Fage - President, Larry Eriksson - Vice President, Jim Lacovara - Director, Cheryl Fazio – Secretary, Ken Rhodes, Director, Deb Fourness - Treasurer was present via conference call. Manager Greg Foster was present.

3. Proof of Notice

Greg Foster, Association Manager stated that notice had been given in accordance with Board direction and Florida Statute.

4. Approval of Minutes of Previous Board Meeting on December 7, 2019

Minutes were not available in paper form, and members requested that the approval be deferred to the January 25th meeting.

5. President's Report

Dale reported that:

- Our Maintenance staff have removed debris from the pool drain-pipes that was left by the installers, and pools are leveling themselves now.
- Grates are flexing when stepped on and would like to evaluate adding a center rail. Greg to investigate.
- Corners of pool grates do not align properly and allow gaps in grates that could be a safety issue. Greg was asked to provide specific solutions for corner issue which may include the copper corners already discussed. Ken proposes replacing corners, removing gaps, and evaluating how grates are performing.
- Options and cost will be evaluated.
- Committees of the Board are the Rental Committee, chaired by Howard Heitzel, and the Maintenance/Grounds Committee, co-chaired by Jim Lacavara and Nunzio Fazio. Committees are to meet a minimum of twice a year and report to the Board a minimum of one time in November, to be included in end of year meeting.

- There has been a brief delay in moving forward with the sale of Unit 114 due to a concern raised by one owner. The Board has done its due diligence in mitigating any possible litigation with thorough investigation by our attorney. We will now move forward with the sale as will be described under new business.

6. Treasurer's Report – Deb Fourness

Secretary Cheryl Fazio read the Treasurer's Report for Deb Fourness who was traveling but remained on the line and available for questions.

- As of January 6, 2020, the December bank statements had not arrived, therefore, the books and reconciliations for December are not yet available.

Balances as of 11/30/19:

SunTrust Operating: \$15,782.52
 SunTrust Restoration: \$191,713.89
 Chase Savings: \$302,779.54
 Bank of America Savings: \$413,693.63

Accounts Receivable: \$5,431.32 Special Assessments

- QuickBooks Transition - from online to Desktop has been accomplished rather seamlessly as of 12/27/19, with the exception that past bank reconciliation did not transfer appropriately and Beverly is having to manually input information to bring things current through December 31st, which may take a little more time to accomplish year-end closing and reconciliation.
- Accounting Firm Transition – The Association has retained Charles L. Belote and Associates to perform our year-end review of financial statements and issue their review opinion. To be clear, they have not been retained to audit – but to undertake specific services, designated by agreement. Greg to provide signed agreement.
- Found Check – Owners of 319 found a check payable to Evelyn V. Smith, Trustee dated February 14, 2009 (while going through their parent's records) which appeared to have been uncashed. Much discussion ensued regarding the Association's responsibility or lack thereof, to pay the amount of check to owners.
 Florida Code Chapter 717 on unclaimed property was referenced. Although the owners can provide no proof that the check had not been reissued at any point, a motion was made and approved to pay owners 25% of check amount and require release of responsibility on the part of the Association.
- Treasurer moved that the annual 1099s sent to owners will include a statement that it is the owner's obligation to determine that they have received the funds stated on their 1099s and report to the Manager in writing, any discrepancies within 90 days of receipt of 1099, or waive any rights to any funds.

Board requests to defer approval of Treasurer's Report to next meeting.

7. **Rental Committee Update** – deferred to next meeting
8. **Maintenance/Grounds Committee Update** – deferred to next meeting

9. **Manager's Report – Greg Foster** (with associated discussion)

- Greg explained that this meeting had been changed from 2pm to 1pm due to a 4pm function that the winter renters requested that he attend. (Meet & Greet)
- Greg requested that we do not hold Board Meetings on Monday in the future.
- Bathroom doors – are in, but installation is 4-5 weeks out by Gulfstream Glass.
- Shuffleboard Courts – were due to be resurfaced on 1/3, but could not be done due to rain, and rescheduled to be done on 1/7.
- Elevator curtains have arrived and are hung on hooks and sized perfectly.
- Courtney who worked in the office previously and is now working in Marketing for Advent Health has offered to provide a seminar to Errol owners and renters on Healthcare.
- The front of the building will be pressure washed soon.
- It was noted that there was water pooling in the sills of unit 326. Investigation revealed cracks in walls. Our engineer will review, and we will pay for reinstallation of dry wall.
- We are moving forward with the upgrades to laundry rooms.
- Gates – require new software. Greg strongly suggests that we look at a virtual gate system with cameras as previously discussed. Jim suggested that Greg investigate the company that David Hancock had researched which may be more cost effective than the quote that we have.
- Pool gates – 2 new mechanisms are on order to assure proper closure.
- Reserve Study – will hold on this until main building new roof is on.
- Roofs (office, clubhouse, etc.) – 5 men now working and should be complete within a week.

10. **Old Business**

- Sale of Unit 114
 - We have secured 2 local real estate agents/firms to look at 114 and tell us what an appropriate listing price would be.
 - The average of the two suggestions was approximately \$475,000, (as is) which would include 6% realtor fees.
 - The Association will offer first right of refusal to current owners.
 - Process will be by closed bids starting at \$439,000.
 - Price is reflective of realtor cost savings if not listed.
 - Association to pay closing cost.
 - Buyer to pay title search and recording of deed.
 - Owners will be noticed and have **2 weeks** to submit the following:
 - Bid amount
 - \$10,000 escrow deposit, fully refundable if not the winning bid
 - Proof of funds
 - This is an open sale to owners and Board members may also bid, however, there is no remuneration. Property can not be bought and flipped for profit by a Board member.
 - There will be a 1 year holding period if a Board member is a winning bidder.

- If there are no owner bids, the Association will contract with Ocean Properties for the sale. Motion made by Cheryl Fazio, seconded by Jim Lacovara.
- Bids and/or offers must net the Association a minimum of \$439,000.

11. New Business:

- Ken Rhodes reported that there are sometimes discussions among Board members that happen outside of official Board meetings that require quick decisions. Can these decisions be made by e-mail and then ratified at the next Board meeting? This would be a joinder decision for ratification.
 - Greg and Dale to investigate and get legal opinion on process.
- Conflict of Interest Policy – we just received direction from our attorney and will update draft policy and associated form for discussion at next meeting.

Open Forum for Owners:

- Owner (Jackie) asked how often do we really need the gates, and are they worth the cost? Should we continue to invest in them”
 - Dale to provide follow up
- Tony DeRosa offered to share some observations on the current roofing project to Dale.
 - Dale to meet with Tony following meeting.
- Sherry Weeks via WebEx communicated that she can not see those on the right side of the room.
 - Greg to reposition camera prior to next meeting.

12. Adjournment

With there being no further business, the Board adjourned at 2:48 PM

Respectfully submitted,

Cheryl A. Fazio, Secretary