



HARBOUR ISLE EAST CONDOMINIUM ASSOCIATION, INC.
6A Harbour Isle Drive East
Fort Pierce, Florida 34949
Phone 772-595-3660 * Fax 772-595-8809

BOARD OF DIRECTORS
BUDGET WORKSHOP MEETING MINUTES
TUESDAY OCTOBER 8, 2019 – 2:00PM HIE CLUB HOUSE

The HIE Budget Workshop meeting was called to order by President Jay Sizemore at 2:00pm. Jay explained that the workshop meeting was a forum to discuss and present the preliminary first stage of the 2020 Budget, however the approval of the 2020 Budget will take place at the Annual Budget meeting (exact date to be decided). Board members present in the HIE Clubhouse were President Jay Sizemore, Treasurer Barney Horan, Secretary Pat DeVecchio and Director Frank Briganti. Vice President Annette Sanniota was absent due to work commitments. A Quorum was established. Julie Lynch Property Manager was present representing FirstService Residential. There were 3 homeowners present.

DISCUSSION OF THE PROPOSED 2020 BUDGET:

Treasurer Barney Horan presented the proposed 2020 Budget. Barney thanked the owners for attending and the Board and Manager for their assistance in preparing the proposed 2020 Budget. Barney explained that the Board and Management had worked diligently; reviewing vendors and costs throughout 2019 in order to reduce expenses, consolidate services and place the Association in a strong financial position for 2020. Barney explained that some expenses on the 2020 proposed budget are higher and unavoidable, such as FPUA with an increase in water of 1%. Comcast Cable will increase 2%, ThyssenKrupp Elevator contract will increase 3% and FirstService Management Contract will increase by 2%. The biggest increase will be in the property Insurance category with a predicted increase of 20 -25% or possibly more. Exact figures for the Insurance category are unknown at this juncture as the policy does not renew until March 31, 2020 and exact figures are not available. Barney explained that irrigation water expenses at the beginning of the year were high with the average month for irrigation was at approximately \$10,000.00, however by the maintenance staff being very cautious with watering times and duration and by turning

the irrigation system off when possible we had reduced the monthly irrigation down to a low of \$3000.00/month.

Barney explained that we had also gone over budget in the legal fee category, due to unforeseen situations. However, all other categories we are either right on budget or below.

Barney also discussed the concerns some owners had with the Association not having a flood policy. Barney explained that in 2015 FEMA had done extensive studies and research in the Treasure Coast area and based on that information and the Hurricane and flood history of the area, FEMA in 2015 changed the area of Harbor Isle from a high risk flood zone classification AE to a low risk flood zone classification of X. In 2016 the Board based on that information decided not to renew the flood policy with a savings of approx. \$60,000/year to the Association. Barney explained that with increased costs in Flood Insurance to get a policy in 2020 would be an expenditure of approximately \$125,000.00 per year. Barney explained the Board will make a decision on a flood policy, based on the costs involved, a review of the coverage offered by the policy and the flood risk of the community. Barney's supporting documentation is attached as part of the minutes.

Once final budget figures have been confirmed, the 2020 draft budget will be mailed or emailed to all owners with the 14 day notice of the Budget approval meeting date.

The workshop meeting adjourned at 2:55pm

Respectively submitted

Julie Lynch, CAM

For and on behalf of the Board of Directors

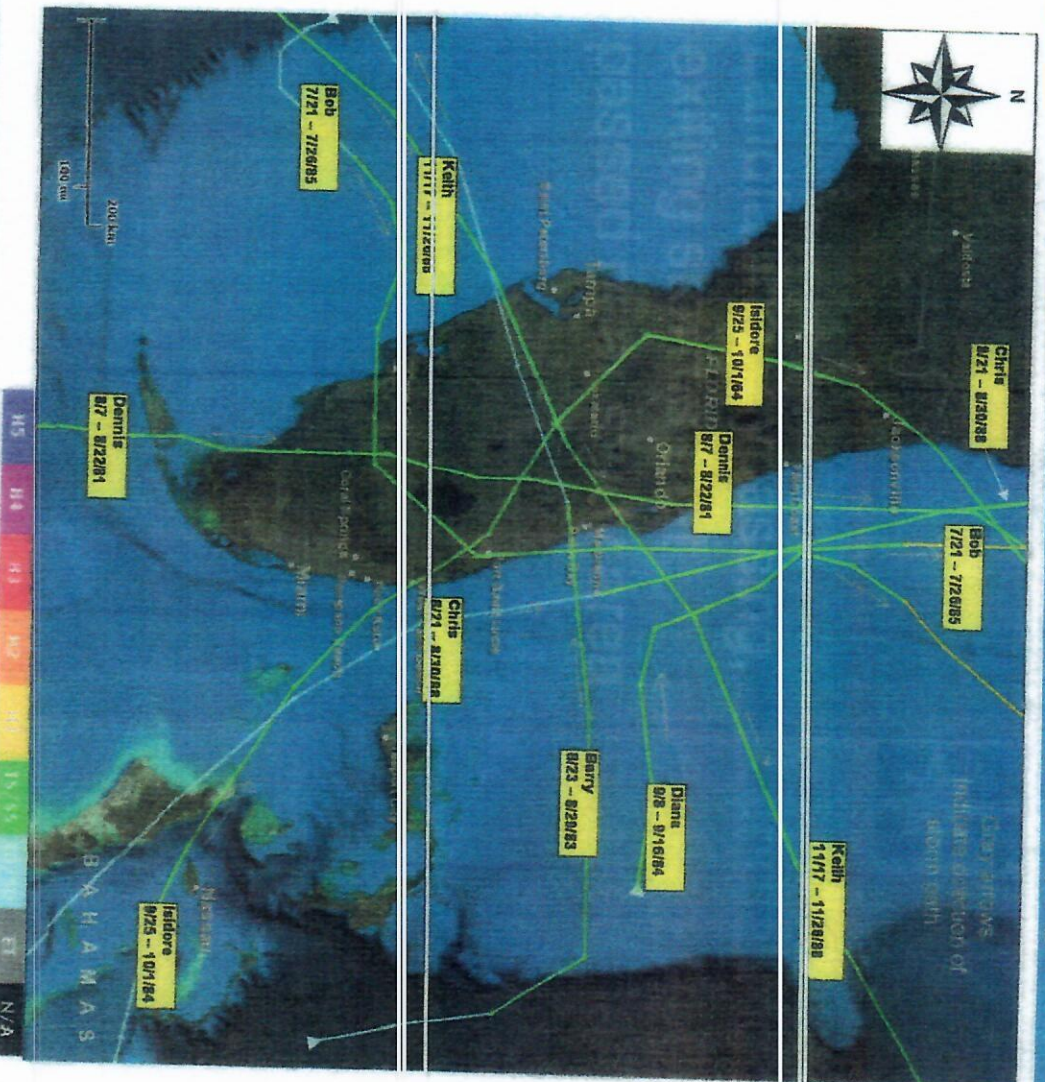
person with a disability, are blind, or have low vision, and need assistance, please contact a [map specialist](#).

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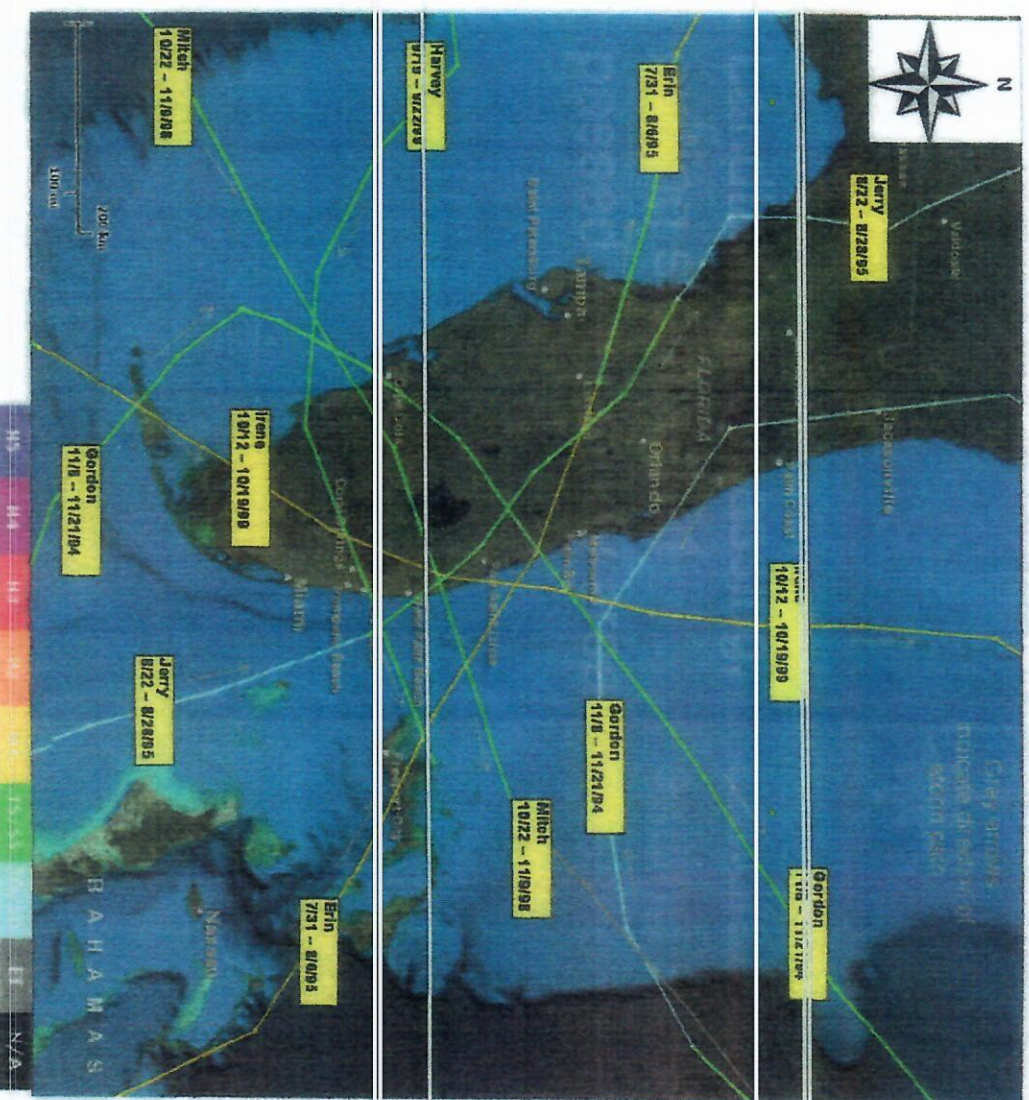
Validation Storm Selection: Significant Surge Events 1980-1989

Landfalling, bypassing,
exiting storms that
passed near study area



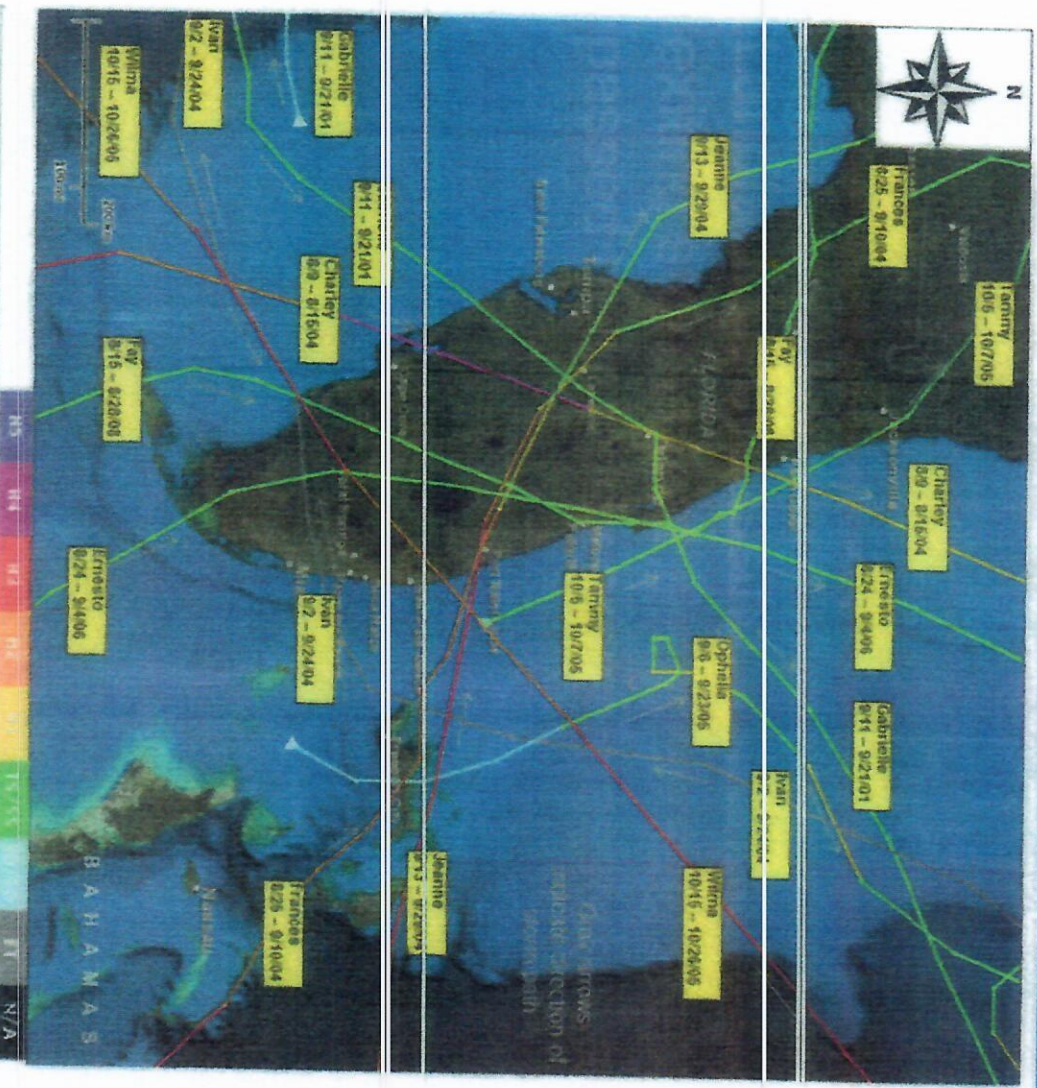
Validation Storm Selection: Significant Surge Events 1990-1999

Landfalling, bypassing, exiting storms that passed near study area



Validation Storm Selection: Significant Surge Events 2000-2010

Landfalling, bypassing,
exiting storms that
passed near study area



Pin  Approximate location based on user input and does not represent an authoritative property location

 Selected Floodmap Boundary

 Digital Data Available

 No Digital Data Available

 Unmapped

MAP PANELS

 **NO SCREEN** Area of Minimal Flood Hazard Zone X

 Effective LOHRS

 Area of Undetermined Flood Hazard Zone 0

 Other/Use Protected Area

 Coastal Barrier Resource System Area

OTHER AREAS

SPECIAL FLOOD
 Without Base Flood Elevation (BFE) With BFE or Depth
Zone X or AFD
 Illustration: Floodway Zone X, AFD, VE, AE

OTHER AREAS OF FLOOD HAZARD

 0.2% Annual Chance Flood Hazard Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X

 Future Conditions 1% Annual Chance Flood Hazard Zone X

 Areas with Reduced Flood Risk due to Levees. See Notes. Zone X

 Areas with Flood Risk due to Levees Zone 0

 **20.2** Cross Sections with 1% Annual Chance Water Surface Elevation

 **17.5** Water Surface Elevation

 Base Flood Elevation Line (BFE)

 Limit of Study

 Jurisdiction Boundary

 Coastal Transit Baseline

 Profile Baseline

 Hydrographic Feature

 Channel, Culvert, or Storm Sewer

 Levee, Dike, or Floodwall

GENERAL STRUCTURES

Cover options

Limit

Currency USD Limit 500,000.00

Select Tier/Premium

Silver

Gold

Platinum

USD 23,795.18

USD 46,395.54

USD 92,831.33

Hide closest onshore point 27.475, -80.295

Location information

Province St. Lucie Region Florida

Crestia Zone USA, FL Risk Tropical cyclone

Zip Code 34949 Exposure 500,000

Lat 27.48206 Lon -80.29273

Layout scheme

Step	Radius	Windspeed	Silver	Gold	Platinum
0	1000	0.00 - 59.99 mph	0%	0%	0%
1	1000	60.00 - 69.99 mph	0%	0%	20%
2	1000	70.00 - 79.99 mph	0%	20%	40%
3	1000	80.00 - 89.99 mph	40%	40%	60%
4	1000	90.00 - 99.99 mph	40%	60%	80%
5	1000	100.00 - 109.99 mph	60%	80%	100%
6	1000	110.00 - 119.99 mph	80%	100%	100%
7	1000	> 120.00 mph	100%	100%	100%



Wright National Flood Insurance Company

Quote Number 09Q14693810399

Total Building Coverage \$6,000,000

Total Contents Coverage \$0

Premium by Deductible Combination

Building	Contents	Discount/Surcharge	Total Premium
\$1,250	\$0	\$13	\$9,019
\$1,500	\$0	\$27	\$9,004
\$2,000	\$0	\$55	\$8,975
\$3,000	\$0	\$110	\$8,919
\$4,000	\$0	\$165	\$8,861
\$5,000	\$0	\$220	\$8,805
\$10,000	\$0	\$475	\$8,541
\$25,000	\$0	\$1,000	\$7,998

IMPORTANT DISCLOSURE REGARDING YOUR DEDUCTIBLE OPTION

A variety of deductible options are available for your flood insurance policy. Effective April 1, 2015, the National Flood Insurance Program is introducing a new deductible option of \$10,000 for policies covering 1-4 family residential properties.

A deductible is a fixed amount or percentage of any loss covered by insurance which is borne by the insured prior to the insurer's liability. Choosing the amount of your deductible is an important decision.

Although a higher deductible will lower the premium you pay, it most likely will reduce your claim payment(s) in the event of a covered loss, as the out-of-pocket expenses for repairs will be borne by you to the extent of the deductible selected. The deductible(s) you have chosen will apply separately to Building Property and Personal Property claims. If your mortgage lender is requiring this policy, it is important that you discuss higher deductible options with your lender before electing a deductible amount, as it may require a limited deductible.

Flood – attached is a quote for one building valued at \$6,000,000 with various deductible options. Below I've estimated the total cost for all 12 buildings with the most common deductible options we see. You will probably want to estimate another \$5,000 or so for coverage on the ancillary buildings. Remember that the ancillary buildings would only be covered up to \$500,000 since they are considered commercial buildings.

Deductible	Per Building	All 12 Buildings
\$1,250	\$9,019	\$108,228
\$5,000	\$8,805	\$105,660
\$25,000	\$7,998	\$95,976

Hurricane Parametric Product – I've attached a \$500,000 limit quote for the parametric product we discussed and provided other limit options below. The attachment shows a map with the red marker being Harbour Isle and the yellow marker being the beacon that would calculate the wind speed. This product triggers the limit purchased in increments based on a 60 second sustained wind. The Silver, Gold, and Platinum options trigger different amounts at different wind speeds with Platinum giving you the most coverage. Remember once the wind speed triggers the policy, you have the entire limit available to you to pay for any economic loss that you sustain, which could be for any piece of property and any peril.

Limit	Gold Option	Silver Option	Platinum Option
\$500,000	\$25,049.52	\$48,791.99	\$87,096.52
\$1,000,000	\$50,058.26	\$97,543.19	\$174,152.24
\$1,500,000	\$75,066.99	\$146,294.39	\$261,207.97
\$2,000,000	\$100,075.71	\$195,045.60	\$348,263.70