



**HARBOUR ISLE AT HUTCHINSON ISLAND EAST
CONDOMINIUM ASSOCIATION, INC.**

**Unofficial Minutes of Annual Meeting
January 29, 2018**

1. CALL TO ORDER:

- FirstService Regional Director Byron Goin acted as Chair of the Annual Meeting and called the meeting to order at 6:00 p.m. The pledge of Allegiance was recited.

2. DETERMINATION OF A QUORUM:

- Byron announced that 141 owners were present by proxy or in person. However 145 owners are necessary to establish a quorum to approve any business at the meeting. Therefore, the Annual meeting was informational only. Board members present were, Vice-President Annette Sanniota, Secretary Walter Lynch and Director Pat Del Vecchio. President Jay Sizemore was absent due to a family emergency. Treasurer Elvis Rodriguez had resigned in December 2017 and was not in attendance at the meeting. Also in attendance representing FirstService Residential were Julie Lynch, Manager and Amy Richards, Administrative Assistant. Byron Goin asked the membership for volunteers to count the ballots. The election committees selected were Robin Anderson, Carolyn Greene and Joanne Repaci and they were excused to count the ballots.

3. PROOF OF NOTICE:

- Julie Lynch confirmed the notices were mailed and posted in accordance with Florida Statutes 718.

4. APPROVAL OF MINUTES OF 2017 ANNUAL MEETING :

- On a motion made by Walter Lynch and a second by Pat Del Vecchio, the Board voted unanimously to waive the reading of the January 23, 2017 Annual Meeting Minutes and Organizational minutes and accept as posted on the website.

5. PRESIDENT'S REPORT:

- There was no President's report presented.

6. TREASURER'S REPORT:

- Walter Lynch presented the Treasurer's report- attached as part of the minutes.

9. MANAGER'S REPORT:

- Julie Lynch presented the Manager's Report – attached as part of the minutes.

10. MEMBERSHIP SEGMENT:

- As the votes were counted, an informal discussion was held among the owners and Board members present. An area of concern addressed by the membership was the annual water bill which was approximately \$40,000.00 over budget. Walter Lynch explained that the high water costs were due to the unusually dry weather conditions we have had all year and the extra irrigation required after hurricane Irma. A resident inquired about our Reserve funds and the interest rate of return on those funds. Walter explained that we had recently opened up 2 CD accounts with very competitive interest rates; funds were also held in other CD accounts and money market accounts.

11. ANNOUNCE 2018 BOARD OF DIRECTORS:

Byron announced that there were 10 candidates for 7 board positions. Byron explained that in order to maintain staggered terms for the Board, the 4 Board members with the highest number of votes will serve 2 year terms and the remaining 3 will serve 1 year terms. The new 2018 Board of Directors in order of highest vote count is as follows; Jay Sizemore, Pat Del Vecchio, Annette Sanniota, Walter Dinneen, Walter Lynch, Karl Tutt and Frank Briganti.

12. ADJOURNMENT:

- Annette Sanniota moved the meeting to be adjourned, seconded by Walter Lynch Rodriguez and passed unanimously. The meeting adjourned at 7:45 p.m. The organizational meeting followed the adjournment.

Respectfully submitted,
Julie Lynch, Property Manager
For and on behalf of the Board of Directors

2017 MANAGER'S REPORT – ANNUAL MEETING 2018

✚ **2017 COMPLETED PROJECTS:** 2017 proved to be a very busy and productive year for new and completed projects.

- Our largest project was the repair and refurbishment of the pool area, repairing the pool leaks, pool & spa resurfacing and retiling. The installation of the pool water supply closed loop system in the pond and the replacement of 3 pool heat/cool units and the installation of the hot water shower with a new drain. The pool project has been a great success with the residents. We have also changed our pool maintenance company due to unsatisfactory service with the old company. We now use True Blue Water Company who came with excellent references and so far, we are very pleased with the service they are providing.
- Our Landscaping plant renew and replace project is still ongoing, after Irma we had to give the plants and trees time to recover so moving forward and with a new 2018 budget we can resume the landscaping replacement project including several areas such as around each dumpster room. The Pool & clubhouse trees were just recently trimmed. The Mitigation/Conservation area is weeded and cleaned out twice a year, last year we received State approval to trim the Mangroves and had a certified Mangrove trimmer perform the work; they will be trimmed as needed according to state regulations.
- All roof leaks were immediately repaired after Irma; however, we have been at the mercy of the roofing company due to them being so busy after the storm but finally they are here to resume the replacement of the lost roof tiles, work should be completed this week.
- The phone land lines for the emergency elevator phones and Fire alarm panels were switched to cellular service and the guardhouse and office internet & phone service switched to Comcast resulting in an annual savings of \$10k per year.
- A new Barcode and Swipe card system was installed because our old system was obsolete, this also proved to be a great opportunity to update our records and improve security.
- All 168 Fire Extinguishers throughout the property have been replaced with new ones.
- The Board and I had become unhappy with Allied Universal Security Company mainly due to a lack of communication with the guards' supervisor and inconsistencies with the implementation of the post orders. After reviewing several companies, the Board selected Trident Security. The owner is local and maintains very hands on approach. The 3 guards that transferred from the previous company are satisfied with the change and continue to maintain a positive attitude. Also, at the guardhouse we replaced the rotted guardhouse doors and installed gutters, the interior of the guardhouse was also painted.
- We did have a major Elevator repair at building 37, the underground oil lines ruptured and it took approx a week for the elevator to be repaired. The cost of the repair was \$15k, fortunately we put a claim through our insurance and therefore will only pay the deductible of \$5k

✚ **PROJECTS TO LOOK FORWARD TO IN 2018:** We are looking forward to a great 2018 with more completed projects to enhance the property. Some potential projects that have been discussed and proposals obtained are:

- additional landscape replacement
- professional pressure washing of the entire buildings
- new gym flooring
- replacement of the elevator mats on the 1st floors with a permanent concrete finish
- additional grill & table
- painting of the handicap spaces and the parking spot numbers is an ongoing project.

All these projects are subject to Board approval and budget constraints.

✚ **IMPORTANT HOUSEKEEPING REMINDERS:**

- Replace the batteries in the A/C thermostat annually when you replace the batteries in the smoke detectors. A/C thermostat batteries are AA and the smoke detectors have 9-volt batteries.
- Have the A/C unit serviced at least once per year and preferably twice per year to extend the life of the unit and to prevent clogging of the AC condensation lines which can back up into other units.
- Changing your filters quarterly will help the performance of the A/C.
- If you have a running toilet, replace the flap – it is inexpensive and can save the Association substantial money if leaking toilets are stopped.
- Dryer vent ducts should be kept free of excess lint – lint should be removed after each cycle. We have information at the office on vendors who can clean your dryer ducts if needed.
- Keep your sliding door tracks clean and free of debris.
- It is also recommended that you have a friend or neighbor check your vacant unit while you are away to run water in bathrooms, faucets, toilets, run the garbage disposal to prevent it seizing up and to make sure your AC, unit, water heater & fridge have not failed. Also make sure your water heater and the main water valve in the guest bedroom closet are turned off. Please bring all items from the catwalks indoors.

✚ **GENERAL REMINDERS:**

- All new flooring installations must be reviewed and approved before work commences, there is a flooring application to be completed as well as strict guidelines for the soundproofing material that must be used on all floors except the first floor.
- Door closers should be adjusted to prevent slamming. The Association will assist as a courtesy for noise control, but the door closers are the responsibility of the unit owner if repair or replacement is needed.

- A valid key to your unit must be on file in the Association office for emergency purposes. Email communication is the fastest way to send notices to the community and the office can provide you with an email consent form if you are not on the email list or you would like an additional email added.

✚ **SALES AND LEASE REPORT:** For the year ending 2017, we had a total of:

- 28 properties that were sold ranging from \$187k to \$305K, the average sale price was \$242k, only one of the 28 sales were a distress sale (foreclosure), of the 28 sales only 2 were rented by the owners who were not investors but people just not ready to retire.
- 29 annual leases; the lowest we have added in many years; the average annual lease is \$1500.00/month.
- 12 seasonal rentals which are typically occupied for about 3-4 months during the season and for the remainder of the year they are used by the homeowner as a second home. The majority of our seasonal renters are repeat renewals who love the Harbour isle lifestyle and the wonderful community atmosphere. The average seasonal rental is \$2700.00/month.

I am also happy to report that we do not have any delinquent accounts with all 288 units contributing to the lifeline of the community.

✚ **THANK YOU HIE BOARD OF DIRECTORS:** I want to end my report by thanking the Harbour Isle East Board of Directors. Our board of directors is very active and involved and they have accomplished so much this year while adhering to a tight budget and as always have the best interests of this community in mind. It is a pleasure working with them and I appreciate their commitment and support.

✚ **HARBOUR ISLE EAST OFFICE AND MAINTENANCE STAFF:** I want to thank Amy Richards our Administrative Assistant for all of her hard work. Amy is excellent at her job and keeps the office organized and running smoothly. I would also like to thank our Maintenance Staff Jason White and Brian Kantor. They are both hard working, reliable and keep the community appearance at a high standard.

✚ **SOCIAL COMMITTEE & ARCHITECTURAL COMMITTEE:** Thank you to the social committee who come together to plan, organize and host many great events for the residents to enjoy. The events have all been very successful and participation is at an all time high. Thank you also to the Architectural committee for their involvement in the decision making of some beautification projects as well as insuring residents are complying with the Architectural rules.

✚ **RESIDENTS:** Last but not least, thank you! to you the wonderful residents of HIE that make this community a fabulous place to live and play.

Harbour Isle East Year End Financial Report for Dec 2017

1/29/2018

Dec. 2017 Income: \$126,279 Dec. Expenses: \$118,330 Dec. Budget: \$119,662

We were under budget for Dec by \$1,332.00

HIE 2017 Income: \$1,444,279 HIE 2017 Expenses: \$1,494,76

We were over budget for 2017 by \$50,481.00; \$40k of this was FPUA water, due to the last 6 months of 2017 being unusually dry and extra watering after Irma. Other over budget items was landscaping and legal costs. This had reduced our operating cash to \$208K, however we are still above the Auditors suggested 2 months operating cash on hand of \$206K

Our 2017 year-end Reserve total is \$1,25M. Our monthly reserve contribution is \$16,333K for 2018 or \$194,800K yearly to reserves, and we should end up on Jan 1, 2019 at \$1,455M - which is an excellent position to be in, and a number that far exceeds FHA requirements for loans. The reserve number is an important number for new home buyers, it is the first thing they look at, how much reserve money do you have. Obviously, this is good for our property values. In 2017 we also purchased two additional FDIC insured CDs each for \$100,000.00 from our reserves where we are getting the best rate of return. As in all previous years we will have an independent audit completed in 2018.

And finally, the status of our past due accounts. I am pleased to report that the total owner balances is at a historic low with yearend past due total assessment balances of approx \$3000.00. All 288 units are now contributing to the lifeline of the community.



**HARBOUR ISLE AT HUTCHINSON ISLAND EAST
CONDOMINIUM ASSOCIATION INC**

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**ORGANIZATIONAL MEETING MINUTES
JANUARY 29, 2018
IMMEDIATELY FOLLOWED THE ANNUAL MEETING**

- I. At 7:50 p.m., FirstService Regional Director Byron Goin called the Organizational Meeting to order.
- II. Karl Tutt moved that Jay Sizemore hold the office of President, seconded by Annette Sanniota. The motion passed unanimously.
- III. Karl Tutt moved that Annette Sanniota hold the office of Vice-President, seconded by Pat Del Vecchio and passed unanimously.
- IV. Karl Tutt moved that Walt Lynch hold the office of Secretary, seconded by Walt Dinneen and passed unanimously.
- V. Karl Tutt moved that Walter Dinneen hold the office of Treasurer, seconded by Walter Lynch and passed unanimously.

The Organizational meeting adjourned at 7:58 p.m.

Respectfully submitted,

Julie Lynch, LCAM
On behalf of the Harbour Isle East Board of Directors