



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

**Board Meeting**

Monday, February 26, 2018

Minutes

**1. CALL TO ORDER:**

- President Jay Sizemore called the meeting to order at 6:00 p.m. The pledge of Allegiance was recited.

**2. ROLL CALL/ESTABLISH A QUORUM OF BOARD MEMBERS:**

- The Board was polled. Board members present were President Jay Sizemore, Vice President Annette Sanniota, Treasurer Walter Dinneen, Secretary Walter Lynch, Director Pat Del Vecchio, Director Karl Tutt and Director Frank Briganti. Julie Lynch was also present representing FirstService Residential. There were 19 residents present. A quorum was established.

**3. PROOF OF NOTICE:**

- Notice was posted on February 23, 2018 in accordance with Florida Statutes 718.

**4. APPROVAL OF MINUTES:**

- On a motion made by Annette Sanniota and a second by Walter Lynch the Board voted unanimously to waive the reading of the November 13, 2017 Budget Meeting Minutes and accept as posted on the website.

**5. PRESIDENT'S REPORT:**

- President Jay Sizemore thanked the membership for their attendance. Jay discussed the plant replacement project that is ongoing; the proposal on the agenda will replace plants around each dumpster room, an area in the pool enclosure, at the side of the clubhouse and an area next to the garages. Jay also explained that the Board had been able to negotiate the annual tree trimming project at an excellent price of \$7,182.00 with Ideal Landscaping. Jay advised the membership that the board had attended 2 insurance workshops with Tequesta insurance and IOA insurance to compare coverage and rates. Jay informed the membership that ideas and proposals were being investigated with a view for improving the acoustics in the clubhouse. Jay advised the membership that the fitness room flooring needs to be replaced, the current carpet was worn and not suitable for a gym; the selection chosen is a gym flooring material which came recommended by our gym equipment technician and would be a good investment. Jay also discussed the need for professional pressure washing of all the buildings and the caulking of windows and sliders. Jay reminded the membership that even though the repair and maintenance of the windows is the responsibility of the home owners, the caulking may prove to be cost prohibitive for the owners and while pressure washing, it would be a convenient time to caulk and a worthwhile investment on behalf of the owners. Jay advised the membership of hiring Dragonfly Aerials to inspect and view the recent roof repairs. Jay informed the membership that he had selected Treasurer Walter Dinneen, Director Frank Briganti, resident Alan Goodhard and resident Elvis Rodriguez to the Finance Committee, Jay also selected Vice President Annette Sanniota, Secretary Walter Lynch Director Pat Del Vecchio and Property Manager Julie Lynch to the rules committee.

**8. TREASURER'S REPORT:**

- Treasurer Walter Dinneen presented the Treasurer's report and a review of our 2018-2019 Insurance Program. Attached as part of the minutes

**9. MANAGER'S REPORT:**

- Julie Lynch presented the Manager's report. Attached as part of the minutes.

**10. NEW BUSINESS:**

- On a motion made by Karl Tutt and a second by Walter Dinneen, the Board voted unanimously to approve the 2018 insurance renewal package presented by Tequesta Insurance for the annual premium of \$169,917.98.
- On a motion made by Pat Delvecchio and a second by Karl Tutt the Board voted unanimously to approve the plant replacement proposal by Ideal Landscaping at a cost of \$6,147.50.
- On a motion made by Karl Tutt and a second by Frank Briganti the Board voted unanimously to approve the Tree Trimming proposal by Ideal Landscaping at a cost of \$7,182.00. (Tree Trimming project will be late summer)
- A discussion ensued between Board members in regards to the replacement of the Fitness room flooring. Concerns raised by Director Karl Tutt were the cost of the material compared to carpeting, the smell of the rubber type material and the color of the flooring. A sample of the suggested flooring was passed around amongst the Board and the membership to view. A motion was made by Walter Dinneen and a second by Pat Del Vecchio to approve the new gym flooring. President Jay Sizemore requested a roll call vote. Voting yes were Jay Sizemore, Annette Sanniota, Walter Dinneen, Walter Lynch, Pat Del Vecchio, Frank Briganti and Karl Tutt. Motion carried unanimously.
- A discussion ensued among the Board members about the need for the buildings to be pressure washed and caulking of the windows. A motion was made by Karl Tutt and a second by Frank Briganti to approve the pressure washing of all 12 buildings by Twin Palm Builders at a cost of \$25,500.00. (This project is for pressure washing sections of the buildings that are out of reach by our Maintenance staff including the backs and sides of buildings). President Jay Sizemore requested a roll call vote. Voting yes were Jay Sizemore, Annette Sanniota, Walter Dinneen, Walter Lynch, Pat Delvecchio, Karl Tutt and Frank Briganti. The Motion carried unanimously.
- A motion was made by Karl Tutt and a second by Frank Briganti to proceed with the caulking of all exterior windows and doors in coordination with the pressure washing. The motion carried unanimously.
- On a motion made by Walter Lynch and a second by Walter Dinneen the Board voted unanimously to approve the roof inspection drone footage by Dragonfly Aerials at a cost of \$500.00.

**11 MEMBERMENT SEGMENT:**

The membership discussed Hurricane preparedness and procedures. The Board discussed the superior construction of the property buildings and roofs, but also conveyed to the membership the need to follow all evacuation procedures for safety and medical reasons.

**12 AJOURNMENT:**

Karl Tutt moved the meeting to be adjourned seconded by Annette Sanniota and passed unanimously. The meeting adjourned at 7:20PM

Respectfully submitted,

Julie Lynch LCAM

For and on behalf of the Board of Directors

## Harbour Isle East Financial report for January 2018

January Revenue: \$121,459

January Budget: \$119,000

January Operating Expense: \$108,635

Reserve Transfer: \$16,649

Total expense plus Reserve monthly contribution is: \$125,285

Total cash reserves: \$1,252,156

Total operating cash: \$243,396 less accounts payable

Our total assets: including the \$55K garage we own is \$1,772K.

This will be a challenging year for expenses, hopefully no Hurricanes this year, so we will not have to pull more repair money out of reserves. Our reserve contribution each year is \$199,788. For the 2019 budget we are discussing increasing the monthly contribution by a modest \$1K per month to replace the past hurricane damage money and to keep ahead of inflation. Overall finances look good, however we have to be careful in planning out new repairs and upgrades in a thoughtful manner. We are also looking at a 2.3% CD for \$200k, money from reserve cash. We are getting details and it will be on next months agenda. Always moving forward. Any questions?

## Insurance Program Review for March 2018 thru March 2019

Overall insurance market is good and has some excess capacity; however insurance cost continues to rise. And some companies are pulling out of barrier island coverage, and we should continue to see 5 to 10% increases every year.

Insurance for last year's property and windstorm as well as commercial, umbrella, workers comp, general liability etc. was \$140K.

This year's same coverage with a better deductible at \$100k per building, and in some areas increased insurance coverage will be \$150K a \$10k increase. Complements to Alan Goodhard for working with our agency Tequesta in getting the insurance budget numbers right for 2018 thru 2019.

The total value of HIE condos went up from \$58 mil to \$62 mil for insured value. We also did a review with Tequesta insurance to make sure we meet the Florida Statue 718 for insurance compliance. Additionally, we made sure we received all the proper insurance discounts for our superior construction. Also upgrade the guard shack to Hurricane glass doors. And finally, we added insurance to cover our entrance gates.

So for HIE our total insurance cost for 2018 will be \$170K, HIW will be approximately \$650K. We expect our insurance cost for the period of Mar 2019 thru 2020 to be at \$179K. It won't be long before our combined total insurance cost will be \$1 million dollars per year.

To make sure we are getting the best insurance deal we met with a competitor of Tequesta who is our agent of record, a company called IOA Insurance, a good presentation. As a result, we made some changes with Tequesta. However IOA offered no significant cost reductions.

# MANAGER'S REPORT

## FEBRUARY 26, 2018

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- A. **PRESSURE WASHING:** Maintenance have pressure washed all the common area sidewalks, around the clubhouse, pond, tennis courts etc. this will continued to be done as needed. The sidewalks in front of each building are pressure washed on their scheduled pressure washing day.
- B. **CLUBHOUSE & POOL AREA:** A new LED light fixture was installed in the pool and 2 LED bulbs replaced. A new pool side table, umbrella & stand have been ordered to replace the damaged one. New cobalt blue planters were purchased for the clubhouse doors and at the pool. We have also ordered a large custom mat for the clubhouse entrance with the HIE logo to compliment the new plants. We are in the process of getting some estimates to improve the acoustics in the clubhouse. We are also installing 2 new LED spotlights at the BBQ area and getting estimates for replacement shade covers for the Bocce & BBQ area.
- C. **PAINTING:** New impact doors were installed at the guardhouse, the interior was painted and gutters installed. 2 side doors to the garage area were painted as well as the electrical room door at the clubhouse and the pool entrance door to the bathrooms.
- D. **ELEVATOR INSPECTION:** We had our annual Elevator inspection last week, except for some poor volume quality on 2 emergency elevator phones, all elevators passed inspection.

### **SALES AND RENTAL REPORT JANUARY/FEBRUARY 2018/ 5 SALES, 1 ANNUAL LEASE:**

1-203 \$218,900.00

5-203 \$227,000.00

6-306 \$245,000.00

8-ph02 \$230,000.00

37-201 \$233,000.00

9-PH05 \$1700.00 annual lease