



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

Board Meeting

Monday, July 25, 2016

Minutes

1. CALL TO ORDER:

- President Karl Tutt 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 Karl Tutt, Vice-President Annette Sanniota, Secretary Alan Goodhard, Treasurer Walt Dinneen, Director Richard Holmes, Director Elvis Rodriguez and Director Walter Lynch. Also present were Marlene Medina and Julie Lynch representing FirstService Residential. There were 28 residents present. A quorum was established.

3. PROOF OF NOTICE:

- Notice was posted on July 21, 2016 in accordance with Florida Statutes 718.

4. APPROVAL OF MINUTES:

- On a motion made by Walt Dinneen and a second by Elvis Rodriguez, the Board voted unanimously to waive the reading of the June 27, 2016 Board meeting minutes and accept as posted on the website.

5. PRESIDENT'S REPORT:

- Karl Tutt presented the President's report. Karl advised the membership that the Bocce Ball Court was in the process of being repaired with a better composite type material to withstand the elements and therefore will require less maintenance and repair. A new workout bench was also purchased for the fitness room. Karl explained to the membership that several improvements have been made in an effort to strengthen security measures within the community. The installation of a pedestrian gate at the guardhouse with a sign instructing walk ins to check in with the guard, another is the installation of an updated security camera system which will keep track of incoming and outgoing vehicles and better surveillance at the pool, clubhouse and fitness room areas. Karl also explained that the office had completed a thorough audit of the barcode, swipe card and authorized guest systems. Karl thanked Jason White our newest maintenance employee and Nathan for their continued hard work for the community.

6. VICE PRESIDENT'S REPORT:

- Annette Sannioti presented the Vice President's report. Annette advised the membership that accounts receivables were in very good shape with a total Aged Owner Balance of less than \$30,000.00. Annette explained that one property was a pending foreclosure and had a balance of approx \$15,000.00. The Attorney is currently doing an Asset search on this particular owner. A second property with a balance of approximately \$8,000.00 had a lien recently placed on it. The third delinquent property is on a payment plan which is current. Annette explained to the membership the function and operation of the Fines and Suspensions Committee.

7. SECRETARY'S REPORT:

- There was no Secretary's report presented

8. TREASURER'S REPORT:

- Walt Dinneen presented the Treasurer's report. For the month of June 2016, income was \$103,498.00, June's expenses were \$90,724.00 and June's Budget was \$106,000.00, therefore the association was under budget by \$12,774 for the month of June. Income for the first six months of 2016 was \$650,541.00; expenses for the first 6 months of 2016 were \$640,554.00, resulting in a positive cash flow of \$9,987.00. The estimate for year-end income is \$1,301K versus an income budget of \$1,275K, another positive indicator. For the last three months our income was \$310,901.00 and our expenses were \$293,350.00, which is a positive cash flow of \$17,551.00, so we spent \$17K less than we brought in. Cash on hand for June is \$352K, operating cash minus accounts payables and pending liabilities is \$239K (last month that number was \$238K), so we continue to keep ample cash on hand to pay our bills. Our reserves with our monthly contribution of \$15,800.00 stand at \$1,071K and by year's end we will be at \$1,167K. Our goal for the end of 2017 is \$1,358K, and we will likely add a 3% increase to our reserve contribution for 2017 to adjust for inflation. Walt's goal is "Continuous Financial Improvement" for HIE. Walt advised that the Reserve and Operating Fund accounts had been allocated to a higher rate FDIC insured Money Market account and CD's, which will earn approximately \$10K in interest for 2017. Walt informed the members that HIE continues to refresh and renew our landscaping, with new planting, sod mulching and rocking certain areas to start towards end of the year. Upgrades to our air-conditioners were made last year and we now have 3 newer model golf carts. Next year \$8K will be budgeted to replace all of our building fire extinguishers, as required by the Fire Department. The first six months of financial results will enable Walt and Alan Goodhard to start on the 2017 budget and the estimated 2018 budget and enable them to review HIE's income requirements for the next two years. Walt concluded that it was a very good six months for HIE.

9. MANAGER'S REPORT:

- Marlene Medina presented the Manager's Report (On file).

10. NEW BUSINESS:

- A motion was made by Alan Goodhard and a second by Annette Sanniota to adopt the fines and suspension procedures as approved by Attorney Jacob Ensor. Motion carried unanimously.
- A motion was made by Walter Lynch and a second by Annette Sanniota to approve the appointment of Linda Durso, Jennifer Kerrigan and Tony Simcic to the Fines Committee. Motion carried unanimously.
- A motion was made by Walt Dinneen and a second by Walt Lynch to approve the Tree Trimming proposal from Lawn Landscaping by 707 Inc. for \$7,182.00. Motion carried unanimously.
- A motion was made by Walt Lynch and a second by Alan Goodhard to approve the proposal of a new security camera system for the Guardhouse and Office from Automatic Access and Video LLC in the amount of \$6,952.38. Motion carried unanimously.
- A motion was made by Richard Holmes and a second by Walt Dinneen to approve the installation of a pedestrian gate at the front entrance at a cost of \$445.00. Motion carried unanimously

11. MEMBERSHIP SEGMENT:

- Areas of concern addressed by the membership were inquiries about the replanting and mulching project and irrigation issues at some buildings. There were also concerns about the lack of guest parking at buildings 8, 9 & 10. Suggestions were made to replace the dumpster AC units with fans in an effort to save on energy.

12. ADJOURNMENT:

- Walter Lynch moved the meeting to be adjourned, seconded by Alan Goodhard and passed unanimously. The meeting adjourned at 7:09 p.m.

13. NEXT BOARD MEETING:

- Monday August 29th at the HIE clubhouse.

Respectfully submitted,

Marlene Medina

Marlene Medina LCAM

For and on behalf of the Board of Directors

Practice and Procedures for Fines and Suspensions

The following procedure is the recommended procedure to follow when there is a violation of the Association's governing documents and the Association wants to implement a fine and/or suspension.

Step 1: The Association will send an initial violation letter by regular mail. This letter will explain the violation and require that it be corrected within 30 days of the date of the letter. The letter will be sent to the owner at his or her address of record.¹

Step 2: If the violation is not cured within the timeframe set forth in the initial violation letter, the Association will send a second violation letter by regular mail. This letter will provide the owner with an additional 15 more days to remedy the violation.²

Step 3: If the violation is not cured within the timeframe set forth in the second violation letter, the Board of Directors will determine whether a fine should be levied or a suspension imposed. A fine may be levied by the Board on the basis of each day of a continuing violation. However, the fine may not exceed \$100.00 per violation or \$1,000.00 in the aggregate.

Step 4: If the Board determines that a fine should be levied and/or a suspension imposed, the Association will send a letter to the owner by both certified and regular mail. The letter will inform the owner that the Association seeks to impose a fine and/or suspension for the violation. The letter will also inform the owner that he or she may challenge the imposition of the fine and/or suspension by attending a hearing before the "Fines and Suspension Committee". The letter will provide the owner with the specific date, time, and place of the hearing. The hearing date must be at least 14 days after the date the letter was mailed.³

Step 4: After conducting the hearing and allowing the parties to present evidence, the Fines and Suspension Committee will determine whether the proposed fine and/or suspension should be imposed. A fine or suspension may not be imposed unless approved by the Fines and Suspension Committee.

Step 5: Once a decision has been made by the Fines and Suspension Committee, the Committee will notify the Board of Directors, in writing, of its decision. The Association

¹ If the violator is a tenant, guest, licensee, or other occupant of the unit, all letters should be sent to both the violator and owner.

² If the violation is a repeat violation, steps 1 and 2 are not necessary. The Board of Directors, in its sole and absolute discretion, may determine that steps 1 and 2 are not necessary in other instances or may reduce the timeframe for compliance.

³ The Fines and Suspension Committee should not consist of board members or persons residing in a board member's household.

will then send a letter to the owner notifying him or her of the decision. If a fine has been imposed, the owner will be given 30 days to remit payment.

Step 6: If the fine is not paid within the allotted timeframe or further action is required to remedy the violation, the matter will be turned over to legal counsel for enforcement.⁴

⁴ A fine may not become a lien against the unit.