

SARATOGA at LELY RESORT

Board of Directors Meeting

November 18, 2014

Call of Roll, Certification of Quorum, and Proof of Notice: The meeting was called to order at 6:30 pm by Bobby Kelly, President. Board members present were Bobby Kelly, Hal Bardon, Cynthia Knight, John Jensen and Jerry Doherty. Also present was Bonita Vandall manager from Resort Management, Inc.

Additions to Agenda: By proper motion by Mr. Kelly, seconded by Mr. Bardon it was unanimously approved to revise the agenda under New Business B. 2015 Preliminary Budget Review and C. 2015 Proposed insurance and recommendation.

Reading and Disposal of Any Unapproved Minutes: By proper motion by Mr. Kelly, seconded by Mr. Jensen it was unanimously approved to dispense with the reading of the meeting minutes.

By proper motion by Mr. Jensen, seconded by Mr. Bardon it was unanimously approved to revise the meeting minutes of October 23, 2014 to state the meeting adjourned at 4:40 pm and add there was substantial discussion concerning the recommended reserve funding in both the Cash Flow Analysis and the Component Method Reserve Analysis with varying number calculations in reference to the proposed preliminary budget. The Roof Replacement cost is estimated at \$1,400,000,000 and each year the required contribution will be increased to meet the total amount needed by year 2033.

By proper motion by Mr. Kelly, seconded by Mr. Doherty it was unanimously approved to accept the meeting minutes of October 23, 2014 as revised.

Reports from Officers/Committees:

President: Treasurer, Secretary, Directors:

There were no reports from the President, Secretary or Directors for this meeting.

The Treasurer Mr. Bardon addressed the October financials to all board members and stated the October 31 financials were emailed to all board members. There were no major unexpected occurrences. There are some missing expenditures from the landscape group but are expected to be received before the end of the year. There is some light maintenance that needs to be done before year end. It is estimated that we will probably end up with a small surplus at year end. There are currently two units (601 and 602) over 30 days late in payment of maintenance fees. By proper motion by Mr. Kelly, seconded by Ms. Knight it was unanimously approved to accept the Treasurer's report as presented.

Landscape, Communications, Social, Pool/Clubhouse, Lakes:

Mr. Ruscito reported on behalf of the Landscape Committee and stated that once approved by the board the report from May 15, 2014 will be posted on the community website. Mr. Doherty inquired as to if additional ficus plantings will be replaced on the North side. It was stated that a few had been replaced in the spring and to point out the areas of concern and the committee will address it.

Ms. Jensen reported on behalf of the Communications Committee. It was reported that more emails are going out to the residents and they are working closely with all committees. Current information is being worked on with Resort Management. If something needs to go to every resident it can be done, but her email files need to be continuously updated with current information.

No report from Social Committee.

No report from Pool/Clubhouse Committee.

Mr. Sullivan reported on behalf of the Lakes Committee and reiterated the fact that fish will die in the lakes due to the use of fertilizer and insecticides that deplete the oxygen level.

Association Members Forum: There was discussion concerning the status of the holiday decorations and the length of the reserve study that was picked up from Resort's office. The study was shortened due to credentials of the preparers and the company. Mr. Jensen addressed the decorations and the meeting with the outside agency that would be handling the installation of the decorations and the removal after the event. On November 20th the gates will be decorated with our decorations and those purchased from Walmart. All items will be paid for and in the future we can then plan to purchase things that will last much longer. This is only for this year. They were able to negotiate a very good labor rate with the contractor and they meet the insurance criteria. Power washing was discussed and when the next time it is scheduled. It was reported this has not been addressed by the board as of yet but there is a 2 year schedule in place. The storm door option 3 was addressed again and it was reported to have been tabled as it looked as if they were not screen doors but rather perforated metal. It was reported there are walk around inspections done approximately once a week in the community and it is generalized, we are not specifically looking at any one thing. Landscaping lighting is missing lens, etc., and may need to be replaced, could be damaged by the landscaper, the lights are no longer under warranty.

Manager's Report: There was no report presented.

Old Business:

Review, plan, specs and quotes for clubhouse remodel: Mr. Jensen requested the board postpone the vote for approval of the remodel until January or February when most of the residents would be back because of all the various quotes submitted by the committee. After much discussion Mr. Kelly said the vote needs to be taken this year as the board may change in 2015 and the process would start all over again with additional delays. The bids that were obtained are within a grand of each other. By proper motion by Mr. Kelly, seconded by Mr. Doherty it was approved to table consideration until the December 2014 board of directors meeting. The motion passed by a vote of 4 yes to 1 no, with Mr. Jensen dissenting.

Engineer Review/Inspection of Pool Deck: It was reported the board has contracted with Delta Engineering to provide a preliminary condition assessment of the pool deck and cracks at the quoted price of \$1,100. It was their opinion the slab construction (slab on grade deck) is not causing the cracking of the pool deck. The existing deck needs to have the cracks repaired, concrete repair completed around the fence posts and expansion joints placed in the proper areas with the recommendation the deck be recovered with pavers over the stamped concrete repairs. It was requested that bids be obtained for both a stamped concrete and/or paver deck in time for the December meeting. By proper motion by Mr. Kelly, seconded by Bardon it was unanimously approved to table consideration until the December meeting.

New Business:

Discussion of the 951 Committee: Mr. Jensen explained the permitting process and the plans of Stock Development. He further explained the history of the 951 Committee and the communities involved. He contacts the county every six months and recently determined there are plans on file for construction. There has been one meeting so far and Players Cove recently joined the committee. The LCDD will be in attendance at the next scheduled meeting. The committee's goal is to determine the effect of traffic controls, buffering with landscaping, noting the entrance may be altered and what it may look like after the developer leaves, etc. There is a gentleman in Players Cove that is very concerned with traffic, as right now they must dodge traffic to get across the street to The Players Club. One of his recommendations was to have a professional study made on traffic and recommended that Stock pay for it. There are 18 months left concerning the relocation of the horses or the LCDD will decide where to place them. There is the feeling that the sales office may be removed to the northeast parcel and two restaurants are planned. Mr. Kelly reported that the Lely Master has a reserve line item to maintain the buffer along 951 and that the committee is not an official committee of Saratoga and is spearheaded by John Jensen as an ad hoc committee for all the communities that will be directly affected by it.

2015 Preliminary Budget Review: Mr. Bardon presented the 2015 preliminary budget in time for the December 10 budget approval meeting. On November 26 the budgets must be sent out to the membership. The budget process seems to be more complex each year with the understanding that some expenses and future costs can only be crystal balled. We took the deck repair out of the reserves and increased the contingency which is an operating expense. The \$40,000 in the reserve for clubhouse renovation cannot be removed as it was funded before year end with an accounting entry and cannot be removed without a membership vote. We funded for a complete audit of the 2014 financials explaining what an audit entails. We experienced a drop in the water and sewer after the pool leak and the irrigation system was repaired. Building and Pool maintenance was increased due to increased need in repairs. Insurance rates are actually going down this year and there was a carryover of owners' equity to soften the blow of what the quarterly fees would have been. By proper motion by Mr. Kelly, seconded by Mr. Bardon it was unanimously approved to present the preliminary 2015 budget and reserves as proposed to the membership at the Budget Approval meeting of December 10, 2014.

2015 Proposed Insurance and Recommendation: Mr. Kelly provided the insurance proposal from Lexington, Kentucky. Reporting it is going to be a good year with a slight decrease in rates. Despite the increase in property values the General Liability has a 7.6 percent increase and the umbrella at 6%. The property policy went down 8%. The primary property coverage last year was \$91,122.18 and this year it is \$85,010.13 with A+ and A++ carriers. Mr. Kelly read the limits of coverage per policy. By proper motion by Mr. Bardon, seconded by Mr. Jensen the insurance coverage and renewal was approval as presented.

Set date for next meeting: The next board of directors meeting will be held December 10, 2014 at 1:00 pm at the clubhouse in conjunction with the Budget Approval meeting.

Adjournment: There being no further business to be brought before the board, by proper motion the meeting was adjourned at 8:00 pm.