

The Savoy on Palm Condominium Association, Inc.

Board of Directors Meeting Minutes

April 10, 2014

Call to Order: The Savoy on Palm Board of Directors Meeting was held April 10, 2014 on the Third Floor of The Savoy on Palm Condominium at 401 South Palm Ave, Sarasota, Florida 34236. The meeting was called to order by Peter Fanning at 3:30 p.m.

Determination of a Quorum: Board Members present were Peter Fanning, Bill Roe, Leon Ellin, Allen Klein, and Richard Rivera via conference call. It was confirmed that proper proof of notice of the meeting had been conveyed.

Approval of Minutes:

1. **MOTION** – (Allen Klein) to approve the minutes from the February 13, 2013 Board Meeting. Motion seconded by Bill Roe. Motion passed unanimously.

Social Committee Report: Peter Fanning asked that the Social Committee report be moved up on the agenda and presented now. With no objections from the Board, Dina LaReau presented the attached report.

2. **MOTION** – (Leon Ellin) to approve an expenditure of \$1,775 for the Social Committee to host an Owner's Party in November. Motion seconded by Richard Rivera. After a brief discussion between the Board, the Social Committee Chair, and an owner in attendance. The motion passed unanimously.
3. **MOTION** – (Allen Klein) to approve an expenditure of \$75 for the cleanup of an event scheduled for January 18, 2015. Motion seconded by Bill Roe. Peter Fanning suggested that since this event is scheduled for 2015, that the Social Committee present this along with their other 2015 budget items. With no objection from the Board, the Motion was withdrawn.

President's Report: Peter Fanning gave a brief report and thanked everyone who contributed to the newsletter, and let everyone know that Leslie Rivera has committed to doing another newsletter in the future and hopes that other residents will help out with it. He also mentioned that is great to see Marvin and Toby Kaulkin back in the building.

Treasurer's Report: Bill Roe presented the attached report.

Building Manager's Report: Bill Veal presented the attached report.

4. **MOTION** – (Peter Fanning) to approve an expenditure of up to \$1,500 for possible Consultation Fees for Rob Crain that may be needed for oversight and/or supervision of the post tension cable failure. Motion seconded by Bill Roe. After a discussion amongst the Board. The motion passed unanimously.
5. **MOTION** – (Allen Klein) with more due diligence from Bill Veal and Allen Klein on the Galaxy Pools proposal, if all items seem acceptable to Bill Veal and Allen Klein, the Board agrees to sign

a contract with Galaxy Pools to renovate the pool and spa. Motion seconded by Leon Ellin. After a discussion amongst the Board, the motion passed unanimously.

6. **MOTION** – (Bill Roe) That Bill Veal and Allen Klein look into the possibility of including the renovation of the outdoor fountain so that all three items are completed at the same time if it is cost effective to do so, if not than it can be left out to be completed at a future date. Motion seconded by Leon Ellin. After a brief discussion amongst the Board the motion passed unanimously.
7. **MOTION** – (Leon Ellin) to approve an expenditure of \$2514.50 to replace the spa chemical controller. Motion seconded by Bill Roe. The motion passed unanimously.
8. **MOTION** - (Bill Roe) to approve an expenditure of \$1,132.66 to make needed repairs to the fire alarm system. Motion seconded by Leon Ellin. The motion passed unanimously.

Facility Committee Report: Peter Fanning presented the attached report.

9. **MOTION** – (Peter Fanning) to approve an expenditure not to exceed \$9,500 to purchase tile and have it installed in the four elevators. Motion seconded by Leon Ellin. After a brief discussion amongst the Board the motion passed unanimously.

The Facility Committee recommends that the mats at the doors from the garages to the lobby be placed on the exterior side of the doors rather than covering up the marble flooring.

The Committee also recommends that Bill Veal put together a fire alarm information sheet to be distributed to all owners via hard copy and email.

Bea Elden gave a brief update on the plans for the 2 trees at the front of the property and the new plantings that have recently been installed.

Civic Activity Reports: Jerry Elden, Mort Siegel, and Peter Fanning gave updates on the civic activities they are involved with.

10. **MOTION** – (Leon Ellin) to approve an expenditure of \$100 to continue the Association membership in the Downtown Sarasota Condominium Association. Motion seconded by Bill Roe. Motion passed unanimously.

Finance Committee Report: Leon Ellin presented the attached resolution and documentation.

11. **MOTION** – (Leon Ellin) seconded by Peter Fanning, and approval unanimously carried, it was

RESOLVED, that the Board of Directors hereby authorizes Bill Roe, as Treasurer of the Association, to open a securities account in the name of the Association for the purpose of implementing the investment program referenced below.

The Board further resolves that Bill Roe shall implement the investment program ("The Program"), in comparable form to that presented to the board at this meeting of April 10, 2014 and attached hereto. The selection of custodian for the securities account opened for this purpose shall be at the discretion of the Treasurer after soliciting proposals from at least two

parties registered as securities dealers and capable of properly and efficiently handling the program.

The Board further resolves that Association Reserve Funds of \$400,000 +/- 5% shall be invested in The Program, with the pricing and maturity of the securities chosen left to the discretion of the Treasurer, but approximating the illustrations provided in The Program.

Old Business: None at this time.

New Business: Peter Fanning notified the Board and all in attendance that all future Committee Meetings will be required to have a notice posted at least 48 hours in advance and shall be open to all residents who would like to attend.

Owner Comments:

- Mort Siegel stated that he has been having problems getting the grills lit. Peter Fanning agreed and said that the Facilities Committee will look into the issues with the grills.

Adjournment: There being no further business, the meeting was adjourned at 5:18 p.m.

Social Committee Board Report
April 10, 2014

Members: Dina LaReau, Chair, Norma Cohen, Bea Elden, Marge Ellin, Toby Kaulkin, Leslie Rivera

The 2013/2014 Social Committee has so far scheduled 3 events for the Savoy members. The first, the March 13th Meet & Greet Breakfast was a great success. It was well attended and featured Chris Gallagher as our guess speaker.

The Committee had planned on a Spring Fling for May 4 but due to time constraints, has moved that event to Nov. 13th. It is scheduled to follow the Annual Board Meeting. The Finance Committee has agreed to recommend that the Board approve the funding of the catering contract plus an additional \$75 for personnel gratuities for a total of \$1,7000.

*The Social Committee ***REQUESTS*** that the Board approve that recommendation.

The Committee has scheduled a "Theme Dinner" for January 18th and will ask members who plan to attend to contribute to the menu. The Finance Committee agreed to recommend that the Board approve \$75.00 to pay for cleanup personnel.

*The Social Committee ***REQUESTS*** that the Board approve that recommendation.

The Social Committee will continue to discuss additional Savoy events such as a possible Super Bowl party and additional breakfast meet and greets. We are very pleased with the strong support members have given us so far and look forward to more very good times together.

Respectfully submitted by Dina LaReau
April 10, 2014

Treasurers Report to Board of Directors
April 10, 2014
(all information based on March 31, 2014 statements)

Balance Sheet

-Homeowner's Equity –Currently \$592,817. An increase of \$35,654 over 12/31/2013

Operating Statement

-Operations are under Budget by \$2,444 for the month and \$12,499 for the 1st Quarter of 2014

-Notable over budget items are:

| | | |
|-----------------|---------------|----------------|
| Utilities-Gas | (\$447)/month | (\$148)/Year |
| Water and Sewer | | (\$1,220)/year |

Reserve Statement

YTD Expenses:

-Tile for Pool Repairs (\$513)

Note: Planned Reserve Expenditures for 2014 are \$105,224

The Savoy on Palm Condominium Association, Inc.
Building Manager's Report
4/10/2014

- **Elevator (UPDATE) –**
 - There have been no new issues with the elevators

- **Possible 3rd Floor Planter Leak (UPDATE)–**
 - After many hours of water testing, it was determined that the water leak into a second floor garage was not in a planter but from a planter wall on the 3rd floor. The wall has been repaired.

- **Irrigation Pump Contactor (UPDATE) –**
 - The contactor and enclosure have been replaced.

- **Phone Entry System (UPDATE) –**
 - The phone entry system has been replaced. The cost was slightly more than the amount approved (\$265). The lighted rain hood on the old system could not be used on the new system as it is smaller than the previous version.

- **Electric For Car Charging (UPDATE) –**
 - I have a preliminary price to have a company come in to locate and mark the post tension cables in the electrical rooms \$1,600 - \$2,400. They could be onsite within a week or two to do the work, when the time comes that we have an owner who wishes to add electric to their garage.

- **Fire Sprinkler system (UPDATE) –**
 - The fire sprinkler repairs have been completed with the exception of the 8 inch valve. They brought the wrong valve and had to order the correct valve. The new valve will be installed next Tuesday 4/15/14.

- **Spa Chemical Controller –**
 - The chemical controller for the spa is not working. I have had it checked and it has been determined that the main board is bad. It is not repairable. A new identical system using our existing feeders is \$1,658.50. I would prefer to replace it with a better system like was installed on the pool, but that system is \$2,514.50, it is the same one that was installed on the pool 3 years ago, but the price has increased by \$500.

- **Fire Alarm Repairs –**
 - I have a proposal from CSS to replace 5 outdoor speaker/strobes and one speaker in unit 1101. The cost of the repairs is \$1,132.66.

The Savoy on Palm Condominium Association, Inc.
Building Manager's Report
4/10/2014

- **Floor Scrubber –**

- o The batteries in the floor scrubber had to be replaced \$348

- **Post Tension Cable Failure –**

- o The cable that failed on the 11th floor has been looked at by Rob Crain. Rob said that he does not feel that the cable failure will affect the structural integrity of the building or cause any safety issues, but did say that Turner would need to verify this with the engineering firm that designed the post tension system for the building. Turner Construction has been notified and will have their people on site on Tuesday 4/15/14 to look and investigate. Rob has asked that I let him know what Turner comes up with. It may be as simple as pulling a new cable if the sleeve is fully intact, or if the sleeve is damaged from a break in the cable, it may require the sleeve to be exposed at the break point so that the sleeve can be repaired in order for a new cable to be pulled.

- **Pool Renovation**

- o I have received 4 bids for the renovation of the pool and spa. The highest bid is \$47,317 and comes with a 10 year warranty. The lowest bid is \$22,928 and only comes with a 1 year warranty. My recommendation is that the Board chooses Galaxy Pools to complete the project. They are a local family owned company and have been in business in this area for many years. I have used them many times in the past for repairs and renovations and have had nothing but good experiences with them. They are one of the few companies that do not sub out their finish work on pool and spa renovations. They also offer a 5 year warranty on labor, materials, and separation of the finish. Most other companies only warranty the labor and materials and do not offer any type of separation warranty. Separation of the finish would most likely be caused by not properly cleaning and prepping the old surface before the new surface is applied.

Submitted By:

Bill Veal

Savoy Facility Committee

- A. The Facility Committee reviewed items to date and believe all open items are either completed or in process based on Board direction.
- B. The Facility Committee has begun discussions regarding items that may have an impact on the 2015 Budget for items requiring Board approval. As part of this discussion Leslie and Bill Veal will review the equipment replacement schedule for fitness center equipment while developing a plan for replacing and upgrading the equipment in the fitness area. This discussion will be continued to finalize deliberations and recommendations at it s next meeting on May 22. A final report to the Finance Committee and Board will be generated after that meeting along with any cost proposals that may be necessary.

C. Recommendations for the Board:

- The Committee on February 11, 2014 recommended and the Board approved obtaining proposals for replacing the tile in all four elevators at a time when most owners are away from the Savoy (summer) with "MARMI – Black Polish." The Committee is now recommending the Board approve the proposal from Horizon Italian Tile for the purchase of the tile at a cost of \$2,375.47. The Committee is also recommending approving the proposal by D&W Property Development, Inc. to remove and replace the elevator flooring with owner purchased tile at a cost of \$7,146.00 (assuming the elevator sub flooring is able to be salvaged) and there are no unseen additional items or labor needed to complete the project.
- The Committee is recommending that the Mats at the lobby entrances to the garage should be placed in the garage area and removed from the marble floors. Also, the "Savoy" Mat at the front door should only be in place on rainy or predicted rainy days. They should be removed when there is no rain in sight.
- The Committee recommends that Bill Veal create a "Fire Information" sheet to be distributed to all owners in hard copy and via e-mail.
- The Committee has asked Bill to research a better system for hanging the pads in the elevator or assure that all personnel hanging such pads follow directions to make sure the pads are secured properly when used. The Committee also asked Bill to see if he could find a reliable and effective leaf blower that might be battery operated to replace the gas powered blower presently being used between landscape days.
- Bea Elden updated the Committee regarding landscape issues including recommendations she has been discussing with Savoy's contracted landscape company, including removing the dead-looking trees along the sidewalk. Bea is recommending, and the Committee discussed not replacing the trees, at least in the short run to see what the difference in appearance might be without the trees. Bea is confident that the

landscape plans for 2014 can be achieved within the current budget,
barring unanticipated events such as storms, infestations and the like.

Resolved, that the Board of Directors hereby authorizes Bill Roe, as Treasurer of the Association, to open a securities account in the name of the Association for the purpose of implementing the investment program referenced below.

The Board further resolves that Bill Roe shall implement the investment program ("The Program"), in comparable form to that presented to the board at this meeting of April 10, 2014 and attached hereto. The selection of custodian for the securities account opened for this purpose shall be at the discretion of the Treasurer after soliciting proposals from at least two parties registered as securities dealers and capable of properly and efficiently handling The Program.

The Board further resolves that Association Reserve Funds of \$400,000 +/- 5% shall be invested in The Program, with the pricing and maturity of the securities chosen left to the discretion of the Treasurer, but approximating the illustrations provided in The Program.

Fixed Income Laddered Portfolio

Monday, March 24, 2014 17:00:44 ET

Prepared For: The Rosati
 973-425.2382
 louis.magliarditti@morganstanley.com

Prepared By: The Rosati

Ladder Summary

| | |
|------------------------|--------------|
| Total Principal | \$393,779.00 |
| Total Accrued Interest | \$4,120.97 |
| Total Investment | \$397,899.97 |
| First Year Income | \$17,150.00 |
| Maturity Value | \$350,000.00 |

| | |
|---------------------------|-----------|
| Average Coupon | 4.900% |
| Average Maturity | 7.71yr(s) |
| Average Price | \$112.808 |
| Average Current Yield | 4.333% |
| Average Yield to Maturity | 2.958% |
| Average Yield to Worst | 2.842% |
| Average Duration | 5.66 |

| Qty (000) | Cusip | Issue | Coupon | Maturity | Rating | Type | Price | YTW | YTM | Principal | Accrued Interest | Net Amount |
|-----------|-----------|---|--------|------------|---------|------|-----------|------------|--------|-------------|------------------|-------------|
| 50 | 57586NEU1 | Massachusetts St Hsg Fin Agy Extraordinary Calls - Multi-Fam Hsg Use - Material Events | 3.750% | 06/01/2018 | Aa3/AA- | Muni | \$105.833 | 2.278% | 2.278% | \$52,916.50 | \$604.17 | \$53,520.67 |
| 30 | 6498365D1 | New York St Dorm Auth Revs OID - Material Events - Subject to - Sinking Fund 05/18@100 - AGMC insured | 5.500% | 05/15/2019 | Aa3/AA | Muni | \$117.998 | 1.812% | 1.812% | \$35,399.40 | \$605.00 | \$36,004.40 |
| 50 | 73358WDW | Port Auth N Y & N J Subject to AMT - Material Events | 5.000% | 09/15/2020 | Aa3/AA- | Muni | \$115.631 | 2.378% | 2.378% | \$57,815.50 | \$83.33 | \$57,898.83 |
| 40 | 45203HJK9 | Illinois Fin Auth Rev Extraordinary Calls - Hospitals Use - Material Events | 5.000% | 08/15/2021 | Aa3/AA- | Muni | \$115.223 | 2.711% | 2.711% | \$46,089.20 | \$233.33 | \$46,322.53 |
| 50 | 452226RW5 | Illinois St Sales Tax Rev OID - Material Events - Subject to - Sinking Fund 06/14@100 | 6.500% | 06/15/2022 | A3/AAA | Muni | \$119.784 | 3.686% | 3.686% | \$59,892.00 | \$920.83 | \$60,812.83 |
| 50 | 59334CEY8 | Miami-Dade Cnty Fla Pub Svc Tax Rev Callable 04/21@100 - Material Events - AGMC insured | 4.000% | 10/01/2023 | Aa3/- | Muni | \$106.280 | 3.000% (c) | 3.228% | \$53,140.00 | \$977.78 | \$54,117.78 |
| 25 | 34074MCG4 | Florida Hsg Fin Corp Callable 07/19@100 - Material Events - Sinking Fund 01/21@100 | 4.500% | 07/01/2024 | Aaa/- | Muni | \$106.247 | 3.199% (c) | 3.760% | \$26,561.75 | \$268.75 | \$26,830.50 |

Fixed Income Laddered Portfolio

Monday, March 24, 2014, 16:38:11 ET

Prepared For: The Rosati Group
 973-425-2382
 louis.magliarditi@morganstanley.com

Ladder Summary

| | |
|------------------------|--------------|
| Total Principal | \$399,974.60 |
| Total Accrued Interest | \$0.00 |
| Total Investment | \$399,974.60 |
| First Year Income | \$0.00 |
| Maturity Value | \$505,000.00 |

| | |
|---------------------------|-----------|
| Average Coupon | 0.000% |
| Average Maturity | 8.22yr(s) |
| Average Price | \$79.203 |
| Average Current Yield | 0.000% |
| Average Yield to Maturity | 2.575% |
| Average Yield to Worst | 2.575% |
| Average Duration | 8.10 |

| Qty (000) | Cusip | Issue | Coupon | Maturity | Rating | Type | Price | YTW | YTM | Principal | Accrued Interest | Net Amount |
|-------------------------------------|-----------|---|-------------------|-------------------------|---------|------|------------------|----------------|----------------|------------------------|-------------------------------|-------------------------|
| 70 | 968661DT2 | Will Cnty Ill Fst Presv Dist Material Events - NATL insured | 0.000% | 12/01/2018 | Aa1/AA+ | Muni | \$94.350 | 1.247% | 1.247% | \$66,045.00 | \$0.00 | \$66,045.00 |
| 100 | 928181HR0 | Virginia St Res Auth Wtr & Swr Sys Rev Material Events | 0.000% | 11/01/2020 | Aa2/AA | Muni | \$86.814 | 2.156% | 2.156% | \$86,814.00 | \$0.00 | \$86,814.00 |
| 50 | 186162GY3 | Cleveland Heights & University Heights Ohio City Sch Dist | 0.000% | 12/01/2021 | Aa2/AA | Muni | \$81.209 | 2.729% | 2.729% | \$40,604.50 | \$0.00 | \$40,604.50 |
| 85 | 282726DJ4 | EI Camino Calif Cmnty College Dist Material Events | 0.000% | 08/01/2022 | Aa1/AA | Muni | \$78.886 | 2.862% | 2.862% | \$67,053.10 | \$0.00 | \$67,053.10 |
| 50 | 300189CQ8 | Evergreen Calif Elem Sch Dist Material Events - AGC insured | 0.000% | 08/01/2023 | Aa2/AA | Muni | \$75.960 | 2.964% | 2.964% | \$37,980.00 | \$0.00 | \$37,980.00 |
| 150 | 928181HX7 | Virginia St Res Auth Wtr & Swr Sys Rev Material Events - NATL insured | 0.000% | 11/01/2025 | Aa2/AA | Muni | \$67.652 | 3.399% | 3.399% | \$101,478.00 | \$0.00 | \$101,478.00 |
| Weighted Averages and Totals | | | 0.000% | 8.22 | | | \$79.203 | 2.575% | 2.575% | \$399,974.60 | \$0.00 | \$399,974.60 |
| | | | Avg Coupon | Avg Yrs Maturity | | | Avg Price | Avg YTW | Avg YTM | Total Principal | Total Accrued Interest | Total Investment |

Descriptive data is provided by Bond Desk LLC. We offer these securities subject to availability. Market price, yield and ratings are subject to change. Price quoted may not include sales commissions. Please see additional important information and qualifications at the end of this material. Page 1 of 3