

The Savoy on Palm Condominium Association, Inc.
Board of Directors Meeting Minutes

October 9, 2014

Call to Order: The Savoy on Palm Board of Directors Meeting was held October 9, 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 4:00 p.m.

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

Approval of Minutes:

1. **MOTION** – (Leon Ellin) to approve the minutes from the July 21, 2014 Board Meeting. Motion seconded by Allen Klein. Motion passed unanimously.

President's Report: Peter Fanning presented the attached report.

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

2. **MOTION** – (Leon Ellin) to accept the Treasurer's report. Motion seconded by Allen Klein, the motion passed unanimously.

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

3. **MOTION** – (Bill Roe) to approve an expenditure of \$2,400 to complete brick paver repairs throughout the pool area and in front of the second floor garage entrance. Motion seconded by Leon Ellin. Motion passed unanimously.

Committee Reports:

Facility Committee – Peter Fanning presented the attached report.

4. **MOTION** – (Peter Fanning) to approve a reserve expenditure of \$8,816 to replace the barbeque grills with new 30" Wolf grills. Motion seconded by Leon Ellin, after a discussion amongst the Board and several owners in attendance, the motion passed unanimously.
5. **MOTION** – (Bill Roe) to approve a \$300 expenditure for the Facility Committee to prepare a formal presentation for the membership to discuss and offer input for the renovation and updating of the fitness center. Motion seconded by Richard Rivera, motion passed unanimously.
6. **MOTION** – (Leon Ellin) to approve \$20,202.75 to replace approximately 440 sq. yards of carpet in the third floor common areas which would include the guest suite, lounge, library, and club room. Motion seconded by Richard Rivera, after a discussion amongst the Board and several owners in attendance, the motion passed unanimously.
7. **MOTION** – (Bill Roe) to have Bill Veal seek out a proposal to remove the concrete sidewalk and lower portion of the driveway and replace with brick pavers and bring the proposal to the November Board meeting. Motion seconded by Leon Ellin, motion passed unanimously.

8. **MOTION** – (Peter Fanning) to approve an expenditure of approximately \$2,371 to replace the luggage carts. Motion seconded by Leon Ellin, motion passed unanimously.
9. **MOTION** – (Peter Fanning) to approve an expenditure of approximately \$658 to replace the four garage floor mats located outside of each door. Motion seconded by Leon Ellin, motion passed unanimously.

Finance Committee – Leon Ellin presented the attached report.

Social Committee – Dina LaReau presented the attached report.

Landscape Committee Report – Bea Elden gave an update on landscape items that have been addressed and items that will be taking place in the near future.

Civic Committee Report – Peter Fanning gave a brief update on items taking place in the city and community.

Old Business: None at this time.

New Business: None at this time.

Owner Comments:

- Coots Siegel & Peter Fanning asked everyone to thank Mort Siegel for everything he has done for the building and the surrounding community as his term on the Planning Board is coming to an end.
- Dina LaReau wanted thank the current and past Board Members for serving and they are appreciated.

Adjournment: There being no further business, the meeting was adjourned at 5:09 p.m.

President's Report Savoy Board Meeting 10/9/14

Bill Veal may update you additionally on some of these items.

Housekeeping services seem to have stabilized with our contractor providing consistent personnel who seem to be adjusting to our building and requirements.

John Kidd has sold his Unit 301 and the new owners, Charles & Heloisa Jennings, are preparing to move in after some renovations and refurbishment to the unit.

Arthur and Joan Schwartz, Unit 703, have an offer on their unit, and are preparing to close next week.

Since the Board meeting in July, we have put on retainer Richard Slider of Slider Engineering Group. Slider Engineering Group has a vast amount of experience and comes highly recommended as consulting engineers. We have received an initial report concerning the failure of a post tension cable on the 11th floor, and are seeking additional information and advice from the Slider Group. At we know as of now is that:

- Likely, the cable sustained damage that might have led to failure during the installation of the cable.
- Five PT anchors were exposed in the process of repairing the failed cable.
- None of the five had an encapsulation system as required by code and the Structural Notes in the Construction drawings.

We have also notified, Thomas Code of Becker Poliakoff law firm of the cable failure. and the Board will go into a closed executive session with Mr. Code at 5:00 P.M. today to discuss any legal ramifications of which the Board may need to be aware, and necessary follow up action. The Board will continue to update the membership as recommended by legal counsel.

The Annual Meeting of the Savoy Association is Thursday, November 13, 2014 at approximately 4:00P.M. following the regular Board Meeting that begins at 3:00 P.M. Two incumbents, Rivera and Roe were the only owners submitting applications for their open board seats.

**Treasurers Report to Board of Directors
October 9, 2014**

Balance Sheet

(a) Homeowner's Equity –At the end of 9 months, Members Equity is up \$57,218 from 12/31/2013

(b) All Liability accounts are current

Operating Statement

i) Under budget by \$4,962.97 for the month of September and \$25,747.74 for first 9 months of 2014

ii) Notable over budget items(9 months report) are:

-Common Area Housekeeping (new line item)	(\$6,500)
-Water/Sewer charges	(\$3,903)

Reserve Statement

Our 2014 Reserve Plan projected possible expenditures of \$123,783. As of September 30th we have spent \$37,620 and anticipate additional expenditures of 10,285 for a total of \$47,905. Reserve Expense items are the following:

-Access Control	\$2,582
-Elevators	\$9,971
Fire System	\$1,469
Pool & SPA	<u>\$23,598</u>
Total to date	\$37,620
Plus: final Pool & SPA Invoice	<u>\$10,285</u>
Equals: Total expected 2014 Reserve Expenditures	\$47,905

The Savoy on Palm Condominium Association, Inc.
Building Manager's Report
10/9/2014

- **Elevator Tile – Completed**
- **Second Floor Wall Cap Repairs – Completed**
- **Pool, Spa, & Fountain Renovations – Completed**
- **Fire Sprinkler System**
 - o Annual test and inspection completed
 - o There are a two items noted on the report in need of repair (6" valve at fire pump & sprinkler head in 2nd floor garage) and I am waiting on a proposal for the repairs.
- **Fire Alarm System**
 - o Annual Test and inspection completed, only 2 minor deficiencies found (speaker in unit 1102 & outdoor speaker on 3rd floor), waiting on a proposal from CSS.
- **Brick Paver Repairs –** I have a proposal for repairs needed in pool area and in front of 2nd floor garage entrance. Proposal amount \$2,400.
- **Garage Pressure Washing –** The 2nd floor garage is scheduled to be cleaned on Tuesday October 14th. The 1st floor garage is scheduled to be cleaned on Tuesday October 21st.
- **Window Cleaning –** The window cleaning for early October was postponed due to all of the rain we were receiving. It has been re-scheduled for October 16th & 17th.

Savoy Facility Committee Minutes
October 2, 2014 Meeting

Attending Members: Peter Fanning, Chair, Leslie Rivera, Bea Elden, Kim Blackmore (phone).

Savoy Building Manager: Bill Veal

- I. The Chair called the meeting to order at 4:00 P.M. in the 3rd Floor Function Room of the Savoy on Palm.

- II. Peter asked Bill Veal to review the "Open" and "Closed" items from prior recommendations of the Committee.
 - Visitor Parking Space Striping – Bill provided cost and materials information to the Committee. After deliberating, the Committee recommended deferring further action until materials costs can be folded into other projects to reduce the expense of striping one space.
 - Fire Information Sheet – The Committee approved the Fire Alarm Instructions Sheet, and asked Bill to deliver the instructions to each owner unit and provide a link in the Savoy Website so that owners may access the instructions.
 - Grill Replacements – Bill informed the Committee that Dacor no longer makes a 30-inch grill and given the structure of the Grill area, larger units cannot be accommodated. He also informed the Committee that the Reserves Schedule apparently only indicated one grill and not two. The Committee recommends that the Board approve two Wolf Outdoor Grills with Rotisseries be ordered as replacements at a cost of \$4,408.00 each, and that the Reserve Schedule be modified to reflect two grills at this cost rather than one grill at \$3,300.00.
 - General Housekeeping – the Housekeeping continues to improve as the new associate employee under contract gains experience. Bill will continue to monitor and supervise as necessary.
 - Pressure Wash the second Floor Garage – The second floor garage will be pressure washed as scheduled during the second week of October.

- III. Update on Proposal to Renovate the Fitness Room – Leslie and Peter provided the Committee with the design, materials, equipment and costs that will make up a proposal to the Membership to renovate the Fitness area. After, a great deal of discussion, the Committee was unanimous in recommending that the Board approve a process whereby the Facilities Committee:

1. present the design, materials, equipment and costs to the Association Membership for discussion and input;
2. develop a complete proposal for presentation to the Board requesting that it survey the Association membership to seek a majority vote for approval or disapproval; and
3. approve the expenditure of up to \$300.00 for design services, photographs and sample renovation materials.

The Facilities Committee intends to complete this process in time for the February Board meeting so that, if approved or modified, the project can be completed during the summer of 2015 when there are fewer owners in residence.

IV. Common Area Carpet Replacement – The carpeting in large spaces of the common area is stained and showing wear. The carpet replacement is reserved in the Reserve schedule and is due for replacement in 2014.

- Guest Suite and Lounge = \$2,668.00
- Library & Club Room = \$10,478.00
- Lobby Level Office = \$890.00

Carpet of the same pattern as presently installed is available in a slightly different color. The color of the present carpet is no longer available. The total square yards needed to replace the above areas is 440 square yards at a cost of \$29 per yard (\$12,760.00). Cost of installation is \$7,040.00 plus \$402.75 for adhesives and seam sealers (\$7,442.75). Total replacement cost is \$20,202.75.

The Committee recommends that the Board approve this expenditure from the Reserves and fund the difference of approximately \$6,200 by moving funds from the Reserve Line for carpeting in the Service Hallways which receive little wear and are in generally good condition. There is \$7,269.00 Reserved for Service Hallway Carpeting. Additionally, there will be some small inflation increase in the Carpet Reserve line by waiting until the summer of 2015 to replace the carpeting in the summer when fewer owners are in residence.

V. Toby Kaulkin reported via an e-mail that the lamps in the library area have been refurbished and brighter lights installed. She also expects, upon her return to the Savoy, to assess the state of the guest bathroom on the third floor, and the guest suite bathroom.

VI. The Committee recommends that the sidewalk in front of the Savoy from property line to property line excluding the driveway entrances be replaced with pavers as originally intended by the developer before this aesthetic was removed in a "value added" move to cut costs. The cost to redo the sidewalk would be \$6,431.00 and would require an addition to the budget as this is not a Reserve item.

- VII. Bea Elden reported that the Landscape budget for 2015 should remain the same as that for 2014. She recommends that the annuals plantings occur three times per year rather than twice, and that such can be accomplished within the existing budget. Mulching and plantings for the Fall season has started and should be fully complete by the end of October. Also, the pruning and trimming throughout the property is done for this season. She will further update the Board on landscape issues at the Board meeting on October 9.
- VIII. The Committee had deferred action on replacing the luggage carts for almost a year while investigating other carts and prices. It has been determined that the model carts in use now should be replaced as they are in need of refurbishing, and the cost of such exceeds the cost of replacement. The Committee recommends the Board approve replacing the luggage carts at a cost of \$1,029.05 each plus Shipping for a total cost of \$2,371.30.
- IX. The carpet mats at each entrance to the garage have become stained and worn. The Committee recommends replacing the existing carpet mats with a slightly larger mat (45" X 68") of the same color \$658.40 including shipping.
- X. There being no further business to come before the Facilities Committee at this time, the meeting stood adjourned at 5:15 P.M.

Respectfully Submitted By:

Peter S. Fanning, Chair, Savoy on Palm Facilities Committee

Finance Committee Report – October 9, 2014 Board of Directors Meeting

(a) Reserves –The Reserve Plan for the Savoy was updated by Leon and Peter this past April. We continue to maintain a Fully Funded Reserve Plan and, at this time, intend to hold that standard. Sometime in early 2015, the Plan will again be reviewed and a report made to the Board of our projected status and changes.

(b) Investments – We continue to hold our small investments in the Vanguard Bond Fund(\$5,286.16) and Vanguard MMA (\$1,261.88). This spring, under the leadership of Al Cohen, we moved approx. \$399,000 from low yielding accounts at Gateway, Iberia, and C1 Bank to a Morgan Stanley Bond account. The original cost was \$398,995. The September 30, 2014 market value \$406,473. Return for 6 months (approx.) is 1.19%; annualized to 2.37%

(c) Budget – The proposed 2015 Budget is attached and the Finance Committee recommends to the Board preliminary acceptance of this Plan. Significant items in the 2015 Budget are the following:

- The Total Operating and Reserve Expense amount is almost exactly the same as we budgeted for 2014
- The Budget includes significant amounts for both Legal Fees (\$10,000) and Professional Fees (\$5,000) as we anticipate extensive legal and engineering work with respect to the cable issue.
- Salaries and Wages and related items are significantly reduced with the elimination of the Janitorial employee. We added a new category, *Common Area Housekeeping*, and the use of the contract service is budgeted to save us approx. \$15,500/year
- Assuming approval of the residents at the Annual Meeting, we have once again applied the under-budget funds from last year (2013) to the Budget for next year (2015). This amount is \$28,215 and, along with the small reduction of projected Operating and Reserve budgeted expenditures, should result in a reduction of fees of approximately 1.5% when compared to the current year. More refinements to the 2015 Budget may happen after further analysis of the cable issue and at the upcoming Finance Committee meeting.

d) Insurance – Jim Boyle met with Mike Angers in April. The only issue raised and meriting discussion is whether the Savoy is adequately insured for foundation damage from flood. This will be addressed at the upcoming Finance Committee meeting.

(e) Banking- This past June Gateway Bank informed us that they were ending the program that paid .5% interest on all the money we held in their Bank and that they

Finance Committee Report – October 9, 2014 Board of Directors Meeting

would begin charging us fees for certain services that we utilized. Over the past couple of years we have become acquainted and worked with two Banks that showed strong interest in having a banking relationship with the Savoy. We quickly identified, through discussion and negotiation that we wished to transition our all of our banking work to Iberia Bank. They have essentially 'mirrored' the costs, benefits, and programs that we enjoyed at Gateway over the past years. This transition will be completed this month and we request that the Board formalize this decision at today's meeting.

Social Committee Board Report
October 9, 2014

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

The plans for The Savoy Season Opener, to be held on November 13th in the Savoy lobby, are well underway. We still have a few folks to hear from but the response has been terrific, 37 attendees so far.

We are scheduling a Meet & Greet for Dec. 1 at 9:30 a.m. in the Third Floor meeting room. Clifford Roles will make a presentation at this time. Cliff is a freelance photographer who does all the event photography for Scene Magazine. He also works with a number of Sarasota non-profit groups including the Sarasota Orchestra. Last summer he spent time in Tallinn, Estonia photographing Anu Tali, the Music Director of the Orchestra. Cliff is also an actor and has preformed in local productions. It should be a great time for our residents. An announcement will be e-mailed to owners soon.

We have also have fixed a date for our "Theme Dinner," January 19th, to be held in the Third Floor. Details will be e-mailed shortly.

The Committee has been heartened by the terrific turnouts and the positive comments we have gotten so far. We welcome suggestions for activities going forward and hope to hear from you.

Respectfully submitted by Dina LaReau
October 9, 2014