

## **The Savoy on Palm Condominium Association, Inc.**

### **Board of Directors Meeting Minutes**

August 4, 2016

**Call to Order:** The Savoy on Palm Board of Directors Meeting was held August 4, 2016 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 4:02 p.m.

**Determination of a Quorum:** Board Members present were Peter Fanning, Leon Ellin, and Richard Rivera in person with Bill Roe, via speaker phone. It was confirmed that proper proof of notice of the meeting had been conveyed.

#### **Approval of Minutes:**

After a brief discussion amongst the Board, a motion was made:

1. **MOTION** – (Richard Rivera) to approve the minutes from the June 9, 2016 Board Meeting. Motion seconded by Leon Ellin. Motion passed unanimously.

**Treasurer's Report:** Leon Ellin presented the attached report.

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

**President's Report:** Peter Fanning gave a very descriptive presentation to the Board members and owners in attendance on the history and the possibility of a post tension cable issue that was discovered during the repair of a post tension cable that was replaced by Turner Construction in 2014. He also advised that he would like to move forward with the inspection process as outlined in the scope of work provided by Slider Engineering Group to determine if the possible problem is a building wide issue or not, and have the work performed by Structural Preservation Systems. Mr. Fanning also discussed that the estimated engineering costs associated with this inspection would range in the \$10,000 to \$12,000 range, and the contract for Structural Preservation Systems is for slightly over \$69,000. There were several questions and concerns that were discussed amongst the Board and the owners in attendance.

2. **MOTION** – (Peter Fanning) to approve the filing as determined by our attorneys at Becker and Poliakoff to establish the legal process. Motion seconded by Bill Roe. Motion passed unanimously.
3. **MOTION** – (Peter Fanning) to approve the contract submitted in change order submitted June 30, 2016 by Slider Engineering Group not to exceed \$12,000. Motion seconded by Richard Rivera. Motion passed unanimously.
4. **MOTION** – (Peter Fanning) to enter into a contract with Structural Preservation Systems to work with the engineering firm and do all of the contracted work associated with this project not to exceed \$70,000. Motion seconded by Leon Ellin. Motion passed unanimously.

**Old Business:** None at this time.

**New Business:** None at this time.

**Owner Comments:**

- There was a question about whether or not the pool would be closed while the leak testing is performed. The owner was informed that it would only be closed for a couple of hours on the morning of Tuesday 8/9/16.

**Adjournment:** There being no further business, the meeting was adjourned at 4:58 p.m.

THE SAVOY ON PALM CONDOMINIUM ASSOCIATION, INC.

FIRST HALF 2016 TREASURERS REPORT

Through the first six months of 2016, our operating expenses were under the budgeted level by slightly less than \$22k. Of this favorable result, approximately half was produced by the calendarization of the budget expenses at 1/12<sup>th</sup> per month while many of the actual expenses are spent in a different pattern. Nonetheless, at current levels we should run favorable for the year.

There are two exceptions to the statement above. One is the water usage, which has been rising monthly and was \$1000 over budget in June. Bill is investigating to determine where the problem is occurring. Depending on the fix involved, this may result in unanticipated overages.

The second item is the various activities associated with the cable project. We had no means of estimating the scope of spending when the budget was put together, but we decided to do two things:

1. We budgeted a nominal amount for related legal fees (\$7,500)
2. We planned on applying the operating surplus for 2015 (which ended at \$44k) to any additional spending required. Of course expenses are also running favorable for 2016 and this provides some extra funds. It is probable that the total spending on the project will exceed the amounts available. In that case, assuming the difference is not beyond \$25k or so, it would be my recommendation to fund the overage in the 2017 budget covering short term cash issues, if any, by borrowing from reserves. This could avoid a special assessment, at least in 2016.

Reserve expenditures are about \$7,500 for the first half, well below the projected needs from our engineering study. An update of the engineering study is in process and we will revise both our reserve expenditure forecast and our reserve assessment plan next year based on the information from that study. Our reserve balance currently stands at \$688,000.

**The Savoy on Palm Condominium Association, Inc.**  
**Building Manager's Report**  
**8/4/2016**

- **Front Sidewalk Improvements (Update) –**
  - Scheduled to begin September 19, should take about 2 weeks to complete.
  - Once the improvements are completed we will schedule the annual cleaning of the pavers in the front driveway and the cleaning of the first floor garage.
  
- **Pool Leak –**
  - After some preliminary testing, I do believe that we have a leak in the pool. A leak detection company will be onsite next Tuesday to pinpoint the leak so it can be repaired.
  - Once the leak is repaired, I will submit a request to the city for a credit to the account.
  
- **Annual Elevator Testing (Update) –**
  - The 5 year load tests on the elevators were completed, and there are some minor issues that I am working with Schindler to get resolved.