

WEST BAY CONDOMINIUM ASSOCIATION, INC.
BOARD OF DIRECTORS' MEETING MINUTES
Wednesday, May 24, 2023, AT 9:00 A.M.
Location: WebEx connection

Directors Present: Diane Gustafson, Bob Gunia, Dick Evans & Fred Muir

Directors Absent: David Morganti

Representing Jupiter Management, LLC: Stephen Skakandy

With a quorum of the Board present, Diane called the meeting to order at 9:01 AM.

Approval of Minutes

Diane asked if all had reviewed the April minutes. Bob reported he had already provided suggestions, which were included in the minutes. Diane had suggestions for additional information to be added to the minutes regarding landscaping for the West Bay /Back Bay Drive areas.

After the changes were discussed, Diane asked the other Board members for any additional input.

A motion was made to approve the minutes as amended. The motion received a second and unanimous approval.

Financial Report

Diane called on Bob to provide the financial report.

The financial report opened with Bob providing details on the ICS banking program and the banks Valley Bank uses for West Bay's account sweeps.

The report continued with a review and explanation of the accounts receivable. He provided details explaining the impact of prepaid assessments and past due payments. The resulting number is a net figure of the two account accumulations.

The next financial item Bob reported was the prepaid insurance assets and the steps used in establishing the account and how the account balance is amortized over the 12 months of the insurance policy.

He provided details of the Profit and Loss statement's first five months of activity and the anticipated activity for the balance of the year.

Other Profit and Loss discussions included the pool maintenance expenses. Bob reported the pool contractor's invoicing was delayed from later in 2022 to the current accounting period. The impact on the financial activity is that the 2022 expenses were understated, and the 2023 activity will be overstated and overbudget.

After reviewing past auditor adjustments, Bob began discussions regarding the reserves and the past Board's resolution to maintain a minimum of \$100,000 in reserves. Referring to a reserve cash flow estimation, he reported there will be periods of time when the account balances will be

below the \$100,000 amount. After discussing the overall financial estimates, Bob provided a motion to rescind the prior minimum mandate of maintaining a minimum of \$100,000 in the reserve account. The motion received a second and unanimous approval.

After Bob provided specific details on the Profit and Loss statement and various account balance and expected activities, Bob answered questions followed by Diane calling for a motion to approve the financial report. The motion was given, seconded and unanimously approved.

Bob presented the Board with an update on the 2022 financial audit. He indicated there were a few revisions that needed to be applied to the statement.

Bob reported on the 2022 FYE audit and the impact it will have on the current balance sheet. He provided details on the various accounts and the resulting year-end Net Operating income of approximately \$6,000 which represents a very close budget.

Bob explained about the ICS accounts and how they are used to sweep funds from the Valley Bank to other participating banks to ensure the Association's funds are covered by FDIC insurance maximum of \$250,000. He stated that at the end of fiscal year 2022, one ICS bank held approximately \$2,000 over the \$250,000 limit, which is noted in the auditor's report.

After Bob's presentation of the draft audit, a motion was made for the Board to accept the audit for distribution to the membership. The motion received a second and unanimous approval.

Bob's next discussions involved the Association's insurance. He provided details used in creating the 2023 budget. The insurance costs estimated were considered adequate when analyzing the information that was available at budget time. Bob then reported on the actual insurance costs, which were double from the previous year, which exceeded the estimated budget amount.

The discussion continued with Bob presenting the procedures for the Association to follow when adopting a revised budget. His recommendation is to have an increase of the quarterly fees for the 3rd and 4th quarter of 2023. After an in-depth discussion, it was agreed the proposed announcement prepared by Bob would be sent out to the membership, and the revised budget would be discussed and adopted at the June 28th Board of Director meetings.

Bob's next financial discussion involved the electrical project and the need for a special assessment to fund the project. Using the reserve study model, Bob provided details of the future financial needs and the use of Association reserve funds for the electrical boxes on all 19 buildings. The schedule includes future reserve items such as the paving project adjusted to 2026, which may be able to be rescheduled for 2025.

The electrical project funding is to be supplemented by the \$180,000 earmarked for the road project. The road reserve funds will be replenished from the electrical project special assessment which will be addressed during the 2024 budget process.

After general discussions associated with Special Assessments the Board reviewed items such as notices to prospective buyers and the estoppel processes. Stephen provided details associated with the estoppel process and procedures used by Jupiter Management.

The electrical project, if deposit funds are processed now, should begin early in 2024. The contractor expects to be able to complete one building per day; if that estimate of time proves obtainable, the work will be completed with the final payment due during the month of April 2024.

Using the contractor's project scheduling estimate and the estimation of time for securing the first delivery of materials for the job, Bob estimates the special assessment can be collected in 2024.

President's Report

Diane provided the Present's report advising that the POA is considering a special assessment. The POA has a new email address for residents to use when communicating with their office, which is staff@jlpoa.com.

Diane asked if Jupiter Management would be able to accommodate the next Board meeting at the Jupiter Management conference room and simultaneously on WebEx. Stephen responded that the request can be accommodated.

Old Business

Lake Update

Diane provided the lake update for Vern, who had technical difficulties signing on to the meeting.

South Florida Water Management District has received the applications from the POA, which have been approved and accepted. The fees have been paid and the water allocations are to be provided next.

Stephen reported on the Projects List:

Corbels –the corbels along Island Cove Drive have been addressed and will be painted.

Soffit Repair – As stated in the manager's report, there is additional soffit work to be done at unit 220. The recently reported soffit damage at 234 was found to result from a roof leak. Company Roofing has completed the roof work and the soffit repair will follow.

Landscaping

The Areca Palms on Island Cove total 22 groups that have to be removed due to extensive Ganoderma damage. The removal service proposal was discussed in detail with Board members providing various comments regarding the budgeted funds for all landscaping. After detail discussions and reviewing the proposal from Revival Landscaping, a motion was made to approve the proposal by Revival to remove the Areca palms at Island Cove Drive. The motion received a second followed by three yeas and one nay. The motion passed.

Additional discussions ensued regarding a stand of Areca Palms by unit 117. Fred suggested that if Revival mobilizes to remove the palms at Island Cove, they should also address the ones at 117 Back Bay Drive.

Irrigation

Diane opened discussions about the irrigation system. Items included were the overall water pressure, maintenance of the system, and that the POA has cleaned the screen on the submersible pump on the south end of the community. The north pump screen should also be cleaned and maintained.

Electrical Service Update/Ratification

Diane asked about items the Board may need to cover regarding the electrical project. Stephen advised the approval of the contract and contractor needs to be ratified by the Board. A motion was made to ratify the approval of the \$362,700 contract for the electrical service repairs throughout the community. The motion received a second and unanimous approval.

New Business

Service Provider Agreements

Discussion opened on automatically renewing contracts. It was recommended to allow contract renewals and review the agreements every two years. After the discussions a motion was made to adopt the resolution allowing automatic renewal agreements with the Board reviewing all agreements every two years. The motion received a second and unanimous approval.

Manager's Report

Diane asked Stephen to provide the manager's report.

Stephen provided details of the work performed throughout the community during the last month. Photos of the roof and soffit repair at unit 234 were provided in detail.

Unit 202 where a previously repaired roof leak had been addressed now needs the drywall repaired. Stephen had a proposal from Addison Drywall that was obtained while the residents were at West Bay. The residents asked the work be done after they left the community for the summer. With the owners vacating the unit, an additional repair bid was obtained which provides a similar scope of service at a much more competitive price. Stephen recommended the proposal from GPS be approved for the work.

A motion was made, followed by a second to approve GPS for the project. The motion received unanimous approval.

The report continued with photos of the work in progress associated with trip hazards in the brick pavers located in the driveway areas throughout the community. Stephen informed the Board that the east side of West Bay Drive pavers have been completed.

The report continued with Stephen providing results from recent violation letters sent to owners. Each of the items addressed has been resolved. Photos were provided as samples of the resulting owner compliance.

Unit 152 had previously requested reimbursement for owner work performed by his contractor in the restoration of the ceiling after a pipe repair was performed. After discussions regarding the repair and issues brought forth by the owner of the unit, various offers of settlement were provided to the owner. After some offers resulted in the presentation of motions, which were declined, an

amendment to the motion was provided which included a release be signed by the owner and full reimbursement would be issued.

The motion received a second and unanimous approval. The owner agreed to the result.

Unit Owner Modifications

Unit 167 applied for new gutters on her unit. After discussions it was agreed the Board would consider the application in more detail and the actual contractor specifications.

Unit 139 applied to install a paver patio outside of their unit between the kitchen area and sliders along the patio. The application did not include specific details on the paver installation; therefore, the Board elected to request more information.

Unit Sales and Rentals

Unit 201 submitted for approval of sale. The buyers have a conforming vehicle, no pets and favorable history.

After discussions a motion was made to approve the purchase as submitted. The motion received a second and unanimous approval.

General discussions

A question regarding approval for AC condenser unit replacements was discussed. The issue is that a large unit was installed that interferes with the neighboring property.

More information regarding AC installations will be sought for future reference.

Landscaping items were discussed, including the location of the Cypress tree at the north irrigation pump. After the general discussions and owner comments, a motion was made to adjourn the meeting at 11:43 AM. The motion received a second and unanimous approval.

The next meeting is June 28th.

Respectfully submitted by



Stephen Skakandy, LCAM

For and on behalf of the Board of Directors