

Barefoot Beach Resort of Indian Shores Condominiums Association, Inc.

Board Meeting Minutes

Date – August 24, 2015

Time – 6:30 PM

Place – Clubhouse

Attendees – Bruce Bornick, Denise Reilly, Harry Artz, Paul Sottile, Kim Porte and Linda Pisano, Associa Manager. One property owner was also present. The meeting was called to order at 6:33 PM with all Board members present. Kim moved to approve the minutes from the July 9th Board Meeting. Harry seconded the motion and the motion passed unanimously.

Treasurer's Report – See attached report

Manager's Report – Linda reported that the installation of the security cameras at the pool and docks is complete. The wiring of the low voltage landscape lighting has been assessed and repaired by an electrician. New fixtures have been purchased and installed throughout the property by our maintenance staff. The maintenance staff is monitoring the parking lots for violations and warning notices are being given. The Board would like to remind everyone that the maintenance staff has the authority to have violators towed.

Unfinished Business

Property Maintenance and Projects

Roofing Repair/Replacement Project Status – The replacement of the B Building roof is complete. The replacement of the C Building roof is very close to completion. The repair work on A and D Buildings is also complete. The repair work on the E Building and Clubhouse will begin soon. Harry opened a discussion regarding the option to replace the F Building roof rather than repair it. It was recommended by our roofing consultant that F Building was third in line for full replacement rather than repair. Harry pointed out that there is a substantial amount of money in Unallocated Interest. He explained that Capital Expenditures could be funded from this account with a vote from the Board. Paul questioned if the limited number of categories in our Reserve Funding would find us in trouble elsewhere if we used this money for roofing now. Harry explained that if we adopt the 2012 Reserve Study for the 2016 Budget, we would be able to add several more reserve funding categories to include a general capital expenditures line. Bruce made a motion to approve using Unallocated Interest for Capital Improvements, specifically fencing and roofing. The motion was seconded by Harry. A vote was taken, the motion passed with all in favor.

Bruce made a motion to replace (not repair) the roof on F building. Harry seconded the motion. A discussion followed regarding the physical state of the roof and the financial cost of replacing

vs repairing. Bruce updated us on the discount currently being offered by Southern Roofing if we replace vs repair now. After consideration, a vote was taken, the motion passed with four in favor and Paul opposed.

Pool Fence Replacement – The Board received and reviewed prior to the meeting two proposals for commercial grade, white powder coated aluminum fencing that maintains the Barefoot Key West style and meets code requirements. We will only install two gates at each end of the pool area. Post install we can install electronic gate locks so we can automatically lock the pool area at night. Adding back four gates would add significant cost to the project. After a brief discussion of the two estimates, questions regarding the quality of the product and installation of the fencing on the upper deck; Bruce made a motion that we proceed to contract with West Coast Fencing for the removal and replacement of the pool fence. Denise seconded the motion and the motion passed unanimously.

Landscape Plan – Paul presented two proposals for a landscape plan. They were vastly different and raised many questions. Paul summarized, the lower priced of the two seemed more inclined to work with many of the plants already here and the higher bidder did not. Bruce suggested we add a landscape budget to the 2016 Budget to keep costs contained. Harry said after working on the Annual Budget in September he will be in a better position to give us a number that we can work with. Denise said after we have that figure we would need one or two more proposals.

Committees and Special Actions

Monthly Financial Statements – Harry reported that Operating Cash is very favorable. Our Reserve Fund balance continues to go down because of the roofing expenditures. Delinquencies are static at this time. Harry also reported that the interest rate charged for the money we finance for our insurance policies would be reduced to 2.6% at renewal.

2014 Audit Review – The 2014 Audit is finally complete. Harry would like to approve the 2014 Audit and close out the year. Paul had some comments regarding the audited fund balance. In addition he pointed out that the Auditor wants Associa to sign a letter attesting that the facts given to the auditor were correct. Associa does not sign such letters for any association that it works for. Harry, Denise and Linda all said that every association that they know of has the Board sign this letter. They do not know of any management company that signs these letters. Our Board has always signed these letters in the past. Paul made a motion to have the President sign the letter. Harry amended the motion to include the adjustments recommended in the audit. Denise seconded the motion, a vote was taken with four in favor and Paul opposed.

Line of Credit – Harry made a motion that we pay down the line of credit by \$30K, from money in our Operating Account. Harry noted that this would pay it down to \$0 but it would remain

open for any future needs. Denise seconded the motion, a vote was taken and passed unanimously.

2012 Reserves Study – If we use the 2012 Reserve Study when planning the 2016 Budget we will need Owner approval to move monies from overfunded categories to other categories requiring more funding. This can be voted on at the Annual General Meeting in November.

2016 Budget – Harry plans to have the 2016 Budget complete and ready for review at our September Board Meeting. This will allow the Annual Membership Package to go out earlier than usual. To give Harry a little more time Bruce suggested we move our September meeting to Monday, 28 September. The Board agreed that they could all meet then.

Insurance – Bruce made a motion that we formally vote to approve signing a new contract with Brochard Insurance. Denise seconded the motion and the motion passed with all in favor.

No Pet Policy Request for an Exception – The Board received and reviewed a request from an owner to bring their dog to the property for a few months next spring. Paul made a motion that we deny the request for an exemption to the no pet rule. Denise seconded the motion. A vote was taken with three in favor of denying the request and Kim and Paul opposed.

Storage Room Lease Renewal with BBVR – Harry made a motion to renew BBVRs four leases for another year with terms of \$100/month per storage unit. Kim seconded the motion, a vote was taken and the motion passed unanimously.

Associa Gulf Coast Association Management Company Renewal – Linda departed at this point in the meeting so we could discuss the subject freely. Renewal of the contract with Associa was proposed to us with a five percent annual increase and a slight reduction of the fee schedule for administrative charges. Bruce summarized that on the whole, Associa has done a good job. We have a manager on site each week, good maintenance employees, a detailed daily, weekly and monthly maintenance checklist. Harry felt that the transition from our old management company was rough, but that things are leveling off. Denise reminded us that we do have the right to cancel at any time with a 60-day notice. It was noted that Associa gave us a very good price for our first year with them. Bruce made a motion that we renew with Associa at a rate of \$1575/per month with a slightly decreased administrative cost schedule. Kim seconded the motion, a vote was taken with all in favor.

New Business – None

The meeting was adjourned at 8:18 PM. The next Board Meeting will be held at the Clubhouse on Monday, September 28, 2015 at 6:30 PM. All owners are welcome to attend the Board Meetings. REMINDER - Our Annual Membership Meeting will be held on Thursday, November 12, 2015.