

<p>San Simeon Phase 1 Residents' Association, Inc. Minutes of the Board of Directors' Budget Meeting Held on November 29, 2017 at the San Simeon Clubhouse</p>

1. Roll Call/Establish a Quorum/Call to Order: at 7:00 p.m.

President	Eric Vincent	-	Present
Vice President	Barry Smith	-	Present
Secretary	Elizabeth Diamond		Present
Treasurer	Arlene Creeden	-	Present
Director	John Nychis	-	Present

Quorum present? Yes

Others Present:

James Ro, CAM, Sun Vast Properties, Inc.

2. Disposal of Unapproved Minutes: Motion: A motion was made by Eric to approve the minutes for 7-27-2017, seconded by Elizabeth. **Motion passed unanimously.**

3. Treasurers Report

Arlene Creeden reported on the financial reports through end of October 2017. A full copy of end of month reports are available by contacting Sun Vast in writing (at owner expense).

-Assets in Operating Acct	\$281,246.68
-Operating Cash	\$205,566.61
-Reserves	\$720,083.98
-Accounts Receivable	\$16,958.65
-Allowance for Bad Debt	\$5,287.05
-Prepaid expenses	\$57,919.47
-Refundable Deposits	\$6,089
Total Assets	\$1,001,330.66

4. Management Report: Reminder how to reach Management Company and James Ro:

Sun Vast Properties
 321 Interstate Blvd
 Sarasota, FL 34240
 Phone 941-378-0260 Fax 941-378-0322

info@sunvast.net

Our website is **sansimeonhoa.com**: please visit it to review minutes from meetings, obtain forms for ARC requests, insurance documents for your mortgage companies and to “opt in” for getting emails on important info rather than regular mail (costs us \$\$).

5. Committee Reports:

- Architectural Review Committee- needs one more member, Giselle Rattis of 3826 Clearbrook Lane would like to take the position, approved, no vote needed.

- No fining committee report but 2 issues brought up for them to address: Wrong paint color at 3933 Cherrybrook Loop and 3932 Clearbrook Lane, also 2 glass front doors put in without approval (one denied and put in, one applied for after put in). **Motion:** A motion was made by Elizabeth and seconded by Arlene to have James send a letter to the painted

homes to correct to the proper color. **Motion passed unanimously.** Elizabeth started a discussion whether people thought the glass door inserts were a detraction. Arlene mentioned the Board needs to decide whether or not to allow them and if so we should pick 1 or 2 doors only that can be chosen. **Motion:** Eric motioned that the glass door insert homes need to go to the fining committee (remove, keep or fine). Barry seconded. **Motion passed unanimously.**

- No landscape committee report.
- No rules/regulations committee report.

6. Old Business:

- ADT monitoring for Levitt homes: Review of survey and over ½ of the units are not using their alarm system. Extension of services through end of year was negotiated with ADT to give those homeowners time to find their own new services if they want to. We were again given the same 3 options upon which to renew even though the Board moved to not renew the contract (see 7-27-2017 minutes). James will contact ADT to terminate our contract and ask them if they can offer continued savings if owners would like to continue their own alarm system. A letter will be sent to Levitt owners letting them know the contract will end 12-31-2017.
- Call City of Fort Myers for large item pick-up curbside, do not leave at dumpster.
- Old water heater? There is a “metal man” that will come pick up for free, number at clubhouse bulletin board.
- Horton stucco issue: The Board chose the second option of Bunnet Wilson and Reeder to come in and perform engineering tests to confirm our case against Horton. They will do their investigation which involves holes in the exterior walls which will be repaired. We can terminate the contract at any time; we would just owe the fees due (engineer, etc). If you want to pay for repairs yourself PLEASE take several photos to document if you want to be repaid at the end of this litigation. The Board is choosing to litigate against Horton because if we did not it would be the owner’s full responsibility to repair their stucco problems at their own expense. **Motion:** A motion was made by Arlene and seconded by Barry to hire Bunnet Wilson and Reeder to pursue the Horton stucco issue. **Motion passed unanimously.**

7. New Business:

A. **BUDGET:** Eric explained the new budget including raising the rates of both Levitt and Horton owners’ monthly HOA fees. Irma’s impact on our roof reserve depletion, 43 roof leaks reported and fixed. Thank you to James for working earnestly for 2 weeks straight on helping us get these fixed along with tree/debris removal ASAP. We spent around \$75K for hurricane fixes all together, thus depleting our assets. The budget reflects the present ADT amount going into Levitt roof reserves thus not removing the ADT fee. Difference between this and last year’s budget: usually you retain 2 years of reserve money but you only need to carry 3-6 months’ worth of reserve dollars and surplus so we have been draining that down and last year we gave credit, thus decreasing our monthly fees. We are now close to what we need and to slowly gain back up to our reserve requirements. Legal fees were increased as we are pursuing the Horton stucco issue even though no fees are required through the process it is just so we can allow our own attorney to help us through this process. Property insurance raised because of the hurricane impact. We have a 3% deductible; most communities had 5% (catastrophic insurance). Insurance flyer protection because our property values have appreciated approximately 15% (based on our Reserve Study), \$3.5M more coverage for \$4K more on the policy. Compactor rental negotiated down. Some landscape maintenance numbers

went up. Levitt roof reserve got depleted and therefore fee was raised to build it up for when replacement is necessary, approximately 14 years. As Levitt roofs are 10 years older than Horton, Horton reserve numbers will continue to be revisited and reserves raised as necessary.

2018 HOA FEES Levitt- \$216.83 Horton- \$175.19

Motion: Motion made by Arlene to accept the 2018 budget as written and seconded by Elizabeth. **Motion was passed unanimously.**

8. New Business

- Basketball hoop on street discussion: neighbors have complained, had been approved by Associa without Board approval (owner called and asked if they could do it). Fining letters were sent out after Associa had approved/allowed. **Motion:** Barry motioned that they should not be allowed to have the basketball hoop but we should reimburse them for the cost they paid for it, seconded by Arlene. **Yes: Barry, Elizabeth, Arlene. No: John, Eric. Motion passes. Voted on and passed but Arlene and Eric want the issue revisited at January meeting. Asking if anyone would be willing to have this near their home (in one of the cul-de-sacs) or put in the community center parking lot.**

- Trip hazards regarding uneven pavers and sidewalks being level, people tripping and falling: **James said this is owner responsibility to fix according to our documents. The Board wants to get bids to fix these and pay for from general funds. It is the Board's discretion to pay for fixes even if the documents say otherwise.** Grinding the concrete weakens and cracks it, the fix is to raise the driveway pavers. Talk about at next meeting.

- Stucco issues on Levitt homes before and after hurricane Irma: Documents state 2nd amendment section 8, exterior maintenance other than pressure washing and painting is the owner's responsibility. Leaks are not an expensive repair but our insurance deductible is \$20k (3% deductible is paid by homeowner), so that is not an option. Need to talk with attorney to discuss how to move forward on this. **Motion:** Eric motioned that we have attorney look at the associations responsibility regarding the documents, deductible (owner responsibility), hurricane vs. non-hurricane caused? , seconded by Arlene. **Motion passed unanimously.** Section C- Window issues are owner responsibility.

- Pool filters: Cartridges need replacing, pool company recommends replacement with sand filter (approx. \$2400). Quote next meeting. Needs to go to City, Health Dept to get approved.

- Shutters not down after hurricane according to rules- 48 hours, we gave extension as this was our first hurricane. **Motion:** Motion by Arlene and seconded by John that anyone who still has shutters up will go to fining committee. **Motion passed unanimously.**

- Landscape replacement: Approx. \$8K for hurricane clean-up and downed tree removal. Some chose grass replacement. Last budget was \$30k so what we have remaining can be pushed forward for this. James mentioned we have \$11,800 left in the landscape replacement budget item. **MOTION:** Eric motioned that we use budgeted money for 2017 landscape replacement to spend up to the budgeted amount up to \$30K. Seconded by Elizabeth. **Yes: Elizabeth, Barry, Arlene, Eric. Abstain: John. Motion passed.**

- Replacing damaged fences from hurricane: Some just came down and need to be put back into place but others are bent. We have weird sized fencing (68 ½" W x 68" H) that we need to replace. Barry called a lot of places to see if they could replace. The size is larger than ours. Barry proposed for the short term that we take three sections from the

preserve side where the fence line is adequately covered by the bushes and put them in the two damaged areas.

- Window caulking: Horton told Barry that all windows and doors should have been caulked yearly as maintenance, Elizabeth asked if this was ever given in writing to our management company at the time, no one could say. Also, the first paint put on a new building is never high quality. Arlene asked if the caulking done at the time the Levitt homes were painted had a warranty? James mentioned again that the windows are the owner's responsibility.

- Owner (4074) wants the Board to waive a \$1000 fine, the Board discussion came to the consensus that it must be paid.

- Parking at clubhouse: Elizabeth will work on a new form to place on these vehicles so we know what house they belong to.

Motion to Adjourn was made by Eric at 8:30pm. Seconded by Arlene. Motion passed unanimously.

Respectfully submitted by:

Elizabeth Diamond

San Simeon Board Secretary