

HIDEAWAY BAY BEACH CLUB CONDOMINIUM ASSOCIATION, INC.

Board of Directors Meeting

Wednesday October 30th, 2019, at 5:00

Call Meeting to Order: The meeting was called to order by Don Gagnon at 5:01 p.m.

Proof of Notice: The meeting notice was posted in accordance with the Bylaws and Florida Statute 718.

A quorum was established with the following members present: Don Gagnon, President, Rick Thompson, Vice President, Christine Junior, Secretary, Maria De La Nuez, Treasurer and Greg Holt Director were present by conference call. In attendance Ed Olson from Sunstate Association Management Group. Michelle Thibeault from Sunstate Management was present by conference call.

Motion: A Motion was made by Rick Thompson and seconded by Christine Junior to approve the minutes from the 9-21-19 Board of Directors meeting. Motion passed unanimously.

Unit Owners Comments on Agenda Items: One unit owner thanked the board for not increasing the quarterly assessments.

UNFINISHED BUSINESS: There was no unfinished business.

New Business:

Proposed 2020 Operations and Reserves Budget Approval: Don spoke about the preparation of the of the 2020 Operations and Reserves Budget. He stated that this was the most difficult budget he has had to work on due to the increasing insurance costs. The total cost of the last three years operations budget has only gone up 3% or \$61,000.00, while in the same three years period the insurance costs went up \$91,000.00. This is because of the diligence of the management team and the board. It also does not look like the increases in insurance costs will end anytime soon. He also thanked management and the board for the time and hard work that was put into the 2020 budget. If the budget is approved with the same assessments as last year, \$2052.00, it will be extremely tight, without any room for error. Don introduced Michelle Thibeault, owner of Sunstate Management to go through 2020 budget. On line item 466, Boat Captains, in payroll, Don Gagnon asked to go on record that he would like to see three or four thousand more dollars added to that category. Maria De La Nuez pointed out that with the \$69,000.00 in 466, there is a three-thousand-dollar cushion. Christine Junior proposed that next year that 468 Maintenance in the payroll section be eliminated and the \$20,000.00 budgeted for that line item be used for WIFI. There was a long conversation on Insurance Expense. During the explanation of the Property Maintenance Expense Don Gagnon asked Mike Barter, the Caretaker, what he thought about budgeted items. Mike talked about the ongoing needs of an aging property. He also spoke about the importance of having maintenance personnel to be able to have a list of tasks to be accomplished that day and not getting pulled off to run the boat or to help unit-owners and vendors. The remaining categories of the budget was discussed.

Motion: Motion made by Rick Thompson and seconded by Don Gagnon to approve the proposed operations budget and present it at the Annual Membership Meeting for approval by the membership. In discussion Rick Thompson stated that it was inevitable that the assessments would need to be raised in the future but understands the need to keep them level this year. Greg Holt expressed his displeasure with the budget. He spoke about the need to increase the amount assessed

and the fact he would rather pay a small amount over time rather than paying more special assessments. Maria De La Nuez made the point that over the last few years the association has come in under budget and that the reserves need to be looked at for the future. Christine Junior asked about line item 468 and how those funds will be used and the concern with hiring a maintenance person. If the membership approves the budget, the board will have discretion on how the money spent. **Motion passed, 4 in favor and 1 against.**

Don Gagnon spoke about the Reserves Account and the need to keep a close watch on them to minimize the need for special assessments. He asked Ed Olson to review the reserve accounts. Ed Olson talked about each account, estimated life expectancy, remaining life, estimated balance and annual reserve required. Rick Thompson asked about funding for the Board Walk/Docks account and the Roads/Parking Lot accounts. Maria De La Nuez asked about looking into getting pricing on using crushed stone called chip and seal instead of asphalt. Greg Holt stated that six of the ten accounts need to be studied and then consider the amount of money going in to them. **Motion: Motion made by Rick Thompson and seconded by Greg Holt to approve the proposed reserves budget and present it at the Annual Membership Meeting for approval by the membership. Motion passed unanimously.**

Unit Owners Comments on Non-Agenda Items: One unit-owner thanked the board for all of the hard work that went into the 2020 budget. After two years of special assessments and red tide, it is important to let things equalize.

Motion: A Motion was made by Rick Thompson and seconded by Don Gagnon to adjourn the meeting. Motion passed unanimously.

Hideaway Bay Beach Club Condominium Association, Inc. adjourned the meeting at 12:50 pm.

Next Meeting: Annual Membership Meeting December 7, 2019

Respectfully submitted by,

Edward L. Olson, LCAM

For the Board of Directors at

Hideaway Bay Beach Condominium Association Inc.

The Secretary, *Christine Junior*