

HIDEAWAY BAY BEACH CLUB CONDOMINIUM ASSOCIATION, INC.

Board of Directors Meeting

Wednesday, May 31, 2023, at 3:00 pm

Call Meeting to Order: The meeting was called to order by Alex Fals at 3:00 pm.

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 Alex Fals, President, Gena Huebner, Vice President, Erika Johnson, Secretary, George Pettengill and Scott Almand, Treasurer were present by Zoom. Also in attendance were Barbara Vitolo from Grande Property Services; and approximately forty homeowners.

Approval of Minutes from May 2, 2023.

A **Motion** by Gena Huebner, seconded by Scott Almond to approve the minutes from the May 2, 2023, Regular Board Meeting. All approved, **Motion Carried**. A **Motion** by Erika Johnson, seconded by George Pettengill to approve the minutes from the May 2, 2023, Special Assessment Meeting. All approved, **Motion Carried**.

Owner Comments on Agenda Items: Numerous questions concerning Insurance, Caretaker, ADU, Re-roofing and Public Adjusters.

Presidents Report

Alex Fals presented the Presidents Report (see attached)

Financial Report

Scott Almand presented the financial report (attached) for the month ending 4-30-2023.

Grounds Committee Report: Alligator signs have been ordered and installed.

Management Report: See Attached.

Ferry Schedule A **Motion** by Scott Almond and seconded by Alex Fals to return the Ferry schedule to normal from 8 AM to 8 PM, 7 days a week. After discussion there were 3 votes in favor (Scott Almond, Alex Fals and Erika Johnson) and 2 votes against (Gena Huebner and George Pettengill), **Motion Carried**.

Re-open Pool: A **Motion** by Scott Almond and seconded by Alex Fals to reopen the pool. After discussion, there were three votes against and only one vote in favor. **Motion does not carry**.

Lift Restrictions (items transported on Ferry): Currently the restriction is only things you can carry by hand. This item is tabled to a later date.

Ratify Insurance Renewals: Flood Building C (Time/Wright). A **Motion** by Gena Huebner, seconded by Scott Almond to approve the renewal of the Flood Insurance Building C. All approved, **Motion Carried**.

2023 Property, excluding wind, with Trisura; A **Motion** by Erika Johnson, seconded by Scott Almond to approve the renewal of the Property. All Approved, **Motion Carried**.

Next Meeting: Wednesday June 28, 2023, at 3 PM

A **Motion** by Scott Almond, seconded by Erika Johnson to adjourn the meeting. All approved, **Motion Carried** at 5:00 PM.

Presidents Report—May 30, 2023

Caretaker – Steve Lohr

- Steve has submitted his resignation – June 5th is his last day

Citizens

- The adjuster and claims manager involved in the handling of our claim continue their slow roll of processing of our claim
- Citizens has elected to re-inspect the property for a third time and they will not be sending Stuart the independent adjuster they hired who performed prior inspections. No specific date has been set on this third inspection. We are waiting for the new inspector's availability.
- On Wednesday 5/24/23 received a call from the Citizens adjuster indicating that he sent a check (via US mail) in the amount of \$1,528,188.67 based on the estimate prepared by Stuart (Independent adjuster hired by Citizens)
- The board continues work with Citizens and ADU in an effort to move this claim forward

ADU

- As the county's building department deals with their major back log of permits – ADU will proceed with the installation of the trusses and roofs. ADU has hired an engineer to inspect, review and sign off on the plans that will allow ADU to proceed with the installation and stay in compliance with county building code requirements
- ADU plans to get additional materials over to the island this week. Framing in anticipation of the truss install will begin June 7th and trusses will follow in progression of the framing from one building to the next, followed by roof installation
- In response to the heavy storm that occurred late 4/29/23 early 4/30/23 – ADU made repairs to the temporary roofs that sustained damage. The damage sustained to the G building's permanent roof was repaired under warranty. ADU inspected the other buildings and did not find any additional damage as a result of this storm

Mainland Dock & Island Dock

- The work being performed by Abbotts Construction to repair the header & ramp on the mainland dock is completed. Repairs to the header & ramp on the island side dock have begun

Ferry

- Tom was alerted by the boatyard that they uncovered some additional damage to the ferry hull. We are awaiting a full report from the boatyard in order to get a better understanding of the extent of the damage

Total Pest Control

- New termite activity was recently reported in the A building. Total Pest Control came out to inspect and they confirmed evidence of new termite activity. The A building is currently under warranty with Total Pest Control and they will be re-tenting the A building. No date has been set

Fire Sprinklers

- Vendor Pye Barker has been given the go ahead to begin replacing the interior defective sprinklers. We anticipate this work will begin very soon

Wi-Fi

- Joe Holme's crew has completed the installation of new equipment on the A, C, E, F buildings and these buildings now have Wi-Fi. The clubhouse also has Wi-Fi. The speed & coverage will be greatly improved once he can install the new equipment at the clubhouse and connect to the mainland. He has been waiting on the roof to be completed at the clubhouse before installing the new equipment. Work will continue on the other buildings as the roofs are completed

2021 Avatar/FIGA Windstorm Claim

- Back in 2021 HBBC filed a wind claim for damage to the roofs on buildings D, E, J & K
- Our carrier at the time was Avatar Insurance and shortly after we opened the claim Avatar went insolvent
- Based on the recommendation of two roofing companies we replaced the roofs on the four buildings
- The claim eventually made its way to FIGA - Florida's Insurance Guaranty Fund and we recently heard back from the adjuster assigned to our claim
- According to the adjuster Avatar Insurance only owes HBBC for repairs to the roofs and not for replacement of the roofs. They made this determination based on a report of an inspection completed of the roofs by a third party prior to Avatar going out of business. This Avatar report has not been made available to HBBC until recently

- The adjuster indicated that since the repair costs for the roofs are less than the 3% windstorm deductible there will be no payout. The FIGA adjuster is offering a \$2,000 economic settlement in exchange for a full and final release
- The board is currently weighing options on the most appropriate path forward.

Owner Questions

- Several owners have reached out regarding invoices generated by ADU for mold remediation services that ADU sent to the individual unit owner H06 insurance carriers.
 - If a unit owner receives an ADU mold remediation invoice that is being bounced back from their own H06 carrier. Please contact the ADU billing department at toll free 888-998-2DRY and/or forward invoice to Ryanf@alldryusa.com for handling.
- All owners' emails received with questions for ADU – have been forwarded to ADU for handling

Respectfully Submitted,

Alex Fals, President

Treasurers Report – May 25, 2023

4/30/23 Financial Statements –

As of the end of April, there is \$578,132 of cash in the operating account. Included in this cash balance was \$316,027 of Hurricane Ian Unspent Assessment Proceeds, so excluding the unspent special assessment proceeds, HBBC ended April with \$262,105 of operating cash. In addition, note the following:

- There are \$49,596 of assessment accounts receivable due from owners
 - \$30,336 of that balance is unpaid second quarter assessments that were due April 1st.
 - \$19,179 is over 90 days due from 3 owners, mostly from unpaid special assessments. These have been turned over to collections.
- There are \$38,934 of owner prepaid assessments.
- There are \$19,329 of accounts payable (bills) due at the end of April.
- There is \$301,493 in capital reserves.

Page 3 of the financial statements is the Income Statement, showing there is a \$15,951 DEFICIT as of the end of April and this was \$56,552 less of a deficit than budgeted. The \$56,552 positive variance to budget includes \$16,371 of payroll savings from running a reduced ferry schedule, with the balance due to less than budgeted maintenance expenses that may or may not catch up during the year.

Year to date, there was \$11,650 of expenses paid out of the Hurricane Ian Assessment funds – This shows on the income statement as both a revenue line item and expense line item, so it nets to zero and doesn't contribute to the overall deficit. Again, the balance of unspent funds is \$316,027 and sits on the balance sheet until it is spent.

There was \$8,948 billed to Placida in April for the first quarter 2023 shared sewer plant expenses. In this amount was \$4,522 that will be deposited back to the operating fund account and \$4,426 of shared capital expenses that will be deposited back into the reserve fund account.

Year to date, there was \$148,755 of disbursements out of the capital reserve account, mainly for the ferry and Novak sewer repairs. There was \$5,971 paid out of the account in April for the WIFI repairs, this will be corrected in May – it will be taken from the Insurance Deductible proceeds and put back into the capital account. Year to date deposits into the account included \$76,500 of insurance funds for the ferry, \$4,427 of Placida reimbursements and \$76,211 of owner contributions. The balance at the end of April in the capital reserve fund was \$301,493.

2022 Audit Update – We are on schedule for the audit team at Webb Lorah to complete their 2022 audit work the first week of June. They should have a draft by the third week of June for the board to review.

HBBC's \$200,000 credit line with Continental Bank - This credit line is currently in place and is expiring on 5/27/23. The terms of the credit line are as follows –

- 24-month revolving credit line
- Interest rate is – Prime + .5% currently this would be 8.25% + .5% = 8.75%.
- Interest only payments are due monthly on the balance, with full principal due at maturity. Option to make principal payments monthly, but full amount due at maturity unless it is rolled into a renewal.
- Use is limited to emergency and maintenance repairs.

This credit line is intended for a short-term bridge on underbudgeted items or emergency repairs with the intent to levy a special assessment on owners to pay back the amount borrowed. HBBC is required to seek bank approval for borrowing on this line for each specific project or use. The bank would not approve borrowing on this line for things like the construction of a new amenity, the line is intended for short term "emergency" use.

The renewal fee will be approximately \$750 and will provide HBBC with another 24-month term. With this needing to be done ASAP, I have started the renewal process pending board final approval.

Respectfully,
Scott Almand

Management Report - May 31, 2023

- 25-year Engineering Study; - Need to be completed by end of 2024. Grande Property has sent the board 3 companies that have worked with some of our Associations. We recommend that you form a small committee to vet these companies and make a recommendation to the board.
- The Real estate appraisal was completed in March of 2023, and it should be scheduled for March of 2024. This would be an update and would cost approximately \$700.
- Annual Fire Sprinkler and Alarm Inspections should be scheduled once all repairs to the sprinkler system are complete. The inspection will take approximately 3 days and will take a month to get on the schedule.
- The 5-year sprinkler system inspection was completed in 2022 and will be due in 2027.
- Revised Service Animal Policy – was tabled at the July Board Meeting until further issues were resolved by the attorney. I have reached out to Mr. Sturgis and am waiting for a response. The question concerning the policy is whether service animals and emotional support animals are treated the same.

Respectfully Submitted

Barbara Vitolo, CAM

Grande Property Services.