

# **The Savoy on Palm Condominium Association, Inc.**

## **Board of Directors Meeting Minutes**

October 10, 2019

**Call to Order:** The Savoy on Palm Board of Directors Meeting was held October 10, 2019 on the Third Floor of The Savoy on Palm Condominium at 401 South Palm Ave, Sarasota, Florida 34236. The meeting was called to order by Peter Fanning at 3:00 p.m.

**Determination of a Quorum:** Board Members present were Peter Fanning, Richard Rivera, Bruce Blackmore, Jim Heskett, and Leon Ellin. It was confirmed that proper proof of notice of the meeting had been conveyed.

### **Approval of Minutes:**

1. **MOTION** – (Bruce Blackmore) to approve the minutes from the April 11, 2019 Board Meeting. Motion seconded by Jim Heskett. Motion passed unanimously.

**President's Report:** Peter Fanning updated the Board and owner's in attendance on the Association Insurance Renewals that took place in June. There was an increase in premiums of approximately \$10,000 for the year. There was also discussion on the flood insurance, and it was noted that the coverage provided through the National Flood Insurance Program is substantially less than the appraised replacement cost of the building. Excess flood insurance to meet the replacement cost was quoted at approximately \$50,000 per year in 2016.

Mr. Fanning asked Bill Veal to get an update quote for Excess Flood Insurance and bring it to the Annual Meeting to discuss with the owners.

Mr. Fanning also provided Census information to the owners in attendance and encouraged everyone to complete the Census online.

**Treasurer's Report:** Leon Ellin presented the attached report and proposed that the Repairs & Replacements account on the proposed 2020 Budget be increased by \$20,000 to cover unforeseen repair expenses that may not be covered by Replacement Reserves.

2. **MOTION** – (Leon Ellin) to increase the Repairs & Replacements account on the proposed 2020 Budget from \$35,000 per year to \$55,000 per year to cover unforeseen repair expenses that are not included in the Replacement Reserve Schedule. Motion seconded by Richard Rivera. Motion passed unanimously.

The Board discussed the proposed 2020 Budget as it was presented by Mr. Ellin.

3. **MOTION** – (Leon Ellin) to mail the 2020 Proposed Budget to the owners as submitted with the only change being to increase the Repairs & Replacements account by \$20,000. Motion seconded by Jim Heskett. Motion passed unanimously.

**Building Manager's Report:** Bill Veal presented the attached report.

4. **MOTION** – (Richard Rivera) to approve Bill Veal's recommendation and renew the Five Year Elevator Service Contract with Schindler Elevator. Motion seconded by Leon Ellin. After a brief discussion, the motion was approved unanimously.
5. **MOTION** – (Bruce Blackmore) to approve the expense of \$4,045 to replace the 3 inch domestic water backflow preventer. Motion seconded by Jim Heskett. After a brief discussion amongst the Board and the owners in attendance, the motion passed unanimously.

Mr. Fanning also directed Bill Veal to work with the Facilities Committee on the selection of paint colors on the planned 2020 Paint Project.

**Facilities Committee Report:** Leslie Rivera reported that the Guest Renovations are complete and the project came in under budget. Mrs. Rivera also requested that the Board consider approving and expenditure not to exceed \$3,500 to replace the pool furniture cushions now while the Facilities Committee continues looking at options for replacement furniture.

6. **MOTION** – (Jim Heskett) to approve an expenditure not to exceed \$3,500 to replace the pool furniture cushions. Motion seconded by Bruce Blackmore. After a brief discussion, the motion passed unanimously.

**Landscape Committee Report:** Dina LaReau presented the attached report.

**Civic Activity Report:**

Gerald Elden informed the Board and owners in attendance that he had been in contact with the city and requested that Palm Ave. from Ringling Blvd. be cleaned up, hedges trimmed, and the landscaping mulched.

Peter Fanning updated the Board and owners in attendance about several issues relating to transportation within the city and gave an update on the current homeless situation within the city.

**Old Business:** None at this time.

**New Business:** None at this time.

**Owner Comments:** None at this time.

**Adjournment:** There being no further business, the meeting was adjourned at 4:03 p.m.

Savoy on Palm Condo Association, Inc.

October 10, 2019 Board Meeting

Treasurer's Report

I received the financial statements through September yesterday and a copy is attached to this report.

Overall expenses are still running favorable, but close to, budget. Guest Suite renovations are complete, but not all charges are reflected in the September financial statements. We expect that the final cost will be very close to the budget, which means the expense line will be unfavorable in the 4<sup>th</sup> quarter, bringing the expense for the year up to budget.

Repairs and maintenance expenses cover some small and not so small physical repairs. This represents largely the cost of fixing things that are broken and is difficult to forecast with any accuracy. On a year-to-date basis we are running favorable to budget, but this could change in a moment.

This issue is exacerbated by our decision several years ago to provide reserve funds only for building components required by statute to be covered. This means that other repair and maintenance items need to be covered from operating funds.

I am proposing that, starting with 2020, we provide additional funding in the budget for coverage in this area. This would result in an increase in assessments for operations, with any overage collected in this manner routed to reduce assessments in future years. My suggestion would be to provide a \$20,000 fund for this purpose in 2020.

**The Savoy on Palm Condominium Association, Inc.**

**Interim Financial Statements and  
Supplementary Information**

**September 30, 2019**

# Jonathan Crick

ATTORNEY AT LAW & CERTIFIED PUBLIC ACCOUNTANT

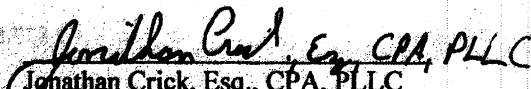
To the Board of Directors  
The Savoy on Palm Condominium Association, Inc.  
Sarasota, Florida

Management is responsible for the accompanying interim financial statements of The Savoy on Palm Condominium Association, Inc., (a corporation), which comprise the balance sheet as of September 30, 2019, and the related statement of revenues and expenses for the one month and nine months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the interim financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these interim financial statements.

The supplementary budget information is presented for purposes of additional analysis and is not a required part of the basic interim financial statements. Such information is the responsibility of management. The supplementary budget information was not subject to our compilation engagement. We have not audited or reviewed the supplementary budget information and do not express an opinion, a conclusion, nor provide any assurance on such budget information.

Management has elected to omit substantially all of the disclosures and statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statement of cash flows were included in the interim financial statements, they might influence the user's conclusions about the Company's financial position, results of operations and cash flows. Accordingly, the interim financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to The Savoy on Palm Condominium Association, Inc.

  
Jonathan Crick, Esq., CPA, PLLC  
Bradenton, Florida

10/9/19  
Report Date

The Savoy On Palm Condominium Association., Inc.

Balance Sheet

September 30, 2019

Assets

Current Assets

Iberia Bk-Oper Checking	\$	7,258.36
Iberia Bk-Payroll Checking		5,024.37
Iberia Bk-Oper MMA		16,748.12
Iberia Bk-Rsv MMA		300,640.91
Morgan Stanley Invest-Rsv		245,230.11
Income Tax Receivable		1,372.00
Prepaid Expenses		50,887.89
Prepaid Income Tax		49.97

Total Current Assets \$ 627,211.73

Fixed Assets

Furnishings & Equipment	46,236.24
Accumulated Depreciation	<u>(35,132.00)</u>

Total Fixed Assets 11,104.24

Other Assets

Total Other Assets 0.00

Total Assets \$ 638,315.97

Liabilities and Members' Equity

Current Liabilities

Accounts Payable	\$	5,950.00
Accrued Wages		2,998.94
Sales & Tourist Tax Payable		126.00
Payroll Tax Payable		228.08
Prepaid Assessments-Oper		32,288.69
Prepaid Assessments-Rsvs		8,245.97

Total Current Liabilities 49,837.68

Long-Term Liabilities

Total Long-Term Liabilities 0.00

Total Liabilities 49,837.68

Members' Equity

Undesignated Equity	(\$577,977.12)
Transferred from Designated Equity	<u>628,830.29</u>
Current Balance	<u>50,853.17</u>

Designated for Replacement Reserve Equity	1,166,455.41
Transferred to Undesignated Equity	<u>(628,830.29)</u>
Current Balance	<u>537,625.12</u>

Total Members' Equity 588,478.29

Total Liabilities & Members' Equity \$ 638,315.97

**The Savoy On Palm Condo Assoc., Inc.**  
**Statement of Revenues and Expenses**  
**For the One Month and Nine Months Ended September 30, 2019**

	Current Month Actual	Current Month Budget	Over (Under) Variance	Year to Date Actual	Year to Date Budget	Over (Under) Variance
<b>Operating Revenues</b>						
Maintenance Fees	\$ 41,043.00	\$ 41,043.00	0.00	\$ 369,387.00	\$ 369,387.00	0.00
Guest Suite Income	450.00	666.67	(216.67)	6,600.00	5,999.99	600.01
Interest Income	1.17	12.50	(11.33)	116.70	112.50	4.20
Other Income	0.00	8.33	(8.33)	23.41	74.99	(51.58)
<b>Total Operating Revenues</b>	<u>41,494.17</u>	<u>41,730.50</u>	<u>(236.33)</u>	<u>376,127.11</u>	<u>375,574.48</u>	<u>552.63</u>
<b>Administrative Expense</b>						
Audit & Tax Preparation	0.00	160.83	(160.83)	1,470.00	1,447.50	22.50
Fees, Dues, and Licenses	0.00	91.67	(91.67)	1,050.68	825.00	225.68
Insurance-W/C	423.00	533.33	(110.33)	4,049.00	4,800.01	(751.01)
Legal Fees	0.00	208.33	(208.33)	125.00	1,874.99	(1,749.99)
Management Fees	750.00	950.00	(200.00)	8,883.00	8,550.00	333.00
Office Supplies, Postage	265.51	133.34	132.17	1,271.41	1,200.00	71.41
Payroll Taxes	812.95	962.50	(149.55)	7,685.67	8,662.50	(976.83)
Professional Fees	0.00	41.67	(41.67)	0.00	375.01	(375.01)
Social Committee Expense	0.00	83.33	(83.33)	1,052.72	749.99	302.73
Salaries & Wages	10,534.33	10,966.67	(432.34)	97,726.75	98,700.01	(973.26)
Taxes-Income	16.67	116.67	(100.00)	150.03	1,050.01	(899.98)
<b>Total Administrative Expe</b>	<u>12,802.46</u>	<u>14,248.34</u>	<u>(1,445.88)</u>	<u>123,464.26</u>	<u>128,235.02</u>	<u>(4,770.76)</u>
<b>Building &amp; Grounds Expense</b>						
Depreciation Expense	400.00	0.00	400.00	3,600.00	0.00	3,600.00
Elevator Contract	2,111.00	2,116.67	(5.67)	18,931.00	19,049.99	(118.99)
Equipment Contracts	1,000.00	750.00	250.00	3,957.52	6,750.00	(2,792.48)
Fire Alarm	32.00	150.00	(118.00)	1,992.51	1,350.00	642.51
Generator Fuel	0.00	83.33	(83.33)	0.00	749.99	(749.99)
Guest Suite Expense	0.00	41.67	(41.67)	0.00	375.01	(375.01)
Guest Suite Renovations	11,444.39	2,500.00	8,944.39	29,128.89	22,500.00	6,628.89
Landscape Contract	1,015.00	1,015.00	0.00	9,135.00	9,135.00	0.00
Landscaping	0.00	708.33	(708.33)	7,510.17	6,374.99	1,135.18
Pest Control	244.00	250.00	(6.00)	2,196.00	2,250.00	(54.00)
Pool/Spa/Fountain Contrac	750.00	625.00	125.00	6,750.00	5,625.00	1,125.00
Repairs & Replacements	1,992.40	2,916.66	(924.26)	13,208.64	26,250.00	(13,041.36)
Repair & Maint-Elevator	0.00	58.33	(58.33)	600.00	524.99	75.01
Repair & Maint-Int Plants	0.00	20.83	(20.83)	162.64	187.51	(24.87)
Repair & Maint-Pool/Spa/	44.94	166.67	(121.73)	1,110.08	1,500.01	(389.93)
Repair & Maint-Fire Alarm	0.00	250.00	(250.00)	1,083.79	2,250.00	(1,166.21)
Repair & Maint-Landscape	0.00	291.67	(291.67)	3,140.83	2,625.01	515.82
Repair & Maint-Stormwate	0.00	12.50	(12.50)	135.00	112.50	22.50
Repair & Maint-Window C	0.00	350.00	(350.00)	3,088.00	3,150.00	(62.00)
Supplies-Cleaning	82.65	133.33	(50.68)	847.60	1,200.01	(352.41)
Supplies-Maintenance	172.48	416.67	(244.19)	2,182.90	3,749.99	(1,567.09)
Miscellaneous Expense	0.00	416.67	(416.67)	150.17	3,749.99	(3,599.82)
<b>Total Bldg/Grounds Exp</b>	<u>19,288.86</u>	<u>13,273.33</u>	<u>6,015.53</u>	<u>108,910.74</u>	<u>119,459.99</u>	<u>(10,549.25)</u>

**The Savoy On Palm Condo Assoc., Inc.**  
**Statement of Revenues and Expenses**  
**For the One Month and Nine Months Ended September 30, 2019**

	Current Month Actual	Current Month Budget	Over (Under) Variance	Year to Date Actual	Year to Date Budget	Over (Under) Variance
<b>Insurance Expense</b>						
Insurance	5,776.00	5,270.84	505.16	46,950.00	47,437.50	(487.50)
<b>Total Insurance Expense</b>	<u>5,776.00</u>	<u>5,270.84</u>	<u>505.16</u>	<u>46,950.00</u>	<u>47,437.50</u>	<u>(487.50)</u>
<b>Utilities</b>						
Telephone	839.36	808.33	31.03	7,408.76	7,274.99	133.77
Utilities-Cable TV	1,418.49	1,375.00	43.49	12,765.66	12,375.00	390.66
Utilities-Electric	3,003.49	2,750.00	253.49	23,992.72	24,750.00	(757.28)
Utilities-Gas	55.14	708.33	(653.19)	4,485.72	6,375.01	(1,889.29)
Utilities-Water/Sewer	2,861.85	3,250.00	(388.15)	25,484.16	29,250.00	(3,765.84)
Utilities-Trash/Recycle	40.06	38.34	1.72	343.38	345.00	(1.62)
<b>Total Utilities</b>	<u>8,218.39</u>	<u>8,930.00</u>	<u>(711.61)</u>	<u>74,480.40</u>	<u>80,370.00</u>	<u>(5,889.60)</u>
<b>Total Operating Expenses</b>	<u>46,085.71</u>	<u>41,722.51</u>	<u>4,363.20</u>	<u>353,805.40</u>	<u>375,502.51</u>	<u>(21,697.11)</u>
<b>Excess of Operating Revenues Over Expenses</b>	<u>(4,591.54)</u>	<u>7.99</u>	<u>(4,599.53)</u>	<u>22,321.71</u>	<u>71.97</u>	<u>22,249.74</u>

See Accountants' Compilation Report



The Savoy On Palm Condo Assoc., Inc.  
Statement of Revenues and Expenses  
For the One Month and Nine Months Ended September 30, 2019

	Current Month Actual	Current Month Budget	Over (Under) Variance	Year to Date Actual	Year to Date Budget	Over (Under) Variance
<b>Replacement Rsv Revenues</b>						
Maintenance Fees	13,620.21	13,620.21	0.00	122,581.86	122,581.86	0.00
Interest & Dividends	589.24	0.00	589.24	5,246.71	0.00	5,246.71
<b>Total Repl Rsv Revenues</b>	<u>14,209.45</u>	<u>13,620.21</u>	<u>589.24</u>	<u>127,828.57</u>	<u>122,581.86</u>	<u>5,246.71</u>
<b>Replacement Rsv Expenses</b>						
<b>Total Repl Rsv Expenses</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Excess of Replacement Reserves Revenues Over Expenses</b>	<u>14,209.45</u>	<u>13,620.21</u>	<u>589.24</u>	<u>127,828.57</u>	<u>122,581.86</u>	<u>5,246.71</u>
<b>Extraordinary Expense</b>						
<b>Total Extraordinary Exps</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Total Revenues in Excess of Expenses</b>	<u>\$ 9,617.91</u>	<u>\$ 13,628.20</u>	<u>(4,010.29)</u>	<u>\$ 150,150.28</u>	<u>\$ 122,653.83</u>	<u>27,496.45</u>

See Accountants' Compilation Report

**Savoy on Palm**  
**2020 "Proposed" Operating Budget**  
**January 1, 2020 through December 31, 2020**

**Income**

	2019 Actual	2020 Budget	2020 Actual	2020 Budget	2020 Actual	2020 Budget	2020 Actual
40100 Maintenance Fees	\$456,346.00	456,346	\$328,344.00	\$ 492,516	\$ 492,516	475,080	
80100 Reserve Replenishment	\$30,000.00	30,000	\$20,000.00	\$ 30,000	\$ 30,000	30,000	
40800 Guest Suite Fees	\$8,000.00	8,500	\$6,150.00	\$ 8,000	\$ 8,000	8,000	
48000 Interest Income	\$122.73	400	\$115.53	\$ 150	\$ 150	150	
49100 Other Income	\$25.51	100	\$23.41	\$ 50	\$ 100	100	
Reserve Income	\$130,737.00	130,737	\$113,819.12	\$ 164,100	\$ 164,100	167,533	
<b>Total Income</b>	<b>\$625,231.24</b>	<b>626,083</b>	<b>\$468,252.06</b>	<b>\$ 694,816</b>	<b>\$ 694,866</b>	<b>680,863</b>	

**Expense**

	2019 Actual	2020 Budget	2020 Actual	2020 Budget	2020 Actual	2020 Budget	2020 Actual
60500 Audit and Tax Prep	\$525.00	550	\$1,470.00	\$ 1,470	\$ 1,930	550	
81500 Fees to Division	\$96.00	96	\$0.00	\$ 96	\$ 96	96	
83500 Fees Due & Licenses	\$1,050.68	1,100	\$1,050.68	\$ 1,050	\$ 1,100	1,100	
84700 Worker's Comp Insurance	\$5,525.00	6,700	\$3,626.00	\$ 5,491	\$ 6,400	5,900	
86000 Legal Fees	\$4,468.97	2,500	\$125.00	\$ 125	\$ 2,500	2,000	
87000 Management Fees	\$11,095.00	11,200	\$8,133.00	\$ 12,000	\$ 11,400	11,500	
87500 Office Supplies, Postage and Printing	\$1,390.65	1,800	\$1,005.90	\$ 1,600	\$ 1,600	1,600	
87800 Payroll Taxes	\$10,465.75	11,550	\$6,872.72	\$ 10,400	\$ 11,550	12,160	
88800 Professional Fees	\$600.00	500	\$0.00	\$ -	\$ 500	0	
Reserve Study Update	\$600.00	1,000	\$0.00	\$ -	\$ -	625	
Guest Suite Renovation 2019	\$0.00	0	\$17,684.50	\$ 29,063	\$ 30,000	0	
73700 Social Committee Expense	\$0.00	1,000	\$1,052.72	\$ 1,053	\$ 1,000	1,000	
74500 Taxes- Income	\$128.00	1,400	\$133.36	\$ 200	\$ 1,400	200	
73500 Salaries & Wages	\$117,181.66	128,000	\$87,192.42	\$ 131,000	\$ 131,600	136,300	
82000 Depreciation Expense	\$5,102.00	0	\$3,200.00	\$ 4,800	\$ -	0	
82500 Elevator Service Contract	\$24,467.00	24,750	\$16,820.00	\$ 25,230	\$ 25,400	23,952	
83000 Eqmnt Service Contracts	\$14,026.94	12,800	\$2,957.52	\$ 8,000	\$ 9,000	8,200	
84000 Fire Alarm Test, Monitor	\$384.00	1,700	\$1,960.51	\$ 2,000	\$ 1,800	2,100	
84200 Generator Fuel	\$1,085.25	1,000	\$0.00	\$ -	\$ 1,000	1,000	
84300 Guest Suite Expenses	\$232.03	500	\$0.00	\$ -	\$ 500	501	
85000 Landscape Maintenance Contract	\$11,820.00	11,900	\$8,120.00	\$ 12,180	\$ 12,180	12,550	
85500 Landscape New Plants	\$7,112.69	6,700	\$7,510.17	\$ 11,912	\$ 8,500	8,500	
86000 Pest Control	\$2,928.00	3,000	\$1,952.00	\$ 2,928	\$ 3,000	3,000	
88500 Pool/Spa/Fountain Contract	\$8,890.00	7,200	\$6,000.00	\$ 9,000	\$ 7,500	9,000	
89000 Repairs & Replacements	\$38,294.66	30,000	\$11,216.24	\$ 35,000	\$ 35,000	35,000	
89500 Repair & Maintenance- Elevator	\$14,854.00	700	\$600.00	\$ 600	\$ 700	700	
70000 Repairs & Maintenance- Interior Plants	\$194.20	500	\$162.64	\$ 250	\$ 250	250	
70200 Repair & Maintenance- Pool/Spa/Fountain	\$897.03	2,000	\$1,065.14	\$ 1,600	\$ 2,000	2,000	
70300 Repairs & Maintenance Fire Alarm	\$2,967.84	1,000	\$1,083.79	\$ 2,500	\$ 3,000	3,000	
70500 Repair & Maintenance- Landscape Other	\$3,404.50	2,500	\$3,140.83	\$ 4,000	\$ 3,500	4,000	
71500 Repair & Maintenance- Stormwater	\$135.00	200	\$135.00	\$ 135	\$ 150	140	
72000 Repair & Maintenance- Window Cleaning	\$4,144.00	4,200	\$3,088.00	\$ 3,800	\$ 4,200	4,200	
74000 Supplies- Cleaning	\$1,346.69	1,500	\$764.95	\$ 1,400	\$ 1,600	1,600	
74200 Supplies- Maintenance	\$3,393.09	5,000	\$2,010.42	\$ 4,500	\$ 5,000	5,000	
87600 Miscellaneous Expense	\$3,680.00	5,000	\$150.17	\$ 150	\$ 5,000	5,000	
64500 Insurance	\$60,723.00	65,750	\$41,174.00	\$ 69,400	\$ 63,250	76,306	
75000 Telephone	\$9,616.06	9,600	\$6,569.40	\$ 9,830	\$ 9,700	10,000	
77000 Utilities- Cable TV	\$16,329.66	16,000	\$11,347.17	\$ 17,020	\$ 16,500	17,700	
77500 Utilities- Electric	\$31,157.63	34,000	\$20,989.23	\$ 31,500	\$ 33,000	32,000	
78000 Utilities- Gas	\$5,394.60	11,000	\$4,430.58	\$ 6,800	\$ 8,500	7,100	
79000 Utilities- Water/Sewer	\$34,659.65	39,000	\$22,822.31	\$ 34,500	\$ 39,000	37,000	
79500 Utilities- Trash/Recycle	\$438.81	450	\$303.32	\$ 484	\$ 460	500	
<b>OPERATING EXPENSES</b>	<b>\$460,414.94</b>	<b>465,348</b>	<b>\$307,719.69</b>	<b>\$ 493,046</b>	<b>\$ 500,766</b>	<b>483,330</b>	
<b>Reserves</b>							
Amount Funded to Reserves	\$160,737.00	160,737	\$133,619.12	\$ 194,100	\$ 194,100	197,533	
<b>Total Expense</b>	<b>\$621,151.94</b>	<b>626,083</b>	<b>\$441,338.81</b>	<b>\$ 687,146</b>	<b>\$ 694,866</b>	<b>680,863</b>	
<b>Projected Y/E Income / (loss)</b>	<b>\$4,079.30</b>	<b>0</b>	<b>\$26,913.25</b>	<b>\$ 7,670</b>	<b>\$ -</b>	<b>0</b>	

<b>Operating Budget Year 2020</b>				
Operating Budget Income from Maintenance Fees				\$475,080.00
Reserve Replenishment 2017 Cable Project				\$30,000.00
Total				\$505,080.00
<u>Unit Type</u>	<u>Unit Number</u>	<u>Per Unit %</u>	<u>Per Unit Annual Fee</u>	<u>Qtrly Fee</u>
A	401, 701, 1001	3.857%	\$19,480.94	\$4,870.23
A1	301, 501, 601, 801, 901	3.897%	\$19,682.97	\$4,920.74
B	402, 502, 602, 702, 802, 902, 1002	4.423%	\$22,339.69	\$5,584.92
C	403, 503, 603, 703, 803, 903, 1003	3.655%	\$18,460.67	\$4,615.17
PHA	1101	7.012%	\$35,416.21	\$8,854.05
PHB	1102	5.386%	\$27,203.61	\$6,800.90
Confirmation Formula		Number of units per type times annual fee		
a	3	\$58,442.81		
a1	5	\$98,414.84		
b	7	\$156,377.82		
c	7	\$129,224.72		
pha	1	\$35,416.21		
phb	1	\$27,203.61		
	24	\$505,080.00		
<b>Operating &amp; Reserve Budget - 2020</b>				
Total Operating and Reserve Budget for the Association				\$672,613.00
2018 Budget Surplus Applied to Reserves				\$4,079.30
				\$668,533.70
<u>Unit Type</u>	<u>Unit Number</u>	<u>Per Unit %</u>	<u>Per Unit Annual Fee</u>	<u>Qtrly Fee</u>
A	401, 701, 1001	3.857%	\$25,785.34	\$6,446.34
A1	301, 501, 601, 801, 901	3.897%	\$26,052.76	\$6,513.19
B	402, 502, 602, 702, 802, 902, 1002	4.423%	\$29,569.25	\$7,392.31
C	403, 503, 603, 703, 803, 903, 1003	3.655%	\$24,434.91	\$6,108.73
PHA	1101	7.012%	\$46,877.58	\$11,719.40
PHB	1102	5.386%	\$36,007.23	\$9,001.81
Confirmation Formula		Number of units per type times annual fee		
a	3	\$77,356.03		
a1	5	\$130,263.79		
b	7	\$206,984.72		
c	7	\$171,044.35		
pha	1	\$46,877.58		
phb	1	\$36,007.23		
	24	\$668,533.70		
<b>2020 Reserve Contribution per Schedule:</b>			\$167,533.00	
\$30,000 Per Year for 2017 Cable Project Reserve Replenishment			\$30,000.00	
<b>TOTAL 2020 RESERVE CONTRIBUTION</b>			<b>\$197,533.00</b>	
Subtract 2018 budget surplus to be applied to 2020 reserve budget			\$4,079.30	
<b>Total Reserve Contribution from Assessments</b>			<b>\$193,453.70</b>	

A/C	Description	Explanation - with amount of increase or decrease
60500	Audit and Tax Prep	Budgeted for tax prep only (audit requirement must be waived at annual meeting)
61500	Fees to Division	Same
63500	Fees Due & Licenses	Same
64700	Worker's Comp Insurance	Decreased slightly based on projected year end for 2019
66000	Legal Fees	Slight decrease (nothing anticipated)
67000	Management Fees	Slight increase based on history (waiting on reply from Jeff, may change slightly)
67500	Office Supplies, Postage and Printing	Same
67800	Payroll Taxes	Slight increase (based on salaries & wages)
68800	Professional Fees	None anticipated
	Guest Suite Renovations	None anticipated
73700	Social Committee Expense	Same
74500	Taxes- Income	Decreased based on history
73500	Salaries & Wages	3.5% increase based on this year
62500	Elevator Service Contract	Decrease based on signing new contract with Schindler
63000	Eqpmt Service Contracts	Slight decrease
64000	Fire Alarm Test, Monitor	Slight increase
64200	Generator Fuel	Same
64300	Guest Suite Expenses	Same
65000	Landscape Maintenance Contract	3% increase for 2020
65500	Landscape New Plants	Same
68000	Pest Control	Same
68500	Pool/Spa/Fountain Contract	Same (increased in 2019)
69000	Repairs & Replacements	Same
69500	Repair & Maintenance- Elevator	Same
70000	Repairs & Maintenance- Interior Plants	Same
70200	Repair & Maintenance- Pool/Spa/Fountain	Same
70300	Repairs & Maintenance Fire Alarm	Same
70500	Repair & Maintenance- Landscape Other	Slight increase
71500	Repair & Maintenance- Stormwater	Same
72000	Repair & Maintenance- Window Cleaning	Same
74000	Supplies- Cleaning	Same
74200	Supplies- Maintenance	Same
67600	Miscellaneous Expense	Same
64500	Insurance	10% increase per Mike Angers. This is more than typical, based on 2019 increase
75000	Telephone	Slight increase based on history
77000	Utilities- Cable TV	Slight increase based on history
77500	Utilities- Electric	Slight decrease based on history and usage
78000	Utilities- Gas	Slight decrease based on history and usage
79000	Utilities- Water/Sewer	Slight decrease based on history and usage
79500	Utilities- Trash/Recycle	Slight increase based on history

**The Savoy on Palm Condominium Association, Inc.**  
**Building Manager's Report**  
**10/10/2019**

**Insurance** – Most of the policies renewed at the end of June (except flood and WC). Premiums increased about \$10,000 with most of this increase occurring on the property coverage (\$8,450). The other policy premiums either stayed the same or had very small increases. (2018 premiums \$50,245 – 2019 renewal premiums \$60,483)

**Flood Insurance** – The full replacement cost of the property based on our most recent appraisal is \$29.6 Million. We have the maximum amount of flood insurance available through the NFIP at \$6 Million. To insure the full replacement cost against flood damage it would cost approximately an additional \$50,000 per year based on our 2016 quote for Excess Flood Coverage.

**Annual Elevator Test & Inspection** – completed in July and no deficiencies were found on any of the four elevators.

**Elevator Service Contract** – Proposals were requested from four elevator service companies (Schindler, Thyssen Krupp, Kone, & Otis). I sent the proposals along with the bid comparison to Mr. Ellin to review and discuss. Please see the attached bid comparison between the 4 companies.

My recommendation is to renew the 5 year agreement with Schindler based on the price offered and the history that we have with Schindler. They have also offered a price that is only slightly more than when this original agreement was entered back in 2009 (\$276 more per year in 2019 than 2009).

**Generator Repair** – In July we had an issue with the control board on the emergency generator. The control board was replaced. (\$995)

**Backflow Preventer Annual Test** – This was completed in September. The 8" fire line backflow passed the testing with no issues, but the domestic water backflow did not. The cost to repair the backflow is almost as much as a full replacement. Due to the age of the device (dated 2005) and the cost of the repair (parts & labor) it was recommended that we replace instead of attempting a repair. After consulting with the Board, it was agreed that we should go ahead and replace the failed backflow preventer. McDonough Plumbing is currently working on getting a permit from the city. Once this is done, we will schedule the repair. The water for the entire building will need to be shut off for

about 4 to 6 hours in order to complete the repair. (Repair \$3,000 vs. Replacement \$4,000).

**Annual Fire Sprinkler Test & Inspection** – completed in August. We had about 20 sprinkler heads that were written up on the report and need to be replaced. All of them were due to slight paint overspray on the heads. Piper has offered a very reasonable price (about \$50 per head) on the replacement of the heads if they can all be done at one visit. I have been in contact with the affected unit owners, and they have all agreed to reimburse the Association for the repairs and I am in the process of coordinating the repairs with Piper.

We also have one main riser valve that needs replacement. This is a 6" shut off valve at the base of the main riser. The cost of this replacement is \$1,045 and I have authorized Piper to proceed with the repair.

**Library Tables** – The four end tables and the two coffee tables have been repaired and refinished. This was approved at the October 2018 Board meeting to be completed over the summer of 2019 (\$3,530).

**Pressure Washing** – I have the pressure washing company scheduled to come in at the end of the month to clean both garages, the front entry drive area, and the pool area.

**Pool Heater** – the pool heater had to be replaced. This was completed in September. This was another situation where the cost to repair was almost as much as the cost of a new heater. (Repair \$2,600 Replace \$3,000).

**2020 Paint Project** – I am currently working on getting painting proposals in and hope to have something back to the Board by the next Board Meeting as I would like to start the project by late spring or early summer before the rainy season gets here.

Respectfully Submitted,

Bill Veal

## **The Savoy on Palm Elevator Service Contract Bid Comparison**

Our current Elevator Service contract is with Schindler at a price of \$6,332 per quarter or \$25,328 per year. Our current plan includes 24 hour service calls.

### **Schindler – 2 options**

- 24 hour service calls (current plan)
  - o 5 year contract with annual increase capped at 4% per year per original addendum
  - o \$23,952 per year (\$5,988 per quarter)
  - o Price of this same plan in 2009 was \$23,676 per year (\$5,919 per quarter)
- Normal business hours service calls (after hours calls at overtime rate)
  - o \$21,600 per year (\$5,400 per quarter)

### **Thyssen Krupp – 3 options**

- 24 hour service calls (same as current plan)
  - o \$24,000 per year if paid in one payment in advance
  - o \$24,720 per year if paid quarterly (\$6,180 per quarter)
  - o No cap on annual increases
- Normal Business hours service calls (after hours calls billed at overtime rate)
  - o \$19,200 per year
- Overtime Split between Thyssen and Savoy (Overtime rate is 1.7 times normal rate)
  - o Thyssen would pay the 1 and Savoy would pay the .7 of the hourly rate for the service call.
  - o \$21,600 per year

**Kone** – I asked Kone to provide two options, but only receive one proposal. He did give me a monthly price for the 24 hour service of \$2,800 per month. Considering it was quite a bit more than our existing agreement with Schindler, I didn't ask for the full proposal again.

- 24 hour service calls (same as current plan)
  - o \$33,600 per year
- Normal Business service calls (after hours calls billed at overtime rate)
  - o \$24,000 per year if paid in one payment in advance
  - o \$25,440 per year if paid quarterly (\$6,360 per quarter)

**Otis** – Declined to bid, our equipment is not on their companies approved list for service agreements. They also advised to be very careful with whom we choose as the equipment is proprietary and not all companies have the needed software capable to do some of the required maintenance and programming.

# SAVOY BOARD MEETING OCTOBER 10, 2019

## LANDSCAPING REPORT

- Toured the grounds with the current Grant property manager, Brian Post, on October 9, 2019, to plan fall plantings. Impatiens will be planted in front and behind the fountain and in front of the bushes to the left of the south garage door. The mandevilla will remain in the fountain planters. They will be replaced if needed later in the season. Replacement liriopie plants will fill in some holes and compromised plants around the drive circle. The green island ficus bed will be better defined and some additional plants will fill in some holes in the bed. The gold mound duranta in front of the fountain on the north side is ailing and will be replaced with dombeya Seminole van.
- There is a dead live oak tree in the “dog run” area surrounded by 3 floodlights. Tree should be removed and a decision made as to whether to replace the tree in the light circle or come up with a plan B.
- All plants on the orchid shelves on fence in back of the building are dead. I recommend removing the dead plants.
- Red dragon begonias will be planted in grill pots in pool area.
- Caladium bulbs in spa area will be transplanted to the north side of the building in the dog run area. Impatiens will be planted in that space.
- Removal of crossandra along pool wall; replace with purple lavender.
- 5 mammy crotons will replace dead plants and fill in holes along garage wall in pool area.
- 10 iceton crotons will be planted in each guest suite terrace planters.
- Coco plums will be planted in the leak repair area of the third floor planters in rear of building.
- Fertilization and mulching will be done in needed areas.
- Brian recommended waiting 2 to 3 weeks before planting, as the temperatures are still very warm. That puts us somewhere between Oct. 23 – Oct. 30.

Many of the plantings have either reached their shelf life or are nearing them. Brian and I discussed the need for a “5 year plan” to avoid the Association’s having to face a large number of replacements at one time. I recommend the Association move forward with that plan.

Submitted by Dina LaReau  
Landscaping Subcommittee  
October 10, 2019