

The Savoy on Palm Condominium Association, Inc.
Board of Directors Meeting Minutes

February 13, 2020

Call to Order: The Savoy on Palm Board of Directors Meeting was held February 13, 2020 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 Richard Rivera at 3:00 p.m.

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

Approval of Minutes:

1. **MOTION** – (Jim Heskett) to approve the minutes from the November 14, 2019 Board Meeting and the November 14, 2019 Organizational Meeting. Motion seconded by Bruce Blackmore. Motion passed unanimously.

President's Report: Richard Rivera introduced and welcomed our new owners Bill and Jo Haraf who were in attendance and John and Rita Hummel who were not in attendance. Mr. Rivera also welcomed John Metz to the Board. Mr. Rivera also said "that one of the things that has marked our Association from day one is active engagement and participation of the owners and that leads me to talk about our somewhat depleted committee member ranks as we have had some folks leave, so if you would like to participate in the Facilities Committee, Landscaping Committee, or the Social Committee, please feel free to let Bill or me know and we will welcome your participation. I think it is good for a lot of reasons, conceivably Bill could run the whole show, but I think it is better if we have our owners engaged as this has worked very well in the past, and I encourage you to participate".

Treasurer's Report: Leon Ellin presented the attached report.

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

2. **MOTION** – (Leon Ellin) to approve an expenditure not to exceed \$1,000 to have GPRS (Ground Penetrating Radar) locate and mark any post tension cables or obstructions in the concrete slab of the main electrical rooms on all floors for future addition of electrical conduits for any owner that may wish to have additional electric supplied to their individual garage for the purpose of electric car charging. After discussion amongst the Board, the motion passed unanimously.

Jim Heskett asked Bill Veal for a status update on the backflow preventer that was replaced in November. Bill Veal stated that the contractor is still trying to locate a replacement flange for the one that had broken during installation and that he would follow up with the Contractor. Leon Ellin suggested following up on if a replacement flange could be made and if so, get a quote to compare to replacing the line. Bill Veal will follow up with the contractor.

Facilities Committee Report: Leslie Rivera reported the committee is currently looking into options for the replacement of the elliptical machine in the fitness center and options for the replacement of the window treatments in the fitness center. She also asked for volunteers to join the Facilities Committee.

Old Business: None at this time.

New Business:

- **Paint Project Proposals**
 - o Bill Veal presented the paint project specification, proposals and a summary and recommendation to the Board.

- 3. **MOTION** – (Leon Ellin) to award the 2020 paint contract to Artistry Painting and approve a Reserve Expenditure not to exceed \$178,731 to complete the 2020 Painting Project. After discussion amongst the Board and Owners in attendance, the motion passed unanimously.

Owner Comments:

- Ron Shapo asked how the past expenditures mentioned and the paint project will tie into the budget and will the budget be able to take care of those expenses. Leon Ellin explained that the repairs and replacements budget was increased by \$20,000 for 2020 and the reserve fund is adequately funded so long as the reserve items somewhat follow our reserve schedule. Mr. Ellin also explained that in general the philosophy has always been to heavily cover ourselves and not have to do any special assessments.

- Lynda Doery asked if we are making any money on the guest suite rental. Leon Ellin explained that yes we do make money on the guest suite but when you factor in the expense of re-decorating and some of the other items completed it may be more of a break even. He also reminded everyone that the guest suite is an amenity for the convenience of the owners.

- Lynda Doery also asked if other condominiums charge a rental fee for their guest suites. She received several replies and the consensus was that it seems that most other communities charge a fee for the use of their guest suites as well.

- Jim Heskett said that in looking at the 2019 financial statement it appears that we will be carrying forward a surplus into 2020. Mr. Ellin explained that the 2019 surplus will be applied to the 2021 budget due to the timing of the Annual Meeting.

- Bruce Blackmore asked about the drainage area along the sidewalk just to the north of the property and who is responsible for this area. Bill Veal stated that the work was completed by The Church of the Redeemer and that it is on their property.

- John Metz stated that he has been an owner for a long time and it is only his first year on the Board and that the Association has always been financially strong as an organization because of the people on the Board who really do a good job of looking ahead and anticipating problems beforehand and that he feels really good and confident about that.

Adjournment: There being no further business, the meeting was adjourned at 3:45 p.m.

Treasurer's Report

The Savoy on Palm Condominium Association, Inc.

February 13, 2020

Preliminary results for the year 2019 are now available and are attached to this report. Also attached is a comparison of the 2019 numbers, adjusted for some pending corrections, to 2018, the 2019 estimate on which the budget for 2020 was based and the budget for 2020.

In general, everything finished quite close to the original estimate (which was done in the August/September time frame). In total, we finished favorable to that estimate and we expect final numbers to be about \$10 to \$15k positive, or about \$20k positive.

There are no other events of significance to report.

Leon Ellin

Treasurer

Savoy on Palm
2019 Preliminary Actual vs. 2019 Projected for 2020 Budget
Compared to 2018 Actual and 2020 Budget

Income

| A/C# | Description | Year End 2018 | Projected Y/E 2019 | Actual Y/E 2019 | Difference Fav/Unf | Budget 2020 |
|-------|-----------------------|---------------------|--------------------|-------------------|--------------------|----------------|
| 40100 | Maintenance Fees | \$456,346 | \$ 492,516 | \$ 492,516 | 0 | 495,080 |
| 80100 | Reserve Replenishment | 30,000 | 30,000 | 30,000 | 0 | 30,000 |
| 40800 | Guest Suite Fees | 8,000 | 8,000 | 8,250 | 250 | 8,000 |
| 48000 | Interest Income | 123 | 150 | 140 | (10) | 150 |
| 49100 | Other Income | 26 | 50 | 227 | 177 | 100 |
| | Reserve Income | \$130,737 | \$ 164,100 | \$ 170,620 | 6,520 | 167,533 |
| | | | | | | |
| | Total Income | \$625,231.24 | \$ 694,816 | \$ 701,752 | 6,936 | 700,863 |

Expense

| A/C# | Description | Year End 2018 | Projected Y/E 2019 | Actual Y/E 2019 | Difference Fav/Unf | Budget 2020 |
|-----------------|---|------------------|--------------------|------------------|--------------------|----------------|
| 60500 | Audit and Tax Prep | \$525 | \$ 1,470 | \$ 1,470 | 0 | 550 |
| 61500 | Fees to Division | 96 | 96 | 96 | 0 | 96 |
| 63500 | Fees Due & Licenses | 1,051 | 1,050 | 1,051 | (1) | 1,100 |
| 64700 | Worker's Comp Insurance | 5,525 | 5,491 | 5,132 | 359 | 5,900 |
| 66000 | Legal Fees | 4,469 | 125 | 125 | 0 | 2,000 |
| 67000 | Management Fees | 11,095 | 12,000 | 12,062 | (62) | 11,500 |
| 67500 | Office Supplies, Postage and Printing | 1,391 | 1,600 | 1,770 | (170) | 1,600 |
| 67800 | Payroll Taxes | 10,466 | 10,400 | 10,242 | 158 | 12,160 |
| 68800 | Professional Fees | 600 | - | - | 0 | 0 |
| | Reserve Study Update | 600 | - | - | 0 | 625 |
| | Guest Suite Renovation 2019 | - | 29,063 | 29,825 | (762) | 0 |
| 73700 | Social Committee Expense | - | 1,053 | 1,053 | 0 | 1,000 |
| 74500 | Taxes- Income | 128 | 200 | 200 | 0 | 200 |
| 73500 | Salaries & Wages | 117,182 | 131,000 | 130,787 | 213 | 136,300 |
| 62000 | Depreciation Expense | 5,102 | 4,800 | 4,754 | 46 | 0 |
| 62500 | Elevator Service Contract | 24,467 | 25,230 | 25,230 | 0 | 23,952 |
| 63000 | Eqpmt Service Contracts | 14,027 | 8,000 | 6,108 | 1,892 | 8,200 |
| 64000 | Fire Alarm Test, Monitor | 384 | 2,000 | 2,089 | (89) | 2,100 |
| 64200 | Generator Fuel | 1,095 | - | - | 0 | 1,000 |
| 64300 | Guest Suite Expenses | 232 | - | - | 0 | 501 |
| 65000 | Landscape Maintenance Contract | 11,820 | 12,180 | 12,180 | 0 | 12,550 |
| 65500 | Landscape New Plants | 7,113 | 11,912 | 11,950 | (38) | 8,500 |
| 68000 | Pest Control | 2,928 | 2,928 | 2,928 | 0 | 3,000 |
| 68500 | Pool/Spa/Fountain Contract | 8,690 | 9,000 | 9,000 | 0 | 9,000 |
| 69000 | Repairs & Replacements | 38,295 | 35,000 | 32,858 | 2,142 | 55,000 |
| 69500 | Repair & Maintenance- Elevator | 14,654 | 600 | 600 | 0 | 700 |
| 70000 | Repairs & Maintenance- Interior Plants | 194 | 250 | 163 | 87 | 250 |
| 70200 | Repair & Maintenance- Pool/Spa/Fountain | 897 | 1,600 | 2,052 | (452) | 2,000 |
| 70300 | Repairs & Maintenance Fire Alarm | 2,968 | 2,500 | 1,176 | 1,324 | 3,000 |
| 70500 | Repair & Maintenance- Landscape Other | 3,405 | 4,000 | 3,141 | 859 | 4,000 |
| 71500 | Repair & Maintenance- Stormwater | 135 | 135 | 135 | 0 | 140 |
| 72000 | Repair & Maintenance- Window Cleaning | 4,144 | 3,800 | 4,124 | (324) | 4,200 |
| 74000 | Supplies- Cleaning | 1,347 | 1,400 | 1,172 | 228 | 1,600 |
| 74200 | Supplies- Maintenance | 3,393 | 4,500 | 3,125 | 1,375 | 5,000 |
| 67600 | Miscellaneous Expense | 3,680 | 150 | 1,271 | (1,121) | 5,000 |
| 64500 | Insurance | 60,723 | 69,400 | 64,298 | 5,102 | 76,306 |
| 75000 | Telephone | 9,616 | 9,830 | 9,930 | (100) | 10,000 |
| 77000 | Utilities- Cable TV | 16,330 | 17,020 | 17,021 | (1) | 17,700 |
| 77500 | Utilities- Electric | 31,158 | 31,500 | 31,374 | 126 | 32,000 |
| 78000 | Utilities- Gas | 5,395 | 6,800 | 4,789 | 2,011 | 7,100 |
| 79000 | Utilities- Water/Sewer | 34,660 | 34,500 | 33,480 | 1,020 | 37,000 |
| 79500 | Utilities- Trash/Recycle | 439 | 464 | 464 | 0 | 500 |
| | | | | | | |
| | OPERATING EXPENSES | \$460,415 | \$493,046 | \$479,221 | 13,825 | 503,330 |
| Reserves | | | | | | |
| | Amount Funded to Reserves | \$160,737 | \$194,100 | \$200,620 | (6,520) | 197,533 |
| | | | | | | |
| | Total Expense | \$621,152 | \$687,146 | \$679,841 | 7,306 | 700,863 |
| | | | | | | |
| | Projected Y/E Income / (loss) | \$4,079 | \$7,670 | \$21,911 | 14,242 | 0 |

The Savoy on Palm Condominium Association, Inc.

**Financial Statements and
Supplementary Information**

December 31, 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 December 31, 2019, and the related statement of revenues and expenses for the one month and twelve 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

2/11/20
Report Date

The Savoy On Palm Condominium Association., Inc.

Balance Sheet
December 31, 2019

Assets

Current Assets

| | | |
|----------------------------|----|------------|
| Iberia Bk-Oper Checking | \$ | 4,465.09 |
| Iberia Bk-Payroll Checking | | 5,365.33 |
| Iberia Bk-Oper MMA | | 40,299.04 |
| Iberia Bk-Rsv MMA | | 347,653.01 |
| Morgan Stanley Invest-Rsv | | 246,954.73 |
| Prepaid Expenses | | 39,048.19 |

Total Current Assets \$ 683,785.39

Fixed Assets

| | | |
|--------------------------|--|-------------|
| Furnishings & Equipment | | 46,236.24 |
| Accumulated Depreciation | | (36,286.00) |

Total Fixed Assets 9,950.24

Other Assets

Total Other Assets 0.00

Total Assets \$ 693,735.63

Liabilities and Members' Equity

Current Liabilities

| | | |
|-----------------------------|----|-----------|
| Accounts Payable | \$ | 5,495.85 |
| Accrued Wages | | 1,760.59 |
| Sales & Tourist Tax Payable | | 198.00 |
| Payroll Tax Payable | | 454.15 |
| Prepaid Assessments-Oper | | 36,317.82 |
| Prepaid Assessments-Rsvs | | 14,191.29 |

Total Current Liabilities 58,417.70

Long-Term Liabilities

Total Long-Term Liabilities 0.00

Total Liabilities 58,417.70

Members' Equity

| | |
|------------------------------------|------------------|
| Undesignated Equity | (\$573,928.81) |
| Transferred from Designated Equity | 628,830.29 |
| Current Balance | <u>54,901.48</u> |

| | |
|---|-------------------|
| Designated for Replacement Reserve Equity | 1,209,246.74 |
| Transferred to Undesignated Equity | (628,830.29) |
| Current Balance | <u>580,416.45</u> |

Total Members' Equity 635,317.93

Total Liabilities & Members' Equity \$ 693,735.63

The Savoy On Palm Condo Assoc., Inc.
Statement of Revenues and Expenses
For the One Month and Twelve Months Ended December 31, 2019

| | Current Month Actual | Current Month Budget | Over (Under) Variance | Year to Date Actual | Year to Date Budget | Over (Under) Variance |
|---------------------------------------|-------------------------|-------------------------|--------------------------|------------------------|------------------------|--------------------------|
| Operating Revenues | | | | | | |
| Maintenance Fees | \$ 41,043.00 | \$ 41,043.00 | 0.00 | \$ 492,516.00 | \$ 492,516.00 | 0.00 |
| Guest Suite Income | 1,650.00 | 666.67 | 983.33 | 8,250.00 | 7,999.99 | 250.01 |
| Interest Income | 2.17 | 12.50 | (10.33) | 139.56 | 150.00 | (10.44) |
| Other Income | 0.00 | 8.33 | (8.33) | 226.57 | 99.99 | 126.58 |
| Total Operating Revenues | 42,695.17 | 41,730.50 | 964.67 | 501,132.13 | 500,765.98 | 366.15 |
| Administrative Expense | | | | | | |
| Audit & Tax Preparation | 0.00 | 160.82 | (160.82) | 1,470.00 | 1,929.99 | (459.99) |
| Division Fees | 96.00 | 96.00 | 0.00 | 96.00 | 96.00 | 0.00 |
| Fees, Dues, and Licenses | 0.00 | 91.67 | (91.67) | 1,050.68 | 1,100.00 | (49.32) |
| Insurance-W/C | 423.00 | 533.33 | (110.33) | 5,132.00 | 6,400.01 | (1,268.01) |
| Legal Fees | 0.00 | 208.33 | (208.33) | 125.00 | 2,499.99 | (2,374.99) |
| Management Fees | 823.00 | 950.00 | (127.00) | 12,062.00 | 11,400.00 | 662.00 |
| Office Supplies, Postage | (15.45) | 133.34 | (148.79) | 1,769.59 | 1,600.00 | 169.59 |
| Payroll Taxes | 848.45 | 962.50 | (114.05) | 10,241.76 | 11,550.00 | (1,308.24) |
| Professional Fees | 0.00 | 41.67 | (41.67) | 0.00 | 500.01 | (500.01) |
| Social Committee Expense | 0.00 | 83.33 | (83.33) | 1,052.72 | 999.99 | 52.73 |
| Salaries & Wages | 11,090.45 | 10,966.67 | 123.78 | 130,786.62 | 131,600.01 | (813.39) |
| Taxes-Income | 16.63 | 116.67 | (100.04) | 200.00 | 1,400.01 | (1,200.01) |
| Total Administrative Expe | 13,282.08 | 14,344.33 | (1,062.25) | 163,986.37 | 171,076.01 | (7,089.64) |
| Building & Grounds Expense | | | | | | |
| Depreciation Expense | 354.00 | 0.00 | 354.00 | 4,754.00 | 0.00 | 4,754.00 |
| Elevator Contract | 0.00 | 2,116.67 | (2,116.67) | 21,041.00 | 25,399.99 | (4,358.99) |
| Equipment Contracts | 293.45 | 750.00 | (456.55) | 6,108.16 | 9,000.00 | (2,891.84) |
| Fire Alarm | 32.00 | 150.00 | (118.00) | 2,088.51 | 1,800.00 | 288.51 |
| Generator Fuel | 0.00 | 83.33 | (83.33) | 0.00 | 999.99 | (999.99) |
| Guest Suite Expense | 0.00 | 41.67 | (41.67) | 0.00 | 500.01 | (500.01) |
| Guest Suite Renovations | 0.00 | 2,500.00 | (2,500.00) | 29,825.33 | 30,000.00 | (174.67) |
| Landscape Contract | 1,015.00 | 1,015.00 | 0.00 | 12,180.00 | 12,180.00 | 0.00 |
| Landscaping | 0.00 | 708.33 | (708.33) | 11,950.27 | 8,499.99 | 3,450.28 |
| Pest Control | 244.00 | 250.00 | (6.00) | 2,928.00 | 3,000.00 | (72.00) |
| Pool/Spa/Fountain Contrac | 750.00 | 625.00 | 125.00 | 9,000.00 | 7,500.00 | 1,500.00 |
| Repairs & Replacements | 13,122.13 | 2,916.66 | 10,205.47 | 32,587.57 | 35,000.00 | (2,412.43) |
| Repair & Maint-Elevator | 0.00 | 58.33 | (58.33) | 600.00 | 699.99 | (99.99) |
| Repair & Maint-Int Plants | 0.00 | 20.83 | (20.83) | 162.64 | 250.01 | (87.37) |
| Repair & Maint-Pool/Spa/ | 119.16 | 166.67 | (47.51) | 2,051.61 | 2,000.01 | 51.60 |
| Repair & Maint-Fire Alarm | 91.98 | 250.00 | (158.02) | 1,175.77 | 3,000.00 | (1,824.23) |
| Repair & Maint-Landscape | 0.00 | 291.67 | (291.67) | 3,140.83 | 3,500.01 | (359.18) |
| Repair & Maint-Stormwater | 0.00 | 12.50 | (12.50) | 135.00 | 150.00 | (15.00) |
| Repair & Maint-Window C | 60.00 | 350.00 | (290.00) | 4,124.00 | 4,200.00 | (76.00) |
| Supplies-Cleaning | 46.33 | 133.33 | (87.00) | 1,171.91 | 1,600.01 | (428.10) |
| Supplies-Maintenance | 134.32 | 416.67 | (282.35) | 3,125.09 | 4,999.99 | (1,874.90) |
| Miscellaneous Expense | 1,121.22 | 416.67 | 704.55 | 1,271.39 | 4,999.99 | (3,728.60) |
| Total Bldg/Grounds Exp | 17,383.59 | 13,273.33 | 4,110.26 | 149,421.08 | 159,279.99 | (9,858.91) |

See Accountants' Compilation Report

The Savoy On Palm Condo Assoc., Inc.
Statement of Revenues and Expenses
For the One Month and Twelve Months Ended December 31, 2019

| | Current Month Actual | Current Month Budget | Over (Under) Variance | Year to Date Actual | Year to Date Budget | Over (Under) Variance |
|---|-------------------------|-------------------------|--------------------------|------------------------|------------------------|--------------------------|
| Insurance Expense | | | | | | |
| Insurance | 5,780.00 | 5,270.84 | 509.16 | 64,298.00 | 63,250.00 | 1,048.00 |
| Total Insurance Expense | 5,780.00 | 5,270.84 | 509.16 | 64,298.00 | 63,250.00 | 1,048.00 |
| Utilities | | | | | | |
| Telephone | 840.78 | 808.33 | 32.45 | 9,929.68 | 9,699.99 | 229.69 |
| Utilities-Cable TV | 1,418.49 | 1,375.00 | 43.49 | 17,021.13 | 16,500.00 | 521.13 |
| Utilities-Electric | 2,113.18 | 2,750.00 | (636.82) | 31,373.56 | 33,000.00 | (1,626.44) |
| Utilities-Gas | 182.00 | 708.33 | (526.33) | 4,788.89 | 8,500.01 | (3,711.12) |
| Utilities-Water/Sewer | 2,746.52 | 3,250.00 | (503.48) | 33,479.84 | 39,000.00 | (5,520.16) |
| Utilities-Trash/Recycle | 40.06 | 38.34 | 1.72 | 463.56 | 460.00 | 3.56 |
| Total Utilities | 7,341.03 | 8,930.00 | (1,588.97) | 97,056.66 | 107,160.00 | (10,103.34) |
| Total Operating Expenses | 43,786.70 | 41,818.50 | 1,968.20 | 474,762.11 | 500,766.00 | (26,003.89) |
| Excess of Operating Revenues Over Expenses | (1,091.53) | (88.00) | (1,003.53) | 26,370.02 | (0.02) | 26,370.04 |

See Accountants' Compilation Report

The Savoy On Palm Condo Assoc., Inc.
Statement of Revenues and Expenses
For the One Month and Twelve Months Ended December 31, 2019

| | Current Month Actual | Current Month Budget | Over (Under) Variance | Year to Date Actual | Year to Date Budget | Over (Under) Variance |
|---|-------------------------|-------------------------|--------------------------|------------------------|------------------------|--------------------------|
| Replacement Rsv Revenues | | | | | | |
| Maintenance Fees | 13,620.21 | 13,620.21 | 0.00 | 163,442.49 | 163,442.49 | 0.00 |
| Interest & Dividends | 643.52 | 0.00 | 643.52 | 7,177.41 | 0.00 | 7,177.41 |
| Total Repl Rsv Revenues | <u>14,263.73</u> | <u>13,620.21</u> | <u>643.52</u> | <u>170,619.90</u> | <u>163,442.49</u> | <u>7,177.41</u> |
| Replacement Rsv Expenses | | | | | | |
| Total Repl Rsv Expenses | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> |
| Excess of Replacement Reserves | | | | | | |
| Revenues Over Expenses | <u>14,263.73</u> | <u>13,620.21</u> | <u>643.52</u> | <u>170,619.90</u> | <u>163,442.49</u> | <u>7,177.41</u> |
| Extraordinary Expense | | | | | | |
| Total Extraordinary Exps | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> |
| Total Revenues in Excess of Expenses | <u>\$ 13,172.20</u> | <u>\$ 13,532.21</u> | <u>(360.01)</u> | <u>\$ 196,989.92</u> | <u>\$ 163,442.47</u> | <u>33,547.45</u> |

The Savoy on Palm Condominium Association, Inc.
Building Manager's Report
2/13/2020

Party Room Ice Machine – A new ice machine has been purchased and installed. The previous machine was in service for over 6 years and stopped working. The cost to repair the old machine would have been almost as much as a new one. (\$2,343)

Backup Generator – The generator currently has an oil leak that appears to be coming from the crank shaft seal. This is going to be a major repair but is necessary and unavoidable. I am waiting on TAW to get a proposal together for the repair. I am also getting comparison bids for the repair. It is not causing any issues at the moment and is only a slight leak while the generator is running but will continue to get worse.

Wind Mitigation – Our wind mitigation report is expired and needs to be updated. I have spoken to Rob Crain who did the original wind mitigation and the update in 2012. He has quoted \$250 to update the report, I would like to proceed with this as soon as possible so long as there are no objections.

Annual Fire Alarm Test & Inspection – scheduled for Tuesday February 25th. Notices will be going out on Friday February 21st, this is the test that is noisy and requires inspection of the speakers within the units while the alarm is sounding. The noisy part will be completed last, hopefully around noon or slightly later.

Electric Car Charging – I have recently received multiple inquiries about how to get electric to the individual garages in order to hook up a car charger. This is going to require running conduit from the main electrical meter room down to the garages. In order to run the conduit, holes will need to be cut into the concrete slab on multiple floors.

I would like to ask the Board to approve an expenditure not to exceed \$1,000 to have GPRS (Ground Penetrating Radar Services) come in and locate and mark any post tension cables in the electrical room concrete slabs. This will be a one-time expense and if any cables are located, they will be permanently marked. After this is completed it would be up to the individual owners to contract with the electrician of their choice to complete the wiring from their electrical panel down to their individual garage.

The Savoy on Palm Condominium Association, Inc.
Building Manager's Report
2/13/2020

Landscaping (UPDATE) – The landscaping proposal that was approved at the November Board meeting (guest suite planters and third floor east planter) has been completed.

Other Items to Mention –

- The jet cleaning of the kitchen drain line stack was completed for the 02 units in December (\$3,762)
- A new leaf blower was purchased to replace the previous one that had broken down while in use (\$183)
- The air conditioner for the elevator lobby on the south terrace stopped cooling and had to be repaired (\$391)

Respectfully Submitted,

Bill Veal

The Savoy on Palm
2020 Paint Project
Summary & Recommendations

Paint Specification –

- The paint specification was written and provided by Michael Meinhardt of Sherwin Williams Paint Company. All contractors invited to bid were asked to provide a proposal based on the specification written by Sherwin Williams. I also asked each contractor individually to include any other recommendations and prices to complete any other painting or waterproofing work that may have been overlooked by Sherwin Williams or myself.
- Items included in the specification are:
 - o Stucco Walls & Ceilings
 - o Free Standing Walls (pool wall)
 - o BBQ Pit Stucco
 - o Service Doors & Frames
 - o Light Fixtures in walls
 - o Previously painted vents, fire hose bibs, and the generator exhaust pipe
 - o Handrails, decorative metal, parapet caps on roof, canopy and gates
 - o Yard pole lights
 - o Previously painted floors, step, and landings
 - o Parking Garage 1st & 2nd levels (walls, ceilings, & Columns) **OPTIONAL**
 - o Parking Garage 1st & 2nd levels (pipes & hangers) **OPTIONAL**
 - o Parking Garage 1st & 2nd Levels (Doors & Frames) **OPTIONAL**
 - o Parking Garage 1st level floor **OPTIONAL**
 - o Parking Garage 2nd level floor, 11th floor roof decks, & cabana roof **OPTIONAL**
 - o Overhead Garage Doors (individual garages) **OPTIONAL**
- The exterior paints specified by Sherwin Williams will come with a 10 year 100% Labor and 100% Material Warranty with the exception of the second floor parking garage deck.
- The second floor parking garage deck will come with a 5 year warranty.

Painting Contractor Information –

There were a total of 8 Companies invited to bid on the paint project. Of the 8 I received only 4 proposals. One of the proposals was about 159% higher than the lowest proposal received, and the company spent very little time onsite. I have not included that proposal with this comparison but do still have it if anyone would like to review it.

- **Artistry Painting Company, Inc.**
 - o Locally owned and operated, in business for well over 20 years.
 - o Performed paint project in 2013 at The Savoy, and more recently has performed other waterproofing projects at The Savoy (third floor leaking planter).
 - o Excellent references, including a good working relationship personally.
 - o Made a total of 4 site visits with approximately 20 hours onsite.
 - o Will provide a 2 year workmanship warranty
 - o Base price based on Sherwin Williams Specifications - \$124,999
 - o Option to paint both garages (walls, doors, garage doors, ceilings, & pipes) - \$18,937

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- Option to recoat first level garage floor - \$6,129
- Option to recoat second level garage floor - \$12,418
- Total cost if all options are chosen \$162,483

- **Siesta Key Décor Painting & Waterproofing**

- Locally owned and operated, in business for 16 years.
- Excellent references
- Made 2 site visits with approximately 8 hours onsite.
- Will provide a 10 year workmanship warranty.
- Base price based on Sherwin Williams Specifications- \$183,064
- Option to paint both garages (walls, doors, garage doors, ceilings, & pipes) - \$25,645
- Option to recoat first level garage floor - \$16,335
- Option to recoat second level garage floor - \$29,370
- Total cost if all options are chosen \$254,414

- **Concrete Painting & Restoration (CPR)**

- This company's main office is in Tarpon Springs, Fl, but they do have an office here in Sarasota also.
- Excellent references
- Made several site visits with approximately 15 hours onsite.
- Will provide a one year workmanship warranty.
- Base price based on Sherwin Williams Specifications- \$166,042
- Option to paint both garages (walls, doors, garage doors, ceilings, & pipes) - \$75,184
- Option to recoat first level garage floor - \$13,995
- Option to recoat second level garage floor - \$34,425
- Total cost if all options are chosen \$289,646

My Recommendation –

Typically I would be concerned when the lowest bid is so much lower than the other bids, but, Artistry Painting did perform the paint project in 2013, and has more knowledge than any of the other contractors on what will be needed to complete the project (access, time, and materials) as they have their records from the previous job. I also went back and compared the price in 2013 and compared it to this proposal and Artistry was also the lowest bidder in 2013 by about 60% less than the highest bid. The difference between Artistry this time and the highest bid presented is about 78% difference.

As far as the difference in the workmanship warranties (Artistry 2 year, CPR 1 year, and Siesta Key Décor 10 year) I would prefer the 10 year warranty to match the product warranty, but can't responsibly say that an extended workmanship warranty is worth the added expense. We would basically be paying about \$80,000 more for the extended workmanship warranty. If any workmanship issues arise, they will typically do so within the first couple of years, and I have typically only seen a workmanship warranty in the range of 1 to 3 years.

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My recommendation is that the Board choose all painting options listed, award the contract to Artistry Painting, and approve a reserve expenditure not to exceed \$178,731 (\$162,483 + 10% for possible unforeseen items such as stucco repairs, and/or post pocket repairs) to complete the 2020 Painting Project.

The project cannot be scheduled until the contract is approved. I would like to get started as soon as May or early June at the latest. The project will take about 3 to 4 months to complete depending on weather and unforeseen circumstances.

Once the contract has been approved, I will get in touch with the Facilities Committee to approve colors from a color wheel. Once the colors are chosen, I will have the painting contractor come out and put some samples up on an exterior wall and will again have the Facilities Committee approve the samples chosen. My goal is to get the colors as close to the original colors as possible as one of the paint colors that was used during the post tension cable project is much different than the original color.

Respectfully Submitted,
Bill Veal