

# NUMBER 1 CONDOMINIUM ASSOCIATION

Palm Greens at Villa Del Ray, Inc.

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## Minutes of Board Meeting

Palm Greens Clubhouse and via Zoom

Wednesday, September 13, 2023 at 6:00 pm

1. The meeting was called to order by President Paul Milowe.
2. Roll call of Board members in attendance: President Paul Milowe; Vice President Linda Brier; Treasurer Bill Bozza; Secretary, Lisa DeFabritiis; Board Director John Pascarella; Paul Kurtz, Castle Regional Director, and Denise Alvarez, Condo 1 Property Manager.
3. Minutes from the May, June and July meetings were approved and are posted on the Condo 1 website.
4. The Board has been advised by its attorneys that the Association cannot comment at this time about any of our 3 prior employees due to pending litigation. As such, no comments or discussion will be made on this matter.
5. President Milowe announcement the resignation of Board member Allen Tirone who resigned in June.
6. Board members Lisa DeFabritiis and Linda Brier addressed the community.
  - a. the Board utilized a 3<sup>rd</sup> party vendor to apply for ERC Credits (COVID relief funds) from the government. Our application was approved, and we received approx. \$80k
  - b. the Board identified an error in our 2021 taxes, and we're now awaiting for approx. \$55k in a tax refund for overpayment
  - c. Comcast had quoted us \$76.95 per month with a 4% increase each year. Breezeline quoted us \$64.99 per year with a 3% increase per year. That's \$12 per unit, per month difference, which is approx. \$8,208 per month more to stay with Comcast over Breezeline. Adding internet to resident's HOA fee is estimated to save residents \$40-\$100+ a month because they will not have to pay for internet starting January 2025
  - d. We have engaged a new insurance agent to help us shop for better property insurance premiums for next year, but the cost of insurance keeps raising at double digit increments and there's not much we can do about it.
  - e. The cost for Castle Management services are \$36,000 per year, which includes bookkeeping services. This is why and how Castle Management is expected to be cost neutral to the association because previously we had a part-time bookkeeper who we no longer need.
  - f. It is irresponsible to not have professional management assist in the running of a 684 unit community and multi-million dollar business.
7. There will be Five Open Board member positions for the 2024 Election that will begin in December 2023. The Board encourages residents to consider running but reminded residents that there is a lot of responsibility in serving as a Board member. The Board noted the importance of having some prior experience related to either running a business, finance, contracting, engineering, administration or general construction in order to best serve and make decisions for our association.

8. **Property Update:** Castle management began walking through the community during the first week of September to get a better understanding of the property. They noticed a few issues that will be addressed in the coming weeks.. They will continue to walk, inspect, and understand what the maintenance team is doing. The goal is to implement task lists and follow up on all open work orders as quickly as possible.
  
9. **Budget update:** We have Assets of \$2.4 million of which \$1.4 million dollars are in our reserves and in FDIC insured banks. We have an operating Budget of \$3.6 million. Insurance continues to be an area of focus and concern. In 2023 we budgeted a \$896,136 (45% increase) based on recommendation from our insurance agent of many years. When we got the actual Quote, it was increased by 65% -\$1,045,254. This has caused us to show a negative variance of \$12,236.14 monthly in our budget--\$146,834 yearly. The 2024 Property Insurance will continue be a problem. Our recent property appraisal went up from \$87 Million to \$113 Million, which is a good thing to see our property values go up, but that also means insurance costs go up. All Homeowners Associations are experiencing similar problems. Past and Recent Hurricanes will make next year's budget difficult also. To bridge the Gap, we closely monitor:
  - a. All expenses
  - b. Water costs \$324,000 yearly.
  - c. Reviewing all contract costs.
  - d. Recouping HOA delinquencies
  - e. Recovering Tax over payments.
  - f. Receiving for Tax Credits
  
10. Wind Mitigation Reports for all buildings in our community have been completed. If you need a copy of the report for your unit owner insurance, please email or contact the Condo 1 office.
  
11. A few residents requested cut the hedges along the canal on via Flora down to 4ft. A vote from residents present and on zoom voted to keep them at the current height – 7ft.
  
12. If a unit incurs water damage to their ceiling or wall as a result of a roof leak, the association is responsible for repairing the roof leak and replacing the damaged drywall. However, the association is NOT responsible for skim coating the drywall or painting. That is the responsibility of the unit owner. If a unit owner has a water leak as a result of an a/c unit or a/c line, it is the responsibility of the unit owner to pay for all repairs. The only thing the association will do in this case is to replace the drywall. If there is a leak due to a broken water pipe behind the wall that is not caused by unit owner negligence, it is the association's responsibility to fix the repair and replace any damaged drywall. If there is a water/sewer back-up and if it's determined that it was caused negligence of a unit owner(s), i.e., excessive oil, toilet paper, etc. then the unit owner(s) will be responsible to pay for the repairs.

Residents were reminded of the importance of having their own insurance for their unit in the event there is significant damage that is not covered by the association. The unit owner could then submit an insurance claim on their own for the repairs.

13. Termites have been an ongoing problem in our community. The Board identified a new company called Revenge Pest Control who just provided us a quote for tenting at 13771 (8-unit building) at approx. \$4,500 whereas Terminix gave us a price of over \$15,000, which is approximately what we were paying in the past. We were just notified of another building on via Flora that has the same problem and needs tenting- approx. \$4,000. This savings is a significant savings compared to what we were paying in the past. If tenting is needed to treat termites in a building, owners are responsible for leaving the unit and

finding other lodging for the 2 nights that they will need to vacate their unit. The association does not pay for residents to go to a hotel.

14. The Board was informed that when this community was built, the contractor only put gutters on the front of all 2-story building and on the back of only the buildings that are adjacent to the canal. However, since the construction of our building occurred over the course of years, there may be a possibility that some other building had gutters placed on them at the time of construction. Our current roofing contractor will not replace the gutters, so if the gutters were not part of the original construction, each unit owner will be responsible for replacing their gutters when needed.

15. We need volunteers to serve on important committees:

**Fine** –The purpose of a Fine committee is to determine fine amounts when residents do not adhere to or violate rules & regulations or by-laws. Without a fine policy, the Board is extremely limited in their ability to enforce a unit owner who refuses to abide by our Rules & Regulations. It will be up to the committee to propose the terms of the fining policy. For example, first offense would be a warning, second offense would be a fine of \$50, etc.

**Pet** –Although the law states that we must allow pets if they are service or companion animals, that doesn't mean that they can disturb other residents (i.e., barking, biting, walking around with no leash), so we need a pet committee to develop a Pet Policy so that we can then apply fines accordingly to those who do not abide by the Pet Policy.

**Landscaping** – We'd like to continue with the landscaping committee that started last year as we prepare for this year's budget.

16. A vote was taken to determine if we should keep the 6:00pm time slot for Board meetings or move it up an hour. A vote was taken at the meeting (on zoom and in person) and the 6:00pm time slot was confirmed.

17. Next Board meeting in October 11<sup>th</sup> at 6:00pm in-person and via Zoom.

18. Adjourn.