

LAKESIDE OF CHARLOTTE COUNTY CONDO ASSOC. INC.
ANNUAL MEETING MINUTES
February 11, 2017

CALL TO ORDER AND ROLL CALL: The Lakeside of Charlotte County Board of Directors Meeting was called to order at 10:10 a.m. by President Catherine Curley. Also present was Brenda Binder from 1st Choice Condo Management.

ELECTION OF CHAIRMAN OF THE MEETING: President Catherine Curley was present as meeting chairman.

DETERMINATION OF A QUORUM AND CERTIFICATION OF PROXIES: A quorum was established with 73 units represented in person or by proxy.

CONFIRMATION THAT THE ASSOCIATION FULLY COMPLIED WITH THE REQUIREMENTS FOR NOTICE OF THIS MEETING: Brenda presented the owners with a notarized statement that the notices were mailed and posted in accordance with Florida Statute and the Associations Documents.

READING OR WAIVER OF READING AND APPROVAL OF THE 2016 ANNUAL MEETING MINUTES: A motion to waive the reading and approve the minutes as written was made and seconded from the floor. There was one unit opposed, motion carried.

REPORTS FROM DIRECTORS:

- A. PRESIDENTS REPORT** – Catherine stated that it has been a good year and the volunteers have been wonderful. Please thank them if you see them around the Association. We do not have a maintenance man at this time. We have Sherry 3 times a week who cleans around the clubhouse. Volunteers did pressure washing, mulch spreading, closing the pool every night, shelving was built in the shed, and people are taking care of the bocce court.
- B. TREASURERS REPORT** – John Follas read the Treasurer’s Report as attached. (Attachment 1). After some discussion, a motion to accept the Treasurer’s report as presented was made and seconded from the floor. All in favor, motion carried.

REPORTS FROM COMMITTEES:

- A. SOCIAL COMMITTEE FINANCIAL REPORT** – Trudy read the Social Committee report as attached (Attachment 2).
- B. LANDSCAPE COMMITTEE** – Carroll stated that she has enjoyed her last 5 years on the Landscape Committee. We have had two meetings this year. She would like to thank everyone who has served on the Landscape Committee. Carroll stated that Mike DeFelice is going to be the new Chairperson for the Landscape committee for

2017. Mike stated that they are going to replace shrubs that have died around the Association. The building 2000 has been missing shrubbery so they have been replaced. There were also plants replaced in the circular near the bocce court. Mike stated that if anyone has requests to please put them in the suggestion box at the lanai.

- C. **AUDIT COMMITTEE** – Paul Przytulski stated that the committee reviews the monthly Financial Statements. The building maintenance expense increase, flood insurance, bad debt closure, clubhouse phone expense and whether the accountant reviews are required, among other items.

ELECTION OF DIRECTORS: The ballots were counted by volunteers. The 2017 Board of Directors is Catherine Curley, Antonio Caniglia, Richard Bielawiec, Gertrude Dell’Orto, and Paul Przytulski.

UNFINISHED BUSINESS: None at this time.

NEW BUSINESS:

A. Proxy Items –

- a. **Budget** – A vote was tallied, with 79 votes in favor and votes 5 opposed of the 2017 budget. Motion Passes.
- b. **Trucks** – A vote was tallied, with 63 votes in favor and 13 votes opposed of allowing trucks. Motion passes.
- c. **Speed Bumps** – A vote was tallied, with 50 votes in favor and 34 votes opposed of installing asphalt speed bumps. Motion failed. There was discussion about the speed bump that is not permanent and whether it should stay. There was discussion amongst the owners on the wording of the proxy.
- d. **Background Checks on Renters** – A vote was tallied, with 61 votes in favor and 23 votes opposed of allowing the Association to perform background checks. Motion passes.
- e. **Maintenance Reserve** – A vote was tallied, with 75 votes in favor and 8 votes opposed of allowing a Maintenance Reserve to be create. Motion passes.
- f. **55 and Older Community** – A vote was tallied with 23 votes in favor and 61 votes opposed to gathering more information to become a 55 and older community. Motion failed.

B. Other –

- a. **Lights Around the Trees** – Mike stated that he would like to have a vote on allowing the Social Committee to purchase 19 solar lights for around the trees. There was discussion about who would maintain the lights. A motion was made and seconded on the floor to allow the Landscape Committee to purchase the lights. There was one unit opposed. Motion carries.
- b. **Truck at 1207** – A letter will be sent to the owner of 1207 that their truck is not within the guidelines that were passed.

- c. **Smoking by the Pool** – An owner stated that the pool should not be completely non-smoking. There should be an area outside the pool that has a table and chairs and allows the smokers to have someone. There was discussion about having a designated smoking area. A motion was made and seconded from the floor to have a designated smoking area. Motion failed.

ADJOURNMENT: There being no further business before the Board of Directors, a motion to adjourn was made and seconded from the floor. All in favor, motion carried. The meeting was adjourned at 11:25 p.m.

Respectfully Submitted,
Tony Caniglia, Secretary
Lakeside at Charlotte County

LAKESIDE OF CHARLOTTE COUNTY CONDOMINIUM ASSOCIATION, INC.**TREASURER'S REPORT FOR FY 2016****SUBMITTED BY JOHN C. FOLLAS, TREASURER – 2/11/2017**

1. FY 2016 ended \$4,313.82 *under budget* from an adopted budget of \$248,450.
 - a. Major Under Budget Items:
 - i. \$5,838 – Property Insurance (premium lowered in March 2016)
 - ii. \$4,320 – Maintenance Salary
 - iii. \$3,775 – Mold Remediation
 - iv. \$2,000 – Lift Station (no expenditures)
 - v. \$1,185 – Pool Supplies & Repairs
 - vi. \$1,000 – Bad Debt Expense (no expenditures)
 - b. Principal Over Budget Items
 - i. \$4,987 – Building Maintenance (railing; expansion joint; interior; roof work)
 - ii. \$4,391 – Water & Sewer
 - iii. \$3,895 – Accounting/Audit (FY2014 and FY 2015 financial reviews both paid in 2016)
 - iv. \$3,002 – Flood Insurance (pro-rated through half of 2016)
2. All five Water and Sewer accounts are current.
3. Reserve Account contributions for 2016 were \$32,500, per the adopted 2016 budget, and allocated as follows:
 - a. \$10,500 to Roof
 - b. \$2,000 to Painting
 - c. \$15,000 to Paving
 - d. \$2,000 to Pool
 - e. \$3,000 to Betterment
4. Balances (rounded) in the Reserve Accounts (including interest) as of 12/31/16 were:
 - a. Roof: \$235,453 (target: \$316,000 by 2024)
 - b. Painting: \$54,203 (target: \$70,000 by 2021)
 - c. Paving: \$28,117 (target: \$125,000 by 2023)
 - d. Pool: \$4,456 (target: \$12,500 by 2024)
 - e. Betterments: \$1,000 (target: add \$3,000 per year)

Total: \$323,230
5. Reserve Account expenditures during 2016 were as follows:
 - a. \$13,420 from the Paving Reserves in January for re-sealing of all paved surfaces in late December 2015.
 - b. \$1,470 from the Betterment Reserves in March to purchase rubber mulch
 - c. \$1,700 from the Betterment Reserves in April to purchase trees & plantings
 - d. \$1,960 from the Betterment Reserves in November to purchase additional rubber mulch

Total: \$18,565

6. Ending Balances in Statement Accounts at Stonegate Bank as of 12/31/16 were:
 - a. NOW Checking Account: \$48,776.70 consisting of:
 - i. \$22,974.00 in first quarter FY2017 pre-paid Owner Assessments
 - ii. \$8,650.00 in FY2017 pre-paid Owner Assessments for the payment of future Assessments
 - iii. \$12,798.88 in Owner Equity carryover
 - iv. \$4,313.82 in Owner Equity remaining from the 2016 budget
 - v. The variable APR for this account at year’s end was 0.10%
 - b. Money Market Reserve Account: \$92,058.42
 - i. The variable APR for this account at year’s end was 0.3%
 - c. CD Reserve Account (matures 1/31/19): \$155,292.15
 - i. The fixed APR for this account is 1.19%
 - d. CDARS CD Reserve Account at Signature Bank (matures 2/23/17) : \$75,878.87
 - i. The fixed APR for this account at year’s end was 0.2%
 - e. The total of all statement accounts as of 12/31/16 in Stonegate and Signature Banks was: \$372,006.14
 - i. Note: the FDIC covered limit of \$250,000 per bank is bridged by the CDARS program, which permits monies in excess of \$250,000 at a single local bank to be placed in a CDARS network bank account, thus covering the excess from a federal insurance standpoint, while maintaining all records within a single, local financial institution.
7. Owner’s Assessments Receivable as of 12/31/16: \$2,065
8. Liabilities at the end of 2016 consisted of Prepaid Owner Assessments in the amount of \$31,624.
9. In compliance with the State of Florida, Division of Condominiums, a Financial Review for FY 2015 was completed in December 2016 by A.M. Juffe, CPA, Englewood, FL at a cost of \$3,200. Their conclusion is as follows: “Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America”.

10. Recommendations for FY 2017 are as follows:

- a. Adoption of the proposed 2017 Budget of \$253,150 (Exhibit A). This is an increase of \$4,700 over the 2016 Budget. The quarterly condo fee will be \$545 (\$2,180 annually), per unit, which is an increase of \$10/quarter (\$40 annually) over 2016. This includes an allocation to the Reserves of \$41,500, which is an increase of \$8,500 over the 2016 amount. This increase will principally be allocated to the Paving Reserves. Based on the engineering report from April 2015, re-milling and replacement of the existing asphaltic concrete driveway and underlayment repairs to code will be required within the next 5-10 years. We currently have one estimate for this project at \$125,000.
- b. Approval of the addition of a Maintenance category to the Reserves in FY 2018 for the purposes of:
 - i. offsetting ordinary maintenance related expenditures beyond the amount budgeted, if necessary, caused by unpredictable age related or other failures to responsible assets of the condominium association,
 - ii. or re-allocation to existing Reserve categories, if required, to cover expenses beyond the current amount accumulated in a specific Reserve category at the time of expenditure,
 - iii. or to meet the requirements of an updated quotation for services in a specific Reserve category.
- c. Continue the use of Premium Assignment Corp. (PAC) in 2017 for supplemental funds to pay the estimated Property Insurance Annual Premium of \$40,000 that will be due in March 2017. This methodology is frequently used by condominium associations for the payment of commercial lines of insurance due to the large single premium payment required matched up against available funds in the operating NOW account at the time this single payment premium is due. A down payment in March to PAC to decrease the amount of this loan is always considered to lower the total amount borrowed, but this depends on the balance available in the NOW account at that time versus projected financial obligations in March, the end of the first fiscal quarter.

Current financial documents or reports, as well as any available past documents, can be obtained by any unit owner upon request via e-mail or letter to the Treasurer.

I am deeply indebted to the Audit Committee, composed of Pat Salley, Mary Liz MacNeil, Paul Przytulski, Ken Schmitt and Jack Taylor, for their monthly review of Lakeside’s financial statements, along with their insightful questions and suggestions, and to Brenda Binder of 1st Choice Condo Management for conveying to me, and other unit owners, at their request, various financial data and other information for review.

Respectfully submitted,

John C. Follas, Treasurer

Date: _____

EXHIBIT A

PROPOSED 2017 BUDGET
with
2016 END OF YEAR RESULTS
and
2017-2021 Reserve Analysis

FY 2017 RESERVE ANALYSIS

ITEM	2017	2016/2017	2016		ESTIMATED	2017	2018	2019	2020	2021
	ESTIMATED REMAINING	ESTIMATED COST TO REFURB. **	DISBURSEMENTS	DEC. 31, 2016 BALANCE	BALANCE REQUIRED	PROP.	PROP.	PROP.	PROP.	PROP.
Betterments	Yearly	N/A	\$ 5,130.00	\$ 1,000.77	N/A	\$ 8,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Maintenance (starts in FY2018)	Yearly	N/A	\$ -	\$ -	N/A	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Painting	4	\$ 70,000	\$ -	\$ 54,203.03	\$ 15,797	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
Paving	6	\$ 125,000	\$ 13,420.00	\$ 28,116.77	\$ 96,883	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Pool (Liner only)	7	\$ 12,500	\$ -	\$ 4,456.26	\$ 8,044	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Roof	7	\$ 316,000	\$ 10.03	\$ 235,452.66	\$ 80,547	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000
TOTAL		\$ 523,500	\$ 18,560.03	\$ 323,229.49	\$ 201,271	\$ 41,000	\$ 41,000	\$ 41,000	\$ 41,000	\$ 41,000

** = Based on updated quotes or credible information received in Oct. & Nov. '14, Jan. '15, Nov. '15, Jan. '16

NOTE: A New Reserve Category - "Maintenance" will be requested to be added for FY2018 via proxy vote from the unit owners in December 2016. If approved, this category will be included in the FY2018 Budget.

LAKESIDE CONDOMINIUM ASSOCIATION SOCIAL COMMITTEE
2016 FINANCIAL REPORT
RESPECTFULLY SUBMITTED, TRUDY DELL'ORTO

	Opening Balance	\$1,043.45
January 21 Yard & Bake Sale Proceeds +		<u>\$800.00</u>
	Sub-total	\$1,843.45
February 10 Check # 211 Nick Coyer (Bocce repair) -		<u>\$83.65</u>
	Sub-total	\$1,759.80
March 17 Check # 212 Cracker Barrel (60 corned beef dinners) -		<u>\$641.37</u>
	Sub-total	\$1,118.43
March 18 St. Patrick's Day Dinner proceeds & Baskets of Cheer raffle proceeds +		<u>\$919.00</u>
	Sub-total	\$2,037.43
March 26 Barbara Healey (Salad ingredients for Farewell Party) -		<u>\$35.99</u>
	Sub-total	\$2,001.44
March 27 Check # 214 Voided (error)		
March 28 Check #215 Cash (supplies for Farewell Party) -		<u>\$223.38</u>
	Sub-total	\$1,778.06
September 23 Check #216 Cash (Clubhouse Supplies) -		<u>\$51.10</u>
	Sub-total	\$1,726.96
Bank Fees January – September -		<u>\$9.00</u>
	Sub-total	\$1,717.96
November 29 Check #217 Mary MacNeil (vinyl sleeves for outdoor notices) -		<u>\$78.47</u>
	Sub-total	\$1,639.49
December 1 Check #218 James Houhoulis (compressor) -		<u>\$77.02</u>
	Closing Balance	<u>\$1,562.47</u>