

Hillsboro Cove Condominium Association
Special Members'/Board of Directors' Meeting: December 3, 2013
MINUTES

Members' Meeting:

President Lou Buscemi called the meeting to order at 7:00 p.m. in the Clubhouse after ascertaining that there was a quorum. He asked that the votes for the funding of the budget be counted. When asked by the President, the Secretary verified that a notice of the meeting had been duly posted 14 days in advance.

The President asked if residents had any questions concerning the proposed 2014 budget, and there were none.

The President asked if anyone present wished to change his/her vote on how to fund the Reserve Budget. When no one responded, he asked for the results of the votes.

Ray Moore replied. The Association received a total of 223 votes. The final results were: 193 for a partially-funded budget and 30 for no funding. There were no votes to fully fund the budget. Thus, the unit owners have voted for the 2014 budget to be partially-funded.

The President asked for a motion to adjourn. MaryEllen Palenchar so moved; Nancy McCue seconded, and the motion carried.

Board of Directors' Meeting:

At 7:06 p.m. the President opened the meeting and asked for a roll call. The following Board members were present: Lou Buscemi, MaryEllen Palenchar, Sara Bridger, Dick Martin, Nancy McCue and Rose Sexton. Nick Marchione was absent.

Next, President Buscemi asked the Secretary to verify that the Board meeting notice had been posted 14 days in advance. The Secretary verified that the meeting had been posted 14 days in advance.

The President then asked for a motion to dispense with reading the minutes of the November 12, 2013 Board Meeting and to accept them as posted on the website. He mentioned that the new system of informing residents through Constant Contact is working well and said that going forward the Minutes of our Board meetings would be distributed electronically to residents who have supplied an email address. Dick Martin so moved; MaryEllen Palenchar seconded, and the motion carried.

The President indicated that there were no director or committee reports and no old business.

New Business

President Buscemi asked for a motion to accept the 2014 budget as presented by the Treasurer at the November 12th meeting and mailed to all residents. Rose Sexton so moved; Nancy McCue seconded, and after discussion, a vote was taken and the motion carried.

The President then asked for a motion to partially fund the 2014 budget as the members had voted. Rose Sexton so moved; Dick Martin seconded, and the motion carried.

A question and answer period followed. Concerns raised by attendees included the following issues:

- whether maintenance increases during the past two years were truly warranted
- the true cost of roof replacement
- the deductible for homeowners insurance vis-a-vis the Association's master insurance plan
- the anticipated handling of the planned document revision
- the Clubhouse repairs timeline and
- the anticipated 40-year buildings inspection by the County

All questions were answered by the President, Treasurer and Property Manager with comments from the Assistant Secretary and Assistant Treasurer. President Buscemi said that the Board is mindful that many unit owners are on fixed incomes and stated that the budget is not extravagant, adding that our largest expense is insurance, which is beyond our control. He said that people moving in often comment favorably about the low maintenance here vs. major assessments being levied elsewhere in nearby locations.

Sara Bridger explained that increased expenses have resulted in the need for increased maintenance.

Nancy McCue reminded the group that there were two previous meetings where specific budget questions were answered, and a line by line discussion of the budget increases had taken place. She added that a 10% utilities surcharge by the City of Deerfield two years ago has affected our budget as well. Dick Martin and others pointed out that without sufficient funding; the resulting deterioration of the property is inevitable, rapid and undesirable.

Sara outlined how the budget calculation was made for roof replacement, stating the belief that we have enough time to accumulate the funding needed; and Property Manager Bob Lorang repeated that \$290,000 per year will become available to fast-track reserve funding beginning in 2015 when our concrete restoration loan is paid off.

On the insurance question, Bob Lorang responded that the Association's common element insurance deductible is 3% of the appraised value, with each of our three buildings calculated separately. He added that individual homeowners' policies now make \$2000 loss assessment coverage mandatory. Should the Association levy an assessment as a result of hurricane damage, loss assessment coverage will reimburse policy holders.

President Buscemi said that MaryEllen Palenchar and Nancy McCue will be working on the documents revision with our law firm and assured unit owners that they would be kept informed in advance of the needed vote.

Bob Lorang said that once the Clubhouse building permits are approved by the City, work will progress quickly. Submission of Architectural plans for City review will occur within days. City plan review usually takes 3 weeks. Once permits are issued, Phase I of the project could be completed within 45 days. If issuance of the permits is delayed, the project completion also will be delayed.

Bob also explained that while the County has not so far officially informed the Association that a 40-year inspection is required, knowing that our buildings are 40 to 46 years old, we have been continually pro active, taking steps in advance of the inspection to ensure that our buildings are structurally sound.

At 7:45 pm, the President asked for a motion to adjourn. MaryEllen Palenchar so moved; Dick Martin seconded, and the motion carried.

Rose Sexton, Secretary