

Lantana Oceanfront Condominium Board of Directors Meeting Minutes

November 30, 2022 3:00 PM

Clubhouse

1. Meeting was called to order at 3:12 PM by President Tom Kenney.
2. The following BOD members were present: Tom Kinney, Steve Lindsey, Shirley Huffman, Doug Gibson, and Lee Vernon. A quorum was established, and the meeting was posted properly.
3. President Report: reminder of Budget/Board meeting in December 2022.
4. Minutes from the 10/19/2022

Shirley Huffman made a motion to approve the 10/19/2022 Board meeting minutes.

Steve Lindsey seconded the motion.

The 10/19/2022 meeting minutes were approved 5-0.

5. Treasurer Report/Budget Committee: Shirley Huffman

Financial Update

Budget Report

Insurance

	2018 Value	Insured Value	2022 Value	Exposure
Flood				
Condo building	7,362,642	6,000,000	9,754,377	3,754,377
Clubhouse	266,521	285,000	373,681	88,681
Hazard				
Condo building	5,811,291	5,811,291	8,344,578.00	
Clubhouse	250,332	250,332	354,461.00	

Insurance Valuation Received – increased by 44%

Flood – 2023 Premium Decreased \$1100

Exposure-

Condo buildings – Additional Flood for \$3.7M per building approx. \$25-30K

Clubhouse – Increase to \$374K less than \$100

Hazard Ins-Coastal Ins rates average 60% increase

Agent is looking at deductibles & other ways to reduce rate

Full Insurance Cost Estimate today - \$206,136 + financing

Financing

First Ins Funding finance rate 7.65-8.25% w Fed meeting 12/14

Financing cost – Tax (\$276) + Fin chg approximately \$7125 for 12 payments

Monthly per unit assessment required - \$563.55 – a 31.1% increase (\$222 for reserves = total \$785

Two Proposals for reducing 2023 operating budget

- 25-35% DP & 10 payments savings \$2,000-\$2,700 (1.74 to 2.34 per unit per mo.) cash needed \$30k-48k
Highest monthly operating expenses 2022 \$75k.
Shirley will work with Angela do cash flow analysis and holding 1.5 month of expenses in operating capital, pay as much as possible to the down payment of insurance. i.e., Cash Balance = \$165k & Monthly \$75k = reserve \$113k & pay \$52k to Insurance Company – result \$2.2k interest savings.
- Option- reduce Maintenance hours to 30 hours/week
Reduces monthly per unit by \$17.15 to \$546.40 (total \$768)

Shirley Huffman – made a motion to reduce Y&A maintenance hours to 32 hours/week

Tom Kinney – seconded the motion.

The motion failed 0-5.

Shirley Huffman – made a motion to increase flood insurance coverage on the Clubhouse to \$374K with an incremental cost of \$43/year.

Tom Kinney – Seconded the motion.

The motion passed 5-0.

Reserve Schedule changes made-

Silicone roofs – changed to the timing Lee requested. Amounts are more due to the 10% inflation factor for 2023. This was explained under Assumptions on page 2 of the Board narrative sent on 11/18/22.

Fire Sprinkler backflows- with no feedback from McConkey, Used the 2020 amount over 2 years.

Balcony Concrete Restoration- updated 2042 & 2043 to Lee's calculations.

Clubhouse Elevator – remains unchanged. Questions must be addressed verbally, Email is not working.

I spoke with Angela regarding the elevator, the funding and the fact that the board is not in agreement on the complete package. She informed me we can publish 2 budgets and assessment proposals and state the board will be choosing between them.

Funding-

The standard funding of reserves is a straight-line contribution with an inflation factor. Lantana has always done this. With a reserve assessment of \$274.43 per unit per month and a 5% annual inflation rate in the assessment, reserves do not go below \$0.

If we wish to keep it lower this year, we could have a 10% in the assessment going forward and this year would only be \$250. It has been proposed to keep the assessment at \$222 this year and add an amount next year in order to collect the required amount. We would need a minimum of a \$55 increase along with the 5% annual increase just to break even. This is not due to any balcony work as the year at issue is 2026

6. Old Business 21 min

- a. Building Drainage: Doug. 5 min

Lee Vernon made a motion to move the Koch drainage projects to reserves.

Tom Kinney seconded the motion.

The motion was approved 5-0.

- b. Resurface pool deck: Doug 3 min

- i. Y&A will prep and re-paint the pool deck as weather permits.

- c. Landscaping: Steve 5 min

- i. US Lawns mulch project took 61 yards vs budgeted 50 yards.

- d. Dune Trim: Steve 5 min

- i. Flawless Dune trimming quote was \$7,500

- e. EVSE: Tom 3 min

7. New Business. - 15 min

- a. Balcony Railing Mounts: Doug 3 min

- b. Detached Garage Manual Unlocks: Shirley 3 min

- c. Sea Oats purchase for Dunes: Shirley 3 min

- d. Placeholder: ARC Approvals

- i. Approval for Best Shutters for \$3,600 to replace the Clubhouse shutters.

- e. Place Holder: Garage for Cart & tiles

- f. Year end bonus: Lee 3 min

8. Adjournment

Tom Kinney made a motion to adjourn the meeting.

Lee Vernon seconded the motion.

The motion passed 5-0 and the meeting was adjourned at 5:06 PM.

9. Open Forum

In Person Attendees:

Mark Shoemaker – 4301

Tony Falco – 2102

Ray Macaluso – 3404

Rich Baney - 4102