

MINUTES
BOARD OF DIRECTORS MEETING
December 22, 2020

Call to Order: The meeting was called to order by Robert Loomis at 9:00 AM.

Directors Present:

Robert Loomis – President
Mustafa El-Khashab – Vice President
Tom Connell – Treasurer
Wes Gleason – Director
Ed Shinouskis – Director

Bonnie Schinke – Manager/Secretary.

Other owners: Bill & Joann Ribble, Kevin and MaryBeth Burke

Approval of the Previous Meeting Minutes:

Motion was made by Tom Connell to approve the minutes of the November 24, 2020, Board of Directors Meeting. The motion was seconded by Ed Shinouskis. All present were in favor. Motion passed unanimously.

Bonita Springs Utility Board

Bill Ribble is running for the position in the Bonita Springs Utility Board and is requesting a letter of approval to be sent to Bonita Springs Utility.

Motion was made by Ed Shinouskis to accept Bill Ribble as the representative of Estero for the Bonita Springs Utility Board. Seconded by Wes Gleason. The motion passed unanimously.

OFFICERS REPORTS:

President report- Bob Loomis

PLCA has decided to reorganize its financial reporting system, using a product called NothStar. It will consolidate several different products PLCA has been using, all of which do not communicate with one another.

Other issues remain between the Colony and PLCA regarding fairness of the expenses of PLCA which Colony residents contribute to but generally do not benefit from. There is an issue with the fee collected by PLCA at each residential sale, for capital improvements. In the past a portion was passed thru to the Colony for sales which occurred within the Colony. Apparently, this was an agreement by a former PLCA Board, but is not recorded in the community documents.

Therefore, PLCA has stopped that practice and is currently escrowing the funds until conversations between the two boards finalize agreements.

Treasurer's Report- Tom Connell

November 30, 2020 total Operating cash was approximately \$396,000, a decrease of approximately \$75,000 from the prior month. Of the \$396,000 operating cash, approximately \$104,000 was invested through Fifth Third Bank Brokerage in a money market account invested in US Government securities yielding .01%, \$123,000 was in a Fifth Third Bank money market account yielding .03% and \$169,000 was in a Fifth Third checking account.

November 30, 2020 total Reserve cash was approximately \$716,000, an increase of approximately \$1,000 from the prior month. Of the \$716,000 reserve cash, approximately \$131,000 was in a Fifth Third Bank checking account, \$105,000 was invested through Fifth Third Bank Brokerage in a money market account invested in US Government securities yielding .01%, and the balance was invested in CDs issued by various banks with a market value of \$493,000 compared to a cost basis of \$480,000. One CD was for \$80,000 yielding 1.15% and maturing April 16, 2021, another CD was for \$80,000 yielding 1.3% and maturing April 18, 2022, another CD was for \$120,000 yielding 2.7% and maturing April 17, 2023, another CD was for \$80,000 yielding 1.4% and maturing April 17, 2023, and another CD was for \$120,000 yielding .9% and maturing on May 9, 2022.

Unaudited financial results through November 30, 2020 indicate a deficit of operating expenses over operating revenues of approximately \$10,000. The unfavorable variance to budget was primarily due to higher building maintenance of approximately \$24,000, higher grounds services of approximately \$12,000, higher pool maintenance of approximately \$6,000 and lower income of approximately \$10,000 offset in part by lower insurance expenses of approximately \$24,000, lower personnel expenses of approximately \$10,000, and lower utility expenses of approximately \$8,000.

Due to change in accounting principles, we can only recognize reserve income equal to our reserve expenses. Accordingly, our reserve expenses of approximately \$176,000 which is primarily for the elevator replacement equals our revenues. The difference of approximately \$39,000 representing what we have collected in assessments and interest earned on the CD's has been deferred.

Relative to our insurance claim, we have received reimbursement of approximately \$614,000 year to date and approximately \$861,000 in total while total expenses have been approximately \$831,000. An adjustment to our balance sheet in December will be made to reflect the excess reimbursement.

As of November 30, 2020 we had approximately \$422,000 of cash in Fifth Third which is in excess of the FDIC limits of \$250,000. A payment to Otis Elevator is due of approximately \$107,000 upon arrival of the elevator which will reduce our exposure at Fifth Third. However, we need to open a new money market account at Valley National Bank in January to reduce our exposure at Fifth Third.

Tom Connell
Treasurer
December 14, 2020

Manager's Report

1. Guest Suite - Income for 7 nights in November \$702.45.
2. Unit rentals - Detail below.
3. Sales- 903 closing December 14, 203 closing in January and 1702 closing the end of December.
4. Fourth Quarter – All 4th quarter assessments have been paid
5. Units for Sale – Available unit for sale is 1703
6. Fire Alarm System – All is well at this time.
7. Fire Sprinkler System All is well at this time.
8. Fire Pump (diesel) – All is well at this time
9. Diesel Generator – All is well at this time
10. Landscape – Crawford is checking on the plants in the planters on the green roof to replace any that have died.
11. Pool and Spa – The pump for the pool vacuum rusted out and needed replaced at a cost of \$348.81. Then a few days later the circulation pump on the spa went down. This was replaced at \$378.99
12. Domestic Water System – Kinetico comes every month and inspects and fills the water softer system all is in good condition.
13. Common Area A/C Maintenance /Repairs– The maintenance of the 40-ton RTU on the roof was done on December 11 and filters replaced.
14. Roof – All is good with the roof at this time.
15. Fitness Room – It appears that tenants and guests are not wiping equipment down after use. We have posted signs in numerous areas of the fitness room as reminders.
16. Elevator- The contract we signed with OTIS did not include the stainless-steel doors on the outside of the lobbies. It was in some of the earlier contracts however was omitted in the final contract. Ryan has provided a

quote of \$4,300. This is almost half of the original amount; he also wrote on the quote that the doors were damaged by the flood so I will be able to send this into AMCAP for reimbursement.

17. Projects – After setting up the Christmas tree it was noted that the tree is in bad shape. It is 6 years old all the lights quit working and we string over 1600 lights on it. The base is loose, and the bolts are stripped the tree is not stable. Balsam Hill has sales of 10-foot flip tree for \$1799. After discussion with some of the board members and Jane and Donna doing some research. A new tree was ordered and will be in this year. We will dispose of the current tree after the holidays.

The new keypad was installed at the garage entry from the pool. The old one would not take any new codes.

UNIT #	LEASE PERIOD	NAME
202	01/01/21 - 03/31/21	Timothy & Colleen Keefe
202	11/30/20 - 12/30/20	William & Kathleen Park
302	06/01/20 - 05/31/21	Joyce Ann Logan
		Justin Jerich
303	08/14/20 - 08/31/21	Marjorie Jo Koch & Lawton
803	04/01/20 - 11/30/20	Bruce R. Mereno
803	01/01/21 - 03/31/21	Jeffrey & Karen Buren &
		William & Cathy Bauer
1002	12/31/20 - 04/30/21	Lawrence & Geraldine Kuzminski
1202	12/01/20 - 06/02/21	Ronald Lewis & Stephanie Olen
1502	11/01/17 - 10/31/21	Jimmy & Beta Lammon

Committee Reports

PLCA Report – Voting Rep Kevin Burke stated that the spending by the PLCA administration has some questions regarding spending that was not in the budget. The board put together a committee to investigate the issues and they found nothing that was wrong however some owners are not satisfied. A letter is to be sent regarding this issue. The PLCA just received a letter of resignation of Steve Backman with the last day December 31, 2020. There is also concern about keeping voters’ reps.

Colony Foundation – Joanne Ribble reported that The Colony had an employee at the Colony has embezzled \$107,000. A forensic auditor has been hired and the sheriff is involved. This will go to court. The Colony will take their financial service from the management company and hire an accounting firm. The Bay club is taking a vote to see if they should open the dining room or keep is closed and

keep offering the carry out services. The new system has a few glitches that Wisser is working out. A new bar code scanner will replace the old one and the programming of the bar codes did not transfer well from Pelican Landing system.

Old Business:

- a) Elevator Project – Shipment of parts is expected the week of December 21st. Otis is to obtain storage containers to keep parts in. We will not start the project until after the Holidays. We still need to meet with Gulfside on interior selections.

New Business:

- a) Owners and Guests returning to Sorrento – The Board will send out information on what needs to be done when coming back to Sorrento, such as wearing masks and anyone traveling in from 60 miles or more away to fill out a form and/or provide covid test results. Registration forms will be available at the desk outside the manager office.
- b) Green Roof – The green roof over the garage may need to be redone in a few years. We have been funding the reserve for this project. We have an idea of what the green roof consists of now. We may need to have an engineer to provide the life span and what options are available for either redoing the roof as is or another design. *Motion was made by Bob Loomis; seconded by Tom Connell to appoint a sub committee for the green roof to be Wes Gleason, Ed Shinouskis and Mustafa El- Khashab. The motion passed unanimously.*
- c) Elevator Committee- With the elevator project about to commence the committee to head this project will be Bob Loomis, Wes Gleason, and Dick Bertrand.

Members Suggestions and Comments: it was suggested to have rules for the elevator while the project is going on. & rules were suggested, and the Board will provide final suggestions.

Date of the next meeting:

The date of the next meeting of the Board of Directors will be Wednesday January 20, 2021 at 9:00 AM.

Adjournment – *Motion was made by Tom Connell and was seconded by Mustafa El- Khashab to adjourn the meeting at 11:00 AM. All present were in favor. Motion passed unanimously.*

Respectfully Submitted,
Bonnie I. Schinke, Secretary