

MINUTES
BOARD OF DIRECTORS' MEETING
May 27, 2025

Call to Order: Bill Steenburgh called the meeting to order at 9:00 AM.

Directors Present:

Bill Steenburgh in person
Jimmy Lammon in person
Carole Maeder absent
Juliane Mondano in person
Shawn Parker by speakerphone

Bonnie Schinke CAM, several units represented in person, were also present.

Approval of Minutes:

Jimmy Lammon moved, seconded by Juliane Mondano, to approve the minutes of April 29, 2025, as presented. All voted aye. The motion passed.

OFFICERS REPORTS:

President – Bill Steenburgh

- **Thanks, Recognition and Asks**
 - Continued thanks to Sorrento staff, Board and all committee members for work done on all Sorrento owner's behalf. We are seeing an increased participation by unit owners and their efforts are recognized and appreciated.
- **Executive Summary of YTD 2025 Financials**
 - April YTD financials are better than plan and expenses remain better YOY by \$37K. Improved insurance rates will begin to positively impact YOY financials beginning in May.
 - The Song Remains the Same...we remain cautiously optimistic that we will fund ongoing maintenance, needed repairs as well as Sorrento building improvements out of current operating budget and reserves. Goal remains to deliver 2025 to plan, lower YOY expenses and use opportunity areas like insurance and increased scrutiny on costs with our largest vendors to once again enable improved HOA assessments in

2026. This is obviously contingent on not incurring any large and unforeseen expenses due to special causes.
- When the 2026 budget comes out we will be asking for a vote on rollover of net interest (interest minus taxes on that interest) to the reserves. For 2024 the full interest went to reserves, but the taxes hit the operating expenses providing unfavorability to 2025 budget. Will most likely adjust year end reserve assessment for net taxes this year as well (net will provide favorability to your 2026 HOA reserve assessment).

Treasurer's Report—Shawn Parker

TREASURER'S REPORT

April 30th, 2025

OPERATING ACCOUNT

Operating cash in a Valley National Bank checking account totaled approximately \$273,081.

RESERVE ACCOUNT

Reserve cash totaled approximately \$1,506,858

The reserve cash is held as follows:

\$250,856 in Merchants Bank Sweep 3.15% (fully insured)

\$500,415 in Merchants Bank of Indiana money market/savings account yielding 4.16% (fully insured)

\$32,297 in a Valley National money market account yielding 3.65% (fully insured)

Merchants Bank various CDs (Fully insured)*

\$101,340 @ 4.5% maturing 6/12/2025

\$102,757 @ 5.25% maturing 9/18/2025

\$102,757 @ 5.25% maturing 9/19/2025

\$255,423 @ 5.25% maturing 9/09/2025

Due From Operating: \$161,013

* The interest is reinvested in the CD's (so that more money earns the 5.25%/4.5% rate).

FINANCIAL RESULTS (YTD 2025)

Favorable variances in the budget resulted from:

- 1) Lower Utility and Pool expenses (11k)
- 2) Lower Grounds (3.9k)
- 3) Lower Personnel (13k)

Unfavorable variances in the budget resulted from:

- 1) Higher Building and Elevator Maintenance (10k)
- 2) Higher Fire Pump expenses (10k). However, this expense will be moved to reserves*

The Budget Comparison Report indicates that Sorrento was under budget by about \$12,000* as of 4/30. Starting in May, the new, lower insurance cost will have a positive impact on our budget variance.

Managers' Report

1. Guest Suites – 2 nights for May.
2. Unit rentals

UNIT	LEASE PERIOD	NAME
1002	07/31/24 - 06/30/26	Marjorie Jo Koch & Lawton Koch
803	04/01/21-03/31/26	Stephen O' Toole
302	04/30/210/31/25	Colby & Nancy Banker

3. Sales- None in May
4. Quarterly Fees – only one unit not paid yet, have sent a statement as a reminder.
5. Units for Sale – 802, 604 & 302
6. Fire Alarm System – All is running well and hooked to the temporary fire pump.
7. Fire Sprinkler System—Imperial/Marmic performed the sprinkler and fire line inspections on May 21, 22, and 23.
8. The Fire Pump—We have a temporary fire pump installed until the replacement is available, hopefully in June.
9. Generator: We asked three companies to quote the maintenance of the generator. We received bids from Detroit Diesel, Superior Power, and Cummins. John Fisher reviewed the contracts, and his professional

recommendation was to go with Cummings. We signed a contract, and we are cancelling our current maintenance contract.

10. Domestic Water Pumps- Pump two is up and running. We are waiting on parts for one of the panels, and we have the pressure needed to sustain the water demand
11. Landscape—Once more, rain is forecast. We will install new flowering plants by the fountain and pool planters.
12. Pool/Spa—The pool and spa are in working order. We have a mini warden that disperses chlorine, but it is not working, so we have sent it out to be repaired. In the meantime, the maintenance guys are testing and adding chemicals manually.
13. The Building's Air Conditioners—Trane is the new vendor for the 40-ton unit. They will service it at the end of May.
14. Building Maintenance- The maintenance guys are cleaning drains and doing paint touch-ups, including painting the brown floors in the garage with the correct nonskid paint. Over the summer months, the staff has an opportunity to do some deep cleaning, minor repairs, and touch-ups throughout the building.

PLCA Report—Jimmy Lammon reported that the PLCA Board meeting will be on Thursday, and they will discuss the infrastructure, sidewalks, streets, the Marina master plan dredging, and the pavilion for instability. They are looking at the parking lot at the tennis center. Privacy, they are looking at license plate readers.

Colony Report: Jimmy Lammon reported that they have set up an executive committee to work with the Colony and PLCA on the issues that divide the two communities. There was a lawsuit with Tuscan; the Colony lost, and they are appealing. Regarding privacy, they are going with RFID that will be on the headlight or windshield. Amy Felten was appointed to the Colony landscaping committee.

Old Business-

Tower Roof—Advance Roofing is waiting on the permits, which were delayed because they were filed with Bonita Springs instead of Estero. Joanne Ribble helped get this process going.

Hurricane Glass Doors—Juliane Mondano reported that two companies have come in and measured two different types of units, 202 and 1801, to determine

feasibility and cost. Nano Wall has provided one quote. We are waiting for quotes from the other two companies. Once we get the quotes back, we will check into engineering and the approval process with The Colony.

It was also noted that the slider frames need to be repainted. Bonnie will contact companies that can provide owners with quotes for painting the frames.

General Reserves – Bill reported Reserve Project Planning

- Decorating Committee Projects – Team (Elaine Spero, Diana Perkinson, Dianne Koslosky, Lynn Steenburgh, Moustafa El-Khashab, and Bonnie Schinke) are doing an incredible amount of work on our behalf. The goal is to complete as much work as possible before next season, and all work done within the budgets approved at the last meeting. An action plan was developed with over 30 actions in process. We should all greatly and gratefully appreciate their expertise, efforts, and creative cost consciousness to refresh Sorrento while keeping our key objectives of Building Value and Building Community front and center in decisioning process and targeting early July to provide unit owners with opportunity to vote on hallway flooring (multiple options...3 entirely carpets, carpet with tile and laminate). Owners will also vote on various flooring options for the social room. The Decorating Committee will make other necessary decisions. After the flooring selections have been made, the Decorating Committee will present them to the unit owners.

Elaine Spero stated that after speaking with the relators it was determined we needed a refresh, and the projects they are working on are Hallway revitalization, Social Room refresh, upper patio furniture, and site lighting in the lobbies, social room reupholster the chairs, new carpet and new window treatments, kitchen simple refresh with knobs and possibly the appliances, and hallway lights.

Fitness Room – Greg Bellon is leading the project and is doing an outstanding job. The survey collected input from owners (27 responses) and their thoughts have been incorporated into planning. Initial thoughts on new equipment and layout to improve the room's usability have been completed. Currently lining up to 3 vendors to bid and provide feedback. Review with fitness room team (any other volunteers?) and seek revisions as needed. They will then make a presentation at a

board meeting in late fall or early winter. A few people have volunteered for the committee to work with Greg. They will implement as the budget allows.

Asphalt- We have three proposals for the Asphalt project and will decide on the vendor of choice in June. Targeting the project to be completed this year after the Tower Roof and Fire Pump projects are complete

New Business

Unit Renovations- None at this time.

Members' Comments: Mark Felten would like to volunteer for the Fitness Room Committee. Amy Felten stated that the Colony would add orchids to some trees.

The next meeting will be on July 29, 2025.

Adjournment—*Jimmy Lammon moved, seconded by Julianne Mondano, to adjourn the meeting at 9:50 a.m. The motion passed unanimously.*