

Watermark Condominium
Meeting Minutes of the Board of Directors
January 12th, 2024, 10:00 a.m. (E.S.T.)
401 North Atlantic Ave.
New Smyrna Beach, Florida 32169

Board Members in Attendance:

- Paul Bryan – President
- Harold Anness - Vice President
- Steve Oyster – Treasurer
- Ron Laramy – Secretary
- Beth Corso – Director at Large (on phone)

Owners in attendance: Donna Schuiteman (#105) on phone, Mark Maler (#502) on phone, Joann Caridis and Elaine Friedman (#601) on phone, Tom Wall (#603) on phone, Deb Malone (#104) on phone, Cindy and Ted Stacy (#406), Bud Chappell (#503), Jim Greene (#303).

Managers in attendance: Nikki and Dustin Gunter

Proof of Notice

Proper notification of the meeting was posted on the bulletin board at the property

Call to Order

A quorum of the board was established. The meeting was called to order by Paul Bryan at 10:00 a.m. E.S.T.

Disposal of the old minutes

Moved by Harold Anness and seconded by Steve Oyster that the minutes of the last board meeting be approved and disposed. Approved unanimously.

Treasurer's Report

- Steve met with Jim Greene and Nikki and Dustin to go over a variety of treasurer related items last week.
 - Steve thanked Jim Greene for his tremendous help in transitioning the treasurer duties as well as Jim's willingness to stay on as Asst. Treasurer for this year.
- Based on the 12-31 financial report we have roughly \$128K in the bank.
 - \$66K of that is prepaid HOA fees
 - The balance is the expected carry over as we try to do every year.
- For the total budget for the year we came in \$325 under budget which is incredibly close.
 - Some items were higher and some less than budgeted but net/net we were almost exactly where budgeted.

- We don't have the final reporting on the HOA fees and reserve payments yet, but as a reminder these are due if they have not yet been paid.
 - HOA fees are \$700 per month (or \$8200 if paid in full at the beginning of the year)
 - The reserve payment is \$1200. These can be paid in full now or \$600 by January 10th and \$600 by July 10th.
- We are using Belote again as our accounting firm as they continue to do a good job for us.
 - They will be using the compilation method for financial reporting and tax purposes as previously approved by the board.
 - Financial reports are posted on the owner's portion of our Watermark website if anyone wants to see them.
 - If anyone wants the financial statements emailed to them monthly let Nikki know.
 - Jim Greene will continue with the projected cash flow report, which just helps us keep track of where we stand in an ongoing basis.

Manager's Report

- Sea Grapes had their yearly trimming.
- New Pool Heater is working well.
- The State of Florida pool inspection was passed.
 - The only thing needed was the addition of a water temperature thermometer.
 - Also added an automatic water shut-off as required.
- Managers request that all owners send in your proof of insurance if you haven't done so already.
 - A reminder email will be sent to those who have not sent in the proof of insurance within the next week or so.
- There will be Hot Water heater notices sent to all owners with Water Heaters over ten years old.
- For renting owners the 1099 forms are in and all information is being verified, then will be mailed/handed out as soon as they are ready.

Old Business

- New parking pass updates
 - So far things seem to be working out well, but the true test will be the busy times like spring break and holidays.
 - The new passes ARE much easier to see which helps identify possible trespassers.
- Discussion on the removal and addition of names on the association checking account
 - The plan is to have at least four of the board members' names on the account along with Jim Greene as he is a resident and assistant treasurer.

- As there are four board members currently in town we will set a date to go to the bank to make this official.
 - Will need to have a motion in the board meeting notes as proof and approval needed for the bank.

Motion made by Steve Oyster, seconded by Ron Laramy that Steve Oyster, Paul Bryan and Ron Laramy, along with Jim Greene go to Truist bank to have their names added as authorized signatures to the association checking account. Also, at this time any other names will be taken off the account. As part of this, Paul Bryan and Nicole Gunter will be on as the Deposit Account Resolution (DAR). Motion carried unanimously.

- Reserve study and 2025 reserve planning discussion
 - We are working with Expert Reserve Services to guide us through the details and requirements of reserve going forward.
 - They will also assist in creating the report that is required to go to the state of Florida by 12-31-24.
 - We discussed using the “Pooled” method

Motion made by Harold Anness, seconded by Ron Laramy that we adopt the “Pooled” method when dealing with our reserves. Motion carried unanimously.

- Structural reserves have to be fully funded by 1-1-26.
- Next step is that all available board members will meet with Kevin from Expert Reserve Services to go over amounts and timing for any and all of the expenditures listed to make sure we are all in agreement with the numbers and expectation before a final report is created.
- Sand fences/dunes/plantings update discussion
 - Sand fences seem to be doing their job and small dunes are building as a result.
 - As a result of the new dunes and increased vegetation, we will now work to move the fences a bit farther out to continue the expansion of the dunes.
 - Some of the board members on site this month along with Dustin will do this work.
 - We will be roping off the fences once moved in the front of the building and also add “please keep off the dunes” signage.
 - Steve Oyster had talked to the county and they said once dunes are in place they will come out with official signage regarding staying off the dunes.
 - A county meeting was attended that gave us some direction regarding plantings that we can add consisting mostly of sea oats.
 - We will explore purchasing some of these plantings and strategically place them.

- A question was raised about trying to deter people from having gatherings/ bonfires in the area between the pool side and the front of our building.
 - We were told that we could not place sand fences in those locations but further exploration will be done.
- Ron Laramy asked about any plans by the county for sand replenishment.
 - According to the people we have talked to Volusia County has no plans for sand replenishment
 - The trap bags that have been placed in some parts of the beach were only for locations that we considered in need of emergency help.
 - Question was raised about private parties paying for these and having them added, but Dustin made the point that they are strictly temporary and will need to be removed at some point.

New Business

- Building painting/refurbishment update and discussion
 - While we have received bids from three companies Paul Bryan brought up his thoughts that we should enlist the services of an engineer/expert to help us understand what is really needed.
 - This engineer would spec out the project, ask for and review bids and oversee the entire project.
 - We reached out to Chuck Adams, who is the engineer that has been involved with our building projects in the past to get a bid for him to do this comprehensive work.
 - He would inspect the building to determine what work is needed.
 - He would bid out the work based on what he determines has to be done.
 - He would oversee the work being done.
 - At a minimum he would give a more concrete idea of what needs to be done.
 - The current bids we have for the building work range from \$150K to over \$300K and are quite confusing, so enlisting the services of an engineer will help us to make the right decisions.
 - Question was asked whether the engineer would x-ray the building and we will ask as we don't currently know.

Motion made by Steve Oyster, seconded by Ron Laramy to engage Charles R. Adams and Associates Inc. Structural Engineers, and accept their quote of \$10,000 to determine what is needed in regards to our building refurbishment along with spec'ing out the work to determine what should be included in the bids to perform the actual work.

- A question was raised as to how the building work affects the reserves discussion. We reiterated that the plan as of now is to do the refurbishment and

painting in the fall of 2024 and we would have an assessment to cover the costs of that work. We would then start fresh regarding the reserves.

- Fence installation bids discussion
 - Due to the increasing problems we've seen regarding trespassers on our property coming from the beach, the board has explored the possibility of adding a beachside gate and fence across the front of the building along the east side of our front lawn where the lawn stops and the beach starts and the east side of the walkway through the sea grapes.
 - We are one of the only condo properties on the beach without a fence currently
 - We've had two fence companies that we've worked with in the past come out and submit plans and bids for the gate and fencing.
 - AAA Fencing bid for gate and fence was \$9212 for a 4' fence and \$11,424 for a 6' fence
 - All Phases Fencing bid for gate and fence was \$9,780 for a 4' fence and \$12,080 for a 6' fence
 - The design of this fence would have spears along the top to discourage anyone from trying to get over it.
 - We wanted to acknowledge that we have had two first floor owners express concern regarding this fencing, which we understand.
 - Dustin has created a makeshift prototype to determine how the fence would affect sightlines for the first-floor owners/tenants and the 4' fence is not very obtrusive at all.
 - There was discussion that perhaps the fence on either side of the gate in front of the sea grapes should be 6' high.
 - A question was raised as to if we think adding just the gate and some fencing on either side of the gate by the sea grapes would deter traffic, but most think that would just encourage more trespassing traffic to breach our property right through the sand fences and through our lawn.
 - As a separate but totally related project we discussed revisiting seeing if we could add the "spikes" to the existing pool fence as well.
 - It is important to note that any addition of new fencing and a gate will need to be voted on and approved by a 2/3 majority of owners.

Motion made by Harold Anness, seconded by Ron Laramy to recommend to the owners for a vote to add fencing and a gate across the beachside portion of our property. Our recommendation is to have a 6' high fence from the pool fence to the 6' high gate in front of our walkway and then another 8' long section of 6' high fence in from the gate to the front lawn and then a 4' fence from the sea grapes to the north end of our beachside property. Motion carried unanimously.

- Discussion regarding using a money market account for reserves accounts.
 - We will need to have two separate accounts, one for structural reserves and one for non-structural reserves and we want to make sure we earn interest whenever possible on the funds in those accounts.
 - Steve Oyster has explored utilizing money market accounts to maximize any possible return.
 - Once we have all of the details in terms of fees, rates etc. we will make a determination on where we hold these funds.
- Credit card authorized users change discussion
 - Currently only Nikki and Dustin have association credit cards.
 - They have access to the information for their individual cards but they do not have access to the account information itself.
 - The current account with Truist Bank is in the name of 401 Management
 - We need to go to Truist Bank and tell them who we want as names associated with the account.
 - No need to change existing cards.
 - After discussion we believe that in addition to the managers, Paul Bryan, Steve Oyster and Jim Greene have cards associated with this account.
 - In terms of who has access to the account details (online etc.) that would be Steve Oyster, Jim Greene, and Nikki Gunter

Motion made by Steve Oyster, seconded by Harold Anness to take off any names from the credit card account that should no longer be there and add cards for Paul Bryan, Steve Oyster, Jim Greene in addition to Nicole Gunter and Dustin Gunter. Also, we would give online access for the account to Steve Oyster, Jim Greene, Nicole Gunter and Paul Bryan. Motion carried unanimously.

- FAQ's and Rules & Regulations updates approvals
 - FAQ's and Rules & Regulations need to be updated as needed and approved every year.
 - Nikki made updates and once approved will share with all owners.
 - For FAQ's the updates include:
 - Updated HOA fee and reserve information
 - Including a note that checks should be made out to 401 Management Inc. as we always get questions on that.
 - Update assessment information that as of January 2024 there are no outstanding assessments
 - Updated the date on these updates to January 12th, 2024

Motion made by Ron Laramy, seconded by Harold Anness to approve the update FAQs as discussed. Motion carried unanimously.

- For the Rules and Regulations, the updates include:
 - Change the wording regarding parking passes that golf carts are included in the one parking pass issued.
 - This should not be the case anymore now that we have the designated golf cart parking space on the northwest corner of the lawn.
 - Parking passes on golf carts were being taken and used by trespassers as well.
 - Managers generally know who has golf carts while staying here.
 - Pool rules updated to note that both food and drinks should not be on the pool deck or in the pool area. They should be at tables only.
 - Updated language about garbage being in the “appropriate container”. As we no longer have the recycle bins in the units this is no longer valid.
 - Updated the effective date to January 12th, 2024

Motion made by Harold Anness, seconded by Ron Laramy to approve the updated Rules and Regulations as discussed. Motion carried unanimously.

- Insurance renewals proposals comparisons discussion
 - We recently received updates on renewal proposals primarily covering our liability policies. Property coverages renew in May.
 - Florida insurance remains a very challenging landscape but we believe our agents are doing the best that they can.
 - We have multiple policies, expiring at different times, covering different aspects of our insurance needs and we have asked our agents if there is any benefit to trying to have similar renewal dates on all policies. No answer as yet.
 - The current annual cost of our liability policies expiring in January is \$17, 531.
 - We could reduce coverages to keep the cost relatively close to the same or if we want to or to keep the same coverage the updated policy cost would increase to \$20,722. This represents an 18% increase.
 - Steve Oyster recommends keeping the same coverages.
 - Ron Laramy asked the question of our managers how we feel our challenges and costs compare with other associations that they have interaction with.
 - The consensus is that all associations are dealing with similar issues and that our increase is low in comparison to most.

Motion made by Steve Oyster, seconded by Beth Corso to approve renewal option #1 which will keep all of the coverages at the same level as they were for the past year at a cost of \$20,722, motion carried unanimously.

Open discussion

- Steve Oyster brought up that some people have been asking about attaching things to the outdoor walls/balconies/railings etc.
 - We reiterated that the rules are pretty clear that nothing should be attached or added to walls or railings on balconies.
 - We did say that we do give some leeway during the holidays regarding the temporary addition of lights etc.
- Beth Corso brought up that she believes that the original color chosen/voted on for the elevator stack is different than what is actually on there.
 - The managers stated that everything they have including the name of the paint and the actual leftover remaining paint bucket etc. all matches what was voted on. So they believe it is correct as is.
- Ron Laramy brought up that there is frustration surrounding the lack of recycling in our building.
 - He volunteered to contact the garbage/recycling company for assurances that items are really recycled as we have heard in the past that the “recycle” items go in the same landfill as everything else.
 - Assuming that they do actually recycle the next steps are to figure out where our recycling bins should go as the old location at the base of both stairwells is NOT an option.
 - We will also contact Holiday Cove North to see if we could share their bins as they don’t seem to ever be full
 - This will be an item for a future board meeting so stay tuned.
- Ted Stacy mentioned that they are considering possibly removing some storm shutters and maybe replacing sliders etc. While they haven’t made any decisions they want to know what the board needs regarding such a project.
 - We explained that really the key item is to send in the information regarding who will be doing the work and when to make sure the building is being taken care of.
 - We need to make sure whoever is doing the work is properly licensed and insured

Adjournment

No further discussion so motion to adjourn was made. Meeting was adjourned at 11:38 a.m. EST