

OCEAN RITZ CONDOMINIUM
BOARD OF DIRECTORS MEETING
Wednesday, October 10, 2018
Social Room at 6:00 pm

Meeting Minutes

1. Call to Order
2. Establish Quorum: Quorum established, Annie, Dallas & Bob present
3. Secretary's report September 12, 2018
Dallas moved to accept, Bob 2nd, approved by all, see attached.
4. Treasurer's Report – Annie Ekstorm reported, see attached
Dallas moved to accept, Bob 2nd, Approved by all, see attached.
5. Management Report – Annie Ekstorm reporting
Discussion:
 - a. Question on when North side parking will be open, answer: hopefully two weeks
 - b. Question about difference of cure time and strength of “trucked” concrete v. hand mixed, answer: trucked has a long time, hand mixed is designed to be quick cure, both have the same strength, clarified by Casey.
 - c. Dallas moved to accept the report, Bob 2nd, Approved by all, see attached.
6. Committee Reports: None
7. Old Business
 - a. Mezzanine & Upper Deck Renovations: Overage getting smaller and as mentioned earlier, hopefully opened in two weeks.
 - b. Roof: No new news, getting passed along to a new adjuster. Management working to get this issue settled.
 - c. Board of Director Appointment: Maria Vitale, resume partially read by Annie Ekstrom. Bob moved to appoint, Dallas 2nd, approved by all, see attached resume.
 - d. Main Water Line Repair: Completed. See notes in Manager's Report.
 - e. Smell in Social Room still present. The bottom of some cabinets were removed to check for source of smell. It was suggested it is not the cabinets, but possibly the AC vents. Management will investigate.

f. Question about signs: “No Smoking.” Signs indicate no smoking in the building.

g. It was again proposed we establish a “No Smoking” section around the pool. Annie indicated that was not supported by State Law or the board. Bob Wolff indicated he would work with Carl to look into the law to see if we can do this. It seemed the majority of owners present supported a “No Smoking” section by the pool, which led to the next item.

h. Owner asked if we could we look into a “call in” system so non-present owners could call in to an “Audio Conference” system for the Board Meetings to voice support or concerns. Management will explore options.

8. New Business

a. Employee Handbook: Annie Ekstrom reported “New” Handbook was basically just updated to reflect current practices.

Discussion ensued on employee work schedules and the possibility James resigned because he was the only one working weekends.

Bob Moved to accept, Dallas 2nd, approved by all, see attached

b. Proposed 2019 Budget, Annie Ekstrom reporting with Budget Committee Chair Dave presenting the “Big Picture.” Presented new spreadsheet showing individual items under the following columns;

Income

Administrative Contract Services

POM (Property, Operations, Maintenance)

Landscaping

Pool/Recreation

Utilities

Payroll

Contribution to Reserve

Summary of Presentation: We added an inflation estimate for the first time, outlined items that came in under and over budget and after deck restoration is completed and paid for, reserves will be below \$100,000. It was proposed to cover inflation, expected overages, and to increase contributions to reserves from \$9,000 to \$11,000 we raise the monthly fees approximately 112.5% (increase monthly payment to stack 01-\$28; stack 01,02,05,06-\$59; stack 03,04-\$58). We have a Reserve Study scheduled later this month. See attached Proposed 2019 Budget.

Discussion:

- a. Reserves will drop below \$100,000 because Deck Renovation was only partially funded with an Assessment with the remaining cost of \$400,000 coming from reserves (also factored in has been renovation overages and a few other unexpected costs).
- b. Owner question: Why increase reserve contribution to \$11,000. Historically it was \$10,000 and most major renovations have already been done. Board was asked to provide more detail as to why the increase was necessary, Reserve Study will provide further guidance.
- c. Owner question: Why not increase monthly to \$600 to raise reserves with a statement of “Pay me now or pay me later,” knowing bills will come due eventually and why wait to impose a large one-time “assessment.” And \$600 might be more in-line with other condos on the beach. A large “gasp” followed with many spinning in their seats to look to the back of the room to see who would propose a \$600 monthly fee, but another owner quickly pointed out that living on the beach is expensive and the proposed fee was not out of line. Again, Reserve Study later this month will provide additional guidance.
- d. Discussion moved to the cost to maintain Building Restoration warranty. FHA is working with us to fix current and future issues to maintain the warranty.
- e. Owner asked, Will FHA reset warranty clock because of past and current issues? Simple answer is no, but as stated is working with us to fix and maintain any problems that have “popped” up since the restoration.

Respectfully submitted,

Robert Wolff

October 12, 2018