

**WATERSIDE III AT BAY BEACH CONDOMINIUM
ASSOCIATION, INC.
MINUTES OF THE ANNUAL MEMBERS' MEETING
FEBRUARY 15, 2022 10:00 AM**

1. **Call to Order:** The meeting was called to order by Pete Yeatman. Sylvie Gauthier certified a quorum was present.
2. **Proof of Notice:** Pete Yeatman stated meeting notices and affidavit were sent out by Myers, Brettholtz & Company in accordance with Florida statute, 60 days prior to the meeting date and again, 30 days prior to the meeting date. Pete also explained the agenda was posted on the bulletin board and on the elevators on January 29th.
3. **Approval of the 2021 Annual Meeting minutes.**

Pete asked if there were any requested changes to the draft minutes from the February 16, 2021 Annual Members' meeting. There were none. He asked to waive the reading of the minutes and requested a motion to approve with a second. The motion was made by Paul Martin, seconded by Sue Walker and unanimously approved.
4. **Reports of Officers:**
 - Pete Yeatman read the President's report. There were no follow-up questions. 'The Year in Review' is attached.
 - Dick Cote summarized the association financial position for EOY 2021 as described in the treasurer's report. No questions or comments were made. The Treasurer's Report is attached.
5. **Announcement of new Directors:**

No election was needed; there were not more candidates than vacancies. Pete welcomed Jeff Lievens to the board and thanked Sue Walker for her many years of service on the board.
6. **New business:**
 - a. **Vote to approve amendments to sections 11.3.5 and 12.13 of the Amended and Restated Declaration of Condominium of Waterside III , a condominium**

Amendment vote results: 22 yes and 23 no. The amendment change did not pass. The amendment will remain as written.
 - b. **Vote to authorize the Board to waive the statutory year-end financial reporting requirement for the 2022 fiscal year and allow the Board to prepare or cause to be prepared a report of cash receipts and expenditures, a compiled financial statement, or a reviewed financial statement at the Board's discretion.**

To waive the statutory year-end financial report requirement, the vote results: 41 yes and 4 no. The reporting requirement will be waived for 2022.

7. Open Discussion:

- Don Brunelle cited a violation of section 1.H. of the Condo Rules and Regulations, related to trees blocking his view of the back bay.
- Jeff Lievense asked whether reasons were given for the anticipated large increase in property insurance premiums. Bob Carran explained no reason had been given so far. He elaborates on the topic in his Risk Assessment report to be provided in a subsequent meeting today.
- With the removal of the bookshelf in the fitness room, Wendy Bonar proposed a location to house loaner books on a shelf at the rear of the lobby.
- Janet Markelz asked whether the property insurance was put out for bids. Ross Miller responded the agent gets as many bids as they can find, but it is increasingly difficult to find companies willing to write coverage in Florida.
- Paul Martin raised concerns about the results of the amendment voting.

8. Adjournment:

Donna Kaiser made the motion to adjourn and Bob Carran seconded. Adjournment was approved.

THE YEAR IN REVIEW

This past year has been more challenging than most due to continuing Covid issues. Your Association has worked through those challenges, as well as those presented by suppliers and contractors. In spite of it all, we've achieved a great deal.

Since almost every social function was eliminated after the last Annual Meeting, it was almost impossible to welcome the many new owners we have to our family. These functions are where old and new owners can meet and get updated on what is going on, not only in our building, but also within Bay Beach and FMB. To provide some basics about what was transpiring in our building and community, we put out some Helpful Background Information documents over last summer.

One of the most problematic challenges presented to us was the resignation and relocation of our Property Manager, Carmel. A full court effort by Waterside I, II & III, working every resource, we came up with a highly qualified candidate who saw us not only as a challenge, but a personal advancement. We were thrilled when Sylvie Gauthier accepted our offer, has stepped right in and is everything we expected her to be.

The tragic event that occurred on Florida's east coast at the Surfside condo quickly had us asking ourselves, have we done everything possible for the safety and security of our residents and our building. The PM quickly went out and searched for qualified engineering companies to double check our building and what we've been doing to maintain it. TRC Worldwide Engineering was recommended by the state and other organizations as ones they use and recommend. A quick request for a quote, proved to be highly beneficial for cost and timing. A further request a few weeks later was sent to other companies less qualified resulted in quotes six times higher. The TRC report and meeting with owners this month verified that our building is in great shape and being well maintained. This was welcome news and gratifying to the BOD and for owners to be assured we were not sacrificing safety and security as had the Surfside owners.

Having deep connections with suppliers allowed us to quickly replace a failed fire pump, avoiding the cost and annoyance of hiring night watch patrols until it could be replaced.

We also completed the replacement of our lanai cages. This was a major project allowing us to correct deficiencies from the ones the developer installed. These cages are anodized and not powder coat painted. Not only does this probably add another five years before needing our next replacement, it also reduces if not eliminates pitting and discoloration. We were also able to move the screening to the outside with a higher durability mesh. Prior to cage replacement our screens looked like a patchwork quilt with repair of damages. It was cost prohibitive to

replace screens needing repair when the screening was on the inside. To perform replacement you had to remove your shutters which is very costly. Screens can now be repaired or replaced using a boson's chair for a fraction of the cost.

One item where we had hoped for a better result was the landscaping effort in the front of our building. The landscape architect we selected was the one that Waterside I used with great success. From the start the supplied proposal was not within the scope of what was requested. We had to initiate on a part of the plan resulting in less than enthusiastic outcome. We have been re-evaluating all our options and under the oversight of Sue Walker we are moving forward and fighting all the shortages in labor, transportation and materials.

Another major project that was accomplished was the resurfacing of our terraces (patios over our garages and carport). This had to be performed in conjunction with the lanai cage replacement so that neither project damaged or affected the other. The new coating should be good for eight to ten or more years.

Our Treasurer and his team completed our five year review and updating of our Reserve Report. This is a major piece of work looking at our whole facility and preparing a report so that owners can be relatively assured if a major element replacement were necessary funding will be available without requiring a special assessment. With good budget management and planning we have not implemented a special assessment since the building opened; although we had to vote to approve one years ago because of a major insurance increase scare, we did not need to implement the assessment.

Lastly, we have implemented some initial changes to our fitness room as a result of our Fitness Room Committee's report to the Board. We approved the replacement of our elliptical machine, reorganized the layout of current equipment and as un-budgeted funds become available through savings we will add the next two requested additions, another weight bench and new dumbbells.

Hopefully with Covid fading away this coming year, any projects moving forward will be less challenging.

Treasure's Report 2/15/2022

We closed out the year 2021 in very good financial shape. Thanks to our property managers, committee chairs and our accountants, M & B, we experienced only a minor over-budget amount of \$6 thousand dollars. There were some over and under categories, but the net result reflected a careful adherence to the operating budget.

Next I'll cover our funding position at the end of 2021.

- Operating funds

At December 31 our operating fund balance was \$151,580. We have a practice of keeping a cushion of 3 months' expenses in reserve to cover unexpected expenses. Three months of expenses amounts to approximately \$115,000. This practice is intended to eliminate the necessity of having a special assessment in case of a significant unplanned expense.

And we have no delinquent accounts at year end.

- Reserve Funds

At December 31 our reserve fund balance was \$218,366. Through our quarterly assessments, we added \$74,000 to the reserve. And we charged \$149,900 to the reserve during the year arising from 3 projects, the most significant of which was for screen enclosures (\$111,000). The total cost of that project was \$175,000 with \$64,000 incurred in the prior year-2020.

We do not yet have the financials for the month of January, 2022. One of our major expense items is property insurance. We reflected a significant increase in the 2022 budget, but we will not know the actual premiums for a few months. The insurance policies renew in May.

Respectively submitted,
Dick Cote
Treasurer