

**WATERSIDE VILLAGE OF PALM BEACH
CONDOMINIUM ASSOCIATION, INC.**

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
HELD ON OCTOBER 28, 2017 at 1:30 p.m. AT THE CLUBHOUSE**

PRESENT:

André Mongrain – President
Jean-Claude Demers – Vice-President and Secretary
Claude Comtois – Treasurer (by teleconference)
Normand Cadieux – Director
Marian Petrescu – Director
Michael Shane – Director
Stacey Casey – Property Manager

NOT PRESENT:

Céline Poissant – Director

1. Quorum

A quorum was present, as six Directors attended the meeting.

2. Approval of the Amended Agenda

The approval of the Agenda as amended was moved by Marian Petrescu, seconded by Normand Cadieux and unanimously approved.

3. Approval of the Minutes of the Meeting of the Board of Directors held on April 4, 2017 and the Special Meeting of the Board of Directors held on October 23, 2017

The approval of the Minutes of the Meeting of the Board of Directors that was held on April 4, 2017 was moved by Claude Comtois, seconded by Michael Shane and unanimously approved.

The approval of the Minutes of the Special Meeting of the Board of Directors that was held on October 23, 2017 for the purpose of adopting a resolution to approve a special assessment for damages caused by Hurricane Irma was moved by Michael Shane, seconded by Marian Petrescu and unanimously adopted.

4. Approval of the Operating and Reserve Budgets for 2017/2018

Before the vote of the Board of Directors to adopt the two budgets, the President provided explanations concerning various matters.

The President indicated that, due to the intensive workload caused by Hurricane Irma, this past September was the first time that he has not issued a monthly statement.

He explained that the damage caused by Hurricane Irma almost at the end of our fiscal year occurred at the worst possible time from a budgetary perspective. The approval by the Board of Directors of the special assessment to cover \$61,650.00 in expenses that were incurred directly as a result of Hurricane Irma prevented us from registering a loss. In Florida, a condominium association is not permitted to have a loss. Any loss that is incurred by a condominium association must be registered and remains public for a period of two years. Needless to say, that is a negative factor that constitutes very bad publicity for an association. Due to the approval of the special assessment by the Board, that amount of money was allocated as revenue to pay expenses incurred due to Hurricane Irma during the fiscal year. In adopting a resolution that approved the special assessment, the Board was able to manage within the authorized budget. It should perhaps be noted that it is very common in Florida for condominium associations to have special assessments, and many do so on a regular basis for significant amounts.

Resolution # 1:

The amount of \$15,000.00 budgeted in 2016/2017 for interest to be incurred for the clubhouse construction that did not begin as scheduled shall be transferred to the working capital reserve to replenish that reserve for amounts paid to professionals retained to provide services for the clubhouse project.

The Resolution was proposed by Claude Comtois and seconded by Marian Petrescu.

The Board unanimously adopted Resolution #1.

The President indicated that the working capital was initially created to pay the annual insurance premium that is due each year on May 1. As of that date every year, we have only collected six months of condominium fees due to the fact that our fiscal year end is October 31. However, on May 1 every year, we have to pay the sum of approximately \$300,000.00. The working capital allows us to pay the full amount of our premium on May 1, despite the fact that we have only collected six months of condominium fees at that time. Please note that the sole purpose of the working capital reserve is to ensure that funding is available to pay the insurance premium, provided that it is reimbursed during the same fiscal year or unless it is the result of a vote by the owners (as, for example, the clubhouse was).

We are expecting that there may be reductions in the water and sewer expenses somewhere between \$8.50 and \$9.50 per condominium per month.

Resolution #2:

To transfer from “Water and Sewage” in the 2017/2018 budget to the working capital reserve any savings that may result from the new rates of the City of Boynton Beach.

The Resolution was proposed by Claude Comtois and seconded by Michael Shane.

The Board of Directors unanimously adopted Resolution #2.

The President indicated that he intends to stop doing all of the physical work that he has done on the grounds in the past. This will require us to hire additional personnel and contractors, as required, to perform specific tasks.

Resolution #3:

If there is a delay in the clubhouse project, to transfer any savings from budgeted interest during construction and mortgage reimbursement to the working capital reserve.

The Resolution was proposed by Claude Comtois and seconded by Normand Cadieux.

The Board of Directors unanimously adopted Resolution #3.

Votes were held concerning the proposed and reserve budgets:

Proposed Budget

A vote was held to adopt the proposed budget for 2017/2018.

The vote was proposed by Claude Comtois and seconded by Normand Cadieux.

The Board of Directors unanimously voted to adopt the proposed budget.

Reserve Budget

A vote was held to adopt the reserve budget for 2017/2018

The vote was proposed by Claude Comtois and seconded by Marian Petrescu.

The Board of Directors unanimously voted to adopt the reserve budget for 2017/2018.

The following documents concerning the budgets are attached hereto and form part of the Minutes:

- Comments on the 2017/2018 Operating and Reserves Budget
- Operating Budget – 2017-2018
- Reserves Budget – 2017-2018

5. Approval of Different Contracts

The President indicated the contracts that were awarded since the Board Meeting on April 4, 2017. The approval of the contracts was moved by Normand Cadieux and seconded by Marian Petrescu and unanimously approved.

6. Question Period for Owners

Elissa Crawford (Unit 550) asked how many owners are not paying monthly condominium fees?

The President replied that three owners were not paying monthly fees.

Ms. Crawford asked what process would be followed to replace Jeff at the end of the month.

The President replied that Claude Comtois and Normand Cadieux were working on the job description and staffing process.

Ms. Crawford asked whether it was true that there was there a change in the heating of the pool between the summer and winter.

The President replied no.

Jean Beauregard (Unit #232) asked about the quiet zone and the Brightline train.

Michael Shane replied that the train was scheduled to begin operation at the end of this calendar year and the quiet zone should be in effect at that time.

Yves Boucher (Unit 512) asked how many long-term rentals were in effect.

The President stated that there are now 30 long-term rentals, and this creates problems that we must address in the very near future. We are looking into the legal framework and exploring possibilities to remedy this situation.

Alec Kovacks (Unit #701) asked about the hot tub resurfacing that was scheduled to be done this year, but was not done.

The President stated that the hurricane season prevented this and he will do his best to ensure that it is done during the next fiscal year.

7. Adjournment

The adjournment of the meeting was moved by Claude Comtois, seconded by Michael Shane and unanimously approved. The meeting was adjourned at 3:30 p.m.

Jean-Claude Demers
Vice-President and Secretary
November X, 2017