

**Villa Towers Board of Directors Budget Meeting**  
**Tuesday, Dec. 3, 2019**  
**Meeting Minutes**

President Cathy Newman called the meeting to order at 5:39 pm.

**Roll call of Directors** – Cathy Newman, Mike Leach, Cathy Gill, Rob Saari

**Notice of meeting** – Confirmed. Mailed and emailed to owners on Nov 19, 2019 with Budget package (letter, Limited Proxy, Proposed budget, Reserve Study), and posted in the elevators and lobby on Nov 19. Reminder emailed Dec 2.

**Quorum confirmed** (27 owners required): Secretary, Cathy Gill, confirmed owners participating by proxy and in person:

25 By proxy

13 Present and signed in

38 Total

**2020 Proposed Budget BOD Vote**

With a quorum met, Cathy Newman opened the floor for questions regarding the 2020 proposed budget prior to the BOD vote.

Comments/questions: No comments or questions from owners.

Cathy N moved that the BOD accept the proposed budget as prepared by the Treasurer and Finance committee. Seconded by Cathy G. BOD discussion followed:

- Mike L thinks the rental income is too low. The proposed budget includes a monthly increase from \$950 to \$1,100. Maria K feels \$1,100 is high. Cathy G suggested that \$1,100 is accepted for 2020 with regular rent review in subsequent years. The rent has not increased in several years. Others noted updates and repairs recently completed in Unit 100. Kim Hetrick recommended adding language to include that repairs under \$100 are the renter's responsibility, for example. Cathy N has said we will review the rental agreement with the increased rent.

The 2020 proposed budget was then put to a vote. All in favor. Motion passed to approve the budget as proposed.

**2020 Partial Funding of Reserve Funds Owner Vote**

Cathy Newman opened the floor for questions regarding the proposed partial funding of Reserves. No discussion ensued.

Therefore, Cathy G called for a vote by those present. The ownership voted to accept the partial funding of reserves as required by Florida Statute 718.112(2)(f) by a vote of:

In favor:

25 By proxy

13 Present

38 Total

Against:

0 By proxy

0 Present

0 Total

Abstentions:

0

### **2020 Proposed Reserve Budget BOD Vote**

Mike L reviewed the Restoration budget at this time, based on current concrete work. We have borrowed \$60,000 to date and are paying interest monthly. The costs are now known to run over \$60,000, anticipating another \$15,000. The Restoration reserve currently sits at \$30,000. Mike L made a motion that future payments for restoration be paid from the Restoration reserve account, in lieu of borrowing more money from the bank. Cathy N seconded. All in favor. Motion carried.

Cathy N moved that the BOD accept the proposed Reserve budget as prepared by the Treasurer and Finance committee. Seconded by Cathy N. All in favor. Motion passed.

### **Transfer \$15,000 Between Reserve Funds Owner Vote**

Cathy Newman opened the floor for questions regarding the transfer of \$15,000 from the Elevator Reserve to the Roof Reserve Fund.

Comments and questions: A clarification of amounts was provided: There is currently \$80,000 in the Elevator Reserve, with the proposed transfer lowering it to \$65,000. There is currently \$75,000 in the Roofing Reserve, with the proposed transfer raising it to \$90,000. Jeff F stated that we have also bumped up monthly contributions to the Reserves.

Cathy G called for a vote by those present. The ownership voted to approve the transfer of \$15,000 from the Elevator Reserve to the Roof Reserve, by a vote of:

In favor:

24 By proxy

13 Present

37 Total

Against:

1 By proxy

0 Present

1 Total

Abstentions:

0

### **2019 Compilation Type Report Owner Vote**

Cathy Newman opened the floor for questions regarding the Report Type for 2019 financial statements.

A clarification of this vote requirement was provided by Mike L and Jeff F. Because our total revenues are now over \$300,000, we are required to provide a financial report. Prior to recent

years we did not need to do a report. A compilation type report is recommended. If we chose to do alternative reporting, a review or audit type report, the expense is sizable. It has been felt in past years that this was not needed. The compilation report is prepared by an accountant.

Cathy G called for a vote by those present. The owners approved a compilation type report of receipts and disbursements for the 2019 financial statements by a vote of:

In favor:

25 By proxy

12 Present

37 Total

Against:

0 By proxy

1 Present

1 Total

Abstentions:

0

Cathy N and Mike L thanked his finance committee, Jeff Foster, Joe Cavagna and Don Gill, for preparing and submitting all information and the proposed budget for owners.

**BOD Business:**

Secretary Report: Cathy G motioned to accept the minutes of the Board meeting on November 6, 2019, as emailed to Board members. Seconded by Mike L. All in favor. Motion passed.

Reminder: 60-day notice for Annual Meeting on January 23<sup>rd</sup> at 4 pm was emailed/mailed to owners on Nov 25<sup>th</sup>, including a request for BOD nominees. Deadline for nominations is, Saturday, Dec. 14.

Cathy N encouraged all to consider running for the BOD or joining a committee. She also thanked all those who have helped in many ways, including those who helped to put up holiday decorations yesterday.

**Other Business:**

- Balcony painting (Annie Lammers): What is the purpose of a sign-up list for balcony painting? Cathy N: It is for those needing painting of their balcony floors or walls due to concrete restoration. This is a private arrangement between the contractor and owner. Payment to the contractor directly.
- Movement of a panel between unit 330 and 329 is loose and is blowing in the wind (Bob H): Cathy N: If contractors removed for concrete restoration, they will put back. Cathy N will ask the contractor to investigate and tighten as needed.

Adjournment: At 6:19 pm motion to adjourn was made by Cathy N. Seconded by Maria K. All in favor. Motion passed.