

Plaza de Flores Newsletter

October 2016

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Plaza Summer News

- Hurricane Hermine missed Sarasota, but dumped much rain on the area. No roof leaks reported at Plaza.
- Board approved a provisional Budget with ***no increase*** in monthly maintenance fees and ***no increase*** in Reserve allocation.
- Board approved ***extra security measures*** with CCTV surveillance of high usage Common Elements.
- Buildings 7, 8 and 9 painted; trees trimmed and gutters cleaned.

More details on each of these items follows.

September Board Meeting

The Board met on the 20th September and we are pleased to report that all five Board members were there, including two who live off site. Special thanks was recorded to those from “Up North” that attended. A couple of owner requests were approved for 1. Lanai shades and 2. Hurricane windows.

The provisional Budget was the primary Agenda item for this meeting and after some discussion this was approved – see below. This budget was mailed to all owners on 22nd September and it is hoped to adopt the Budget at the October Board meeting. This will allow plenty of time for the printing of the payment booklets for those that do not use the automatic payment method through their bank. ACH – Automatic Clearing House method is an excellent option to see that your maintenance fees are paid on a regular basis and on time.

2017 Budget

The Treasurer worked with Janet Clark from PCM on the first draft of this budget. The Finance Committee made their comments, as did the Manager. There were a few savings from last year – for instance a substantial reduction of \$14,000 in the insurance for the complex. On the other hand, there were some increases – e.g. for South West Services, who provide the staff to do the maintenance work at Plaza. The current Board was canvassed on their opinions, and the clear message from the majority was that there should be no increase in either the monthly maintenance fee (\$304/unit/month) or the contribution to the Reserves, which should stay at \$44/unit/month. More on this below.

The provisional budget was then approved, with the Board meeting these guidelines by adjusting the amount of funds transferred from the Equity fund to the Operations fund. Last year \$12,000 was moved on the 1st January 2016, whereas for next year it is suggested that only \$6,000 be transferred on 1st January 2017. This \$6,000 can be considered as part of the accumulated surpluses from previous years, or as a dividend paid to current owners for good management. \$6,000 divided by 200 units is \$30/unit/year or \$2.50/unit/month. This is the small amount needed to balance the budget.

Reserves

The area of Reserve funding is considered complex by some owners, but it is a sensible requirement dictated by Florida Statute 718, which governs the operations of condo associations. Earlier in the year we issued a contract to Dreux Isaacs to perform a Reserve Study for us. The study reviewed all the eight line items for which we are required to keep a separate fund. The eight items are Roofs, Buildings, Asphalt/Paving, Carports, Pool, Tennis Court, Clubhouse, and Irrigation.

For each line item there are a few numbers that are required – the total Expected Useful Life (EUL) for the item and how much longer we expect it to last - called the Expected Useful Life Remaining (EULR). Along with these two numbers, which are measured in years, there are two dollar amounts, namely how much money will be needed when the line item is replaced and how much we have on hand towards that replacement amount.

Out of all the eight items there is just one that is worth understanding, as this is the most expensive item and also the one with longest EUL. We are talking about the **roofs** for all 15 buildings, plus the Clubhouse and the new maintenance building. Looking at all the roofs – the estimated replacement cost is close to a million dollars (\$989,830), while we currently have about a quarter of million dollars (\$246,917) put aside to cover this expense when it occurs.

The most important number to understand is the EUL – or what is the total life expectancy of the roofs. Plaza de Flores was built in a few phases around the year 2000. The first buildings, like the Clubhouse and buildings 1 and 2 are very close to 20 years old, while building 15 is only about 15 years old.

Previous Boards have discussed this line item in detail and came up with an alternative to what is quoted in the typical Reserve study, which uses 25 to 30 years for a roof life in Florida. The discussion included fact that the red ceramic tiles on our roofs have lasted for over 100 years in a Mediterranean setting. Also the research found that these tiles are excellent, provided they are not cracked, moldy or have not slipped so that rain water can get around or under them. So a few years ago, an annual inspection (with digital photos of problems) was instituted. This highlighted all obvious problems, including faulty flashings and seals around vent pipes that penetrate the roof envelop. Over and above this, as buildings are painted, the roofs are pressure washed and treated with “Roof-A-cide” to keep molds at bay. When on site, look at the Clubhouse roof to see how effective this extra protection is.

After a few years of this extra, intensive maintenance, a few problems have been corrected every years and very few leaks reported. So for the last six+ budgets, the Reserves have included a EUL for the roofs of 40 years. This one number is the primary driver of the overall Reserve costs. In fact, the

ultimate test of our roofs occurred this summer, while being sideswiped by **hurricane Hermine**. There was a huge dump of rain of several inches over a few days and there were no reported leaks from any of our Plaza buildings. Before we get too smug and think the 40 year EUL is obviously the correct number, we should be aware that under the tiles there is a tar/plastic layer, called the *underlayment*, which may be the weak spot in the overall “roof system”. The underlayment is essentially the boundary between the wet outside and the dry inside. When the underlayment dries out and cracks – there may be leaks from condensation on the underside of the tiles. An extra layer of protection is recommended by our certified roofer – as there is a potential weak spot in our roofs, where a small triangular vertical wall meets the roof section below. The Board has approved the installation of Wakaflex flashing (Google Wakaflex for more details) to avert this potential problem of water getting under the roof tiles.

If you own or occupy a second floor unit, please spend a couple of minutes to carefully inspect the ceilings to see if there is any water infiltration. The roofs are the responsibility of the Association and the sooner any leaks are discovered and reported - the better. Please report any ceiling brown spots or potential leak problems to the Manager at 941 966 0889 or to his email, found at the top of Page 1.

So this Board has been diligent in understanding the Reserve process and we can confirm that our Reserves are fully funded and meet the State requirements. Our 2015 Accounts and Reserves were audited and recently given a clean appraisal. In case you did not know, we have over \$630,000 in Reserve funds, which cannot be spent on anything other than the eight Reserve items.

Improved Security

Here is the Security Improvement Procedure, which has been approved by the Board.

Background

Due to an increase in the number of irregularities, and breaches of the Plaza Rules and Regulations that govern the Common Areas – the Board researched the use of Closed Circuit Television (CCTV) systems. Based on experience at other condo associations – the Plaza Board voted for the installation of a CCTV system, on a lease basis, at the 20th September 2016 Board meeting.

Purpose

The aim of this system is to encourage residents and their guests to observe the Rules and Regulations as they apply to the access to Plaza de Flores site, the Clubhouse, the pool, and the trash compactor area. This is meant to allow all users of these facilities to enjoy them in a safe and congenial manner. Those people who do not follow the Rules and Regulations will be identified, warned and further infractions will be referred to the Plaza Fines Committee.

Security Installations

The CCTV system will be added to current fob access security system to ensure that:

1. All cars entering and leaving Plaza can be identified
2. All individuals entering and leaving the Clubhouse can be identified
3. All people entering and leaving the pool area can be identified

4. All people entering and leaving the trash compactor area can be identified.
5. All the above interactions with the security systems will be date and time stamped, and recorded for future review. Online, real time access to the CCTV system will also be available to senior Plaza management.

Data Review

Plaza management will review the recorded video and computer records for abuse of the different areas and the Board will be notified of security breaches as well as individuals who do not follow the posted signs. Additional signs and communication of the Rules and Regulations will be radiated to all owners, tenants, residents and their guests, so there is no doubt what is expected.

Enforcement

Individuals (residents/tenants/guests) and owners of the unit who are identified as breaking the rules will be sent a warning, in the first instance. On a second infraction by the same individual the collected data and the nature of the offence will be forwarded to all the Board members and the Plaza Fines Committee. These two bodies will follow through with the fining process as per Florida Statute 718, and with the State and County law as required.

Committees and Volunteers

As you know, all five Board Directors are volunteers and do not get paid for their time and expertise. Some of these owners have been doing this task for over 12 years.

The AGM will take place on Monday 9th January 2017 and there will a change in the Board composition as two members of the current Board have terms that expire. We encourage you to run for the Board, if you feel you can make a contribution.

Maybe you do not want to be a Board Director, but there are opportunities to contribute to the Plaza operations. The model that has worked out well this year – is that the Treasurer found two owners with management expertise to form the Finance Committee. This group of three has done research on previous expenses and how these can be reduced in 2017. These included optimizing the geothermal installation for the pool, spa and Clubhouse AC. Also there is a simple recommendation to replace all exterior light bulbs and also interior ones in the Clubhouse with LED bulbs.

This is a good example of a Director and a Committee to support the finance and budgeting process at Plaza. Extending this example to the other Directors would also help some of the current Directors who are overworked.

The suggested five Committees – each reporting to a Director are as follows:

1. **Finance** Area – already in place and working well.
2. **Legal and Leasing**. – to review lease applications, perform background checks and interview potential tenants.

3. **Building and Grounds.** For the Building aspect, much of the planning and process are in place. For instance – the new outside building paint being used, comes with a 7-year warranty to survive the Florida weather. This dictates that we paint every building on a seven-year schedule, as was done to buildings 7, 8 and 9 this year. Where we do need volunteers is for the Grounds or Landscaping Committee. Anyone with knowledge of the local plants, shrubs and trees that do well in this climate are welcome to apply for the Landscape Committee and help produce a plan for 2017 and beyond. For instance, we have experimented with shade plants under the oak trees on the parking “peninsulas” to see what will grow there and not disturb the tree roots too much.
4. **Social** – Once more residents are back on site, we know that many will come forward and organize the many different functions we had last year. The exercise classes in the Clubhouse with Sel Rom have already started. There is the AquaFit, lunches out, an International Night Dinner, the book club and many more events where it will be possible to volunteer. This is a great way to meet other residents at Plaza.
5. **Communications,** Newsletter, Web site and Admin – With the new TV security system there will be a requirement for new signs to clearly communicate what is expected from all residents and their guests. Volunteers are sought to contribute articles for the Newsletter, to proof read the Newsletter and even just take photos for inclusion in the Newsletter. Every bit helps. Also we are looking for help with setting up a record keeping system so if another hurricane hits our area we can be up and running the Association at a new location. PCM has our accounting records off site – but there are other items we need to be fully functional in case of a disaster.

Disaster and Emergency Planning

Work is in progress to address the possibility of a hurricane or other disaster at Plaza de Flores. A first draft of a disaster plan has been created. Our Manager has completed a draft of a Resident Roster, which is an important part of the Plan. Both of these documents are works in progress and more work has to be done. If anyone has experience that could contribute to this exercise – we would like to hear from you. Please email the manager at plazadeflores@yahoo.com

Future Board Meetings

Board meetings are held in the Clubhouse from 7-8pm. The future dates are as follows: October 18; November 15. AGM Monday 9th January 2017; Board meeting Tuesday 10th January 2017 at 10:00 am.

Current Member of the Plaza Board

Gerald Ratzer – President
Carol Carter – Secretary
Harvey Garver – Treasurer
Constance Shaw – Director
Anna Conway – Director

The President's Quiz

Can you name the flowers, plants and shrubs and/or the location in the next set of photos?

