



## VINTAGE GRAND CONDOMINIUM ASSOCIATION 2021 NEWSLETTER #1

### The Vintage Grand Condominium Association Newsletter

The newsletter is a team effort of the Vintage Grand Board of Directors and reflects the input and review of each of us. Our goal is to provide key information through this newsletter on a regular basis. More time-sensitive information will be communicated by President's Letters or owner update e-blasts between newsletters.

### Key Goals and Priorities for 2021

1. Continuous progress on the remediation of buildings
2. Consistent focus on the care and maintenance of grounds and common elements.
3. Proficient and professional management of the operations and governance of our association
4. Open two-way communication with owners

## 1. Building Remediation Update

### Current Phases of Remediation:

- Schedule and Status Information:
  - Detailed schedule and status information for the buildings that are currently in progress is posted on the Owners' page of the Vintage Grand website at <https://vintagegrand.org/building-restoration-project/>
- 2021 Work Plan:
  - Four buildings are included in the 2021 work plan (buildings 1, 2, 3 and 6). Milestone schedules for those four buildings are posted on the Vintage Grand website.
  - R. L. James work on building 1 started in mid-December of 2020 and is now approximately 60% complete. Stucco application is nearing completion on the north gabled end and back side of the building and will begin on the south gabled end and parking lot side of the building next week.
  - R. L. James has also started work on building 2. Stucco demolition, damage discovery and wood frame repairs have been completed on the east gabled end of the building and will begin on the street side of the building in late March.
  - Owners of units in the four buildings in the 2021 work plan should refer to the "What to Expect" document located [here](#) to prepare themselves for the remediation work.
- Actual vs. Estimated Costs for Completed Work:

Through the completion of the 2020 work plan, the accumulated cost of work completed under R. L. James contract exceeded the initial contract cost estimates by about 3.5%. Spending on balcony support structures, breezeway arches and attic repairs significantly exceeded the original cost estimates but that has been offset by underspending on wood frame repairs behind the stucco walls.

- Project Financing:
  - The 2020 year-end balance in the building contingency account was \$1,071, 849. That total included the \$900,000 negotiated settlement of the Association’s building collapse insurance claim that was received in late October. Approximately \$390,000 of that balance has been spent on carryover work from the 2020 work plan, leaving approximately \$680,000 to be dedicated to the 2021 work plan. A total of \$2,000,000 in additional contingency fund assessments will be collected in 2021. Based on pricing that has been negotiated with R. L. James and our current forecast of other project expenses, we expect to finish the 2021 work plan with a surplus of approximately \$250,000 to carry over to the 2022 work plan.
  - With continued self-financing of the project through contingency fund assessments of \$2,000,000 per year, the Association would be able to finish the entire project by the of 2024. However, we may be able to accelerate that schedule somewhat if we are successful in obtaining additional funding through the “lawsuit against insurance agencies” that is described below.

**Status of Legal Proceedings:**

- Lawsuit Against Insurance Agencies:
  - To potentially obtain additional funding for the building remediation project, the Association filed a complaint in the Sarasota County Circuit Court in January of 2021 against the two insurance agencies that were engaged in the acquisition of the Association’s 2016 property insurance policy. Our complaint alleges that those firms were negligent when preparing and processing the Association’s 2016 policy application. That application erroneously stated that the Association had not had a previous policy cancelled within the prior 3 years. The application error compromised last year’s settlement of the Association’s building collapse insurance claim with the 2016 insurance carriers.
  - After completing several procedural steps that are currently in progress, we expect that the Circuit Court will issue a scheduling order in April or May of this year for a trial to be held in late 2021 or early 2022.
- Hurricane Irma Roof Damage Insurance Claim:
  - The engineer that was hired by our lawyer performed additional roof inspections in February and is now finalizing the forensic engineering report which will be submitted to the insurance carrier to substantiate our claim.
  - As soon as the forensic engineering report is available, Board members will meet with the Association’s lawyer and insurance agent to determine the timeline and nature of the Association’s next steps in pursuing this claim.

**2. Grounds and Common Elements Update**

**Property Update**

- Our maintenance staff have refurbished the dock/fishing pier and it looks great. All the decking has been replaced and the seating area has been reconstructed. The walkway has also been replaced. A vendor will be on-site in the coming week to apply weather proofing to the wood.
- Significant sidewalk repairs have been completed around the property to improve safety. In the coming weeks a curb will be constructed near building 19 to control the mud, along with repairs to 3 sidewalks which were recently cut in the course of remediation of drainage systems.
- On the advice of the engineer undertaking our Hurricane Irma roof damage review, roof repairs were performed on 6 buildings and the clubhouse. The shingles are not being replaced after these repairs, with the repaired areas now covered with a blue membrane.

- All downspouts around the property were inspected and damaged ones repaired.
- Seven pool umbrellas are back on site, they were sent out to have repairs to the lift mechanisms and reinforcement of the stitching. Damaged pool lounge chairs have been repaired.
- Both pool bathrooms have had the doors repaired, painted, and shower valves attended to. The hot tub pump was replaced and water heater repaired.
- A new mailbox serving 34 units was purchased and installed at the back mail kiosk.
- All curbs and parking stops throughout the property were bleached.
- Coming up:
  - The gazebos and grilling areas behind buildings 14 and 19 will be power washed this week.
  - Power washing of the buildings which were remediated prior to 2020 is scheduled for the week of March 29
  - The breezeways of the buildings remediated in 2020 and the buildings planned for future years will be pressure washed in the coming weeks
  - The semi-annual cleaning of the a/c drain lines in each unit will begin on April 5
  - Semi-annual smoke detector inspections and testing are being scheduled for May

### Landscaping Update

- The property-wide trimming of the 600 palms and almost 250 hardwood trees was completed in February. With an annual cost of almost \$40,000 this is one of the largest projects we undertake each year. After completion, the annual leaf raking – a multi week project with a \$5,000 cost – was performed.
- We had a tree company in to trim back the hedges near building 2. This will allow us to free up as many parking spaces as possible as RL James continues to erect scaffolding for the upcoming remediation of building 2.
- The grass at the perimeter of the property has been reseeded, and new this year, the 400,000 sq ft interior of the property has also been reseeded. The lawns look better than they have looked in any winter.
- We continue to struggle with the irrigation near buildings 17, 25 and 26. Our new irrigation firm has dug a trench and installed a new line but the water pressure from the pump is not sufficient to push enough water through. This pump system installed about 3 years ago at a cost of almost \$40,000 was not ideal for our requirements and has been a continuous challenge to keep up and running since that time. Unfortunately, after exhausting every avenue, the best solution may be a major retrofit of the drives to the pump, and we are seeking quotes for this for 2022 budgeting.

### Water Meters and Water Heaters

- The [water meter replacement project](#) is nearing completion. 90% of meters have been inspected - with building 20 and a handful of units that could not be inspected at the scheduled time due to key, dog or resident illness issues - still to be done. Of the 389 meters inspected, 143 have been replaced. Buildings 23 – 28 have not yet been invoiced for meter replacement and unbilled water consumption.
- If you receive an invoice for a water meter replacement and/or unbilled water consumption **please pay it without delay**. The Association has already paid for these items and needs your prompt reimbursement of the costs. Over 20 owners have invoices outstanding for over 30 days, and these amounts have been added to their ledger at PCM and will incur overdue interest.
- At the completion of billing, we will prepare and publish a financial recap report of this key initiative.
- Concurrent with this, water heaters were inspected in the same 90% of units. Letters have been sent to owners with heaters over 10 years old requiring them to replace their water heaters, and over half have complied. Owners who have not complied after receiving a second notice can be fined \$100 per

month as per our governing documents. Over \$3,000 of such fines have been sent by the Board to the Fines Committee for action thus far.

### 3. Proficient & Professional Management of the Association

#### Annual Members Meeting

- The Annual Members Meeting could not be held as scheduled on Tuesday February 2, 2021 as the Association did not have a quorum of owners present in person or by proxy. The meeting was rescheduled to February 23, 2021 and a quorum was present for that meeting to proceed.
- The Board provided a comprehensive overview of 2020 events and plans for 2021. The Financial Report for 2020 was also presented. This information has been posted to the owners section of the website at [2020 review and 2021 plans](#) and we encourage all owners to review this presentation material.

#### Board of Directors 2021

- Jacqui Vizzi, a member of the Board for 4 years with her last 3 years as Secretary, has retired from the Board of Directors. We thank Jacqui for her many contributions over those years, and her commitment to recording the minutes for so many meetings.
- Joe Joseph has agreed to take on the role of Secretary. Thank you Joe.
- Charlie Benedict was appointed to the Board of Directors to fill the fifth position. Charlie has a wealth of business experience and we welcome him to the Board.

#### Financial Update

- The pandemic impeded the auditor's work on our 2019 audited financial statements. We continue to follow up with the audit firm. We have engaged a different audit firm for the audit of our 2020 financials, and they will begin work once the 2019 audit is finalized.
- The January 2021 financial report was ratified at the March 16 2021 Board meeting and the financial statements can be found at [January Financials](#).
- The Association's operating budget for 2021 is \$1,468,000. Our financial reporting system shows this as a monthly amount of \$122,000. Not all of our planned expenses are evenly spread over each month, resulting in some months with anticipated budget shortfalls.
- For January, our operating expenses were \$20,200 over budget. This is attributable to the major tree trimming of all the palms and hardwoods, and reseeded of the lawns, at a cost of \$46,500. This exceeds the monthly budget for that line item by \$41,000. This was planned, and there is still \$16,500 in the "Grounds expense – other" line item to cover future tree related expenses.
- Building maintenance was \$14,500 under budget as there were virtually no drywall, building maintenance, or roof repairs. Admin was \$4,200 under budget. This happens because we have an equal amount budgeted each month for insurance, our largest expense line, but in reality our insurance expenses are \$2,500 less than this budget amount from January to May and more than this amount from June to December due to our policy renewal occurring in June.
- Utilities were \$2,500 over budget, due to all amounts from the water meter replacement project not yet being billed/collected from all owners.
- On PCM's guidance, we have not budgeted for any miscellaneous revenue – such as fines, late fees, interest on overdue fees, or fees for rental and sales applications. In January we received \$4,400 in miscellaneous revenue. So overall, our **total operating budget** had a \$15,800 budget deficit for the month. That is very good for January, with the major tree trimming expense under our belt for the year.

- Turning to the **balance sheet** and cash accounts, we had almost \$2.2 million cash in reserves, just over \$1 million in the contingency rebuilding account, and \$327,423 cash in the operating account. That's enough cash in the operating account to cover 2 and a half months of budgeted expenses, which is acceptable.
- Overdue amounts from owners stood at \$171,000 at January month end, up \$11,000 from December. When assessments are not received by the 10<sup>th</sup> of the month PCM sends owners a friendly reminder letter, then an overdue amounts letter in the following months. When the amount owing exceeds \$1,000 and is 90 days past due it is sent to our collections attorney for action, and he issues a demand for repayment letter. Late fees are applied as well as overdue interest of 14% per annum.

#### 4. Two-Way Communication with Owners

- All newsletters are posted on the website in the Owners section, for handy reference.

Contact information:

<b>President</b>	Dave Carter	dwcvg18@gmail.com
<b>Vice President &amp; Treasurer</b>	Karen Domaratzki	Karen_vgboard@aol.com
<b>Secretary</b>	Joe Joseph	Jsting56@gmail.com
<b>Director</b>	Joseph Gianino	gianinojosephr@gmail.com
<b>Director</b>	Charlie Benedict	BenedictCharlie94@gmail.com
<b>Association Manager</b>	Glenn Aitelli	<a href="#">Request Form to Vintage Grand Office</a>
<b>Vintage Grand Website</b>	<a href="https://vintagegrand.org">https://vintagegrand.org</a>	Password to Owner section: PalmTree40 Password to Tenant section: BrownZebra
<b>Vintage Grand office</b>		941-923-7380
<b>Vintage Grand: After Hours Emergencies</b>		941-923-7380 and follow the prompts to leave a message.
<b>Signal 88 Security</b>		941-217-7300
<b>PCM, our Community Association Management company</b>	For address changes, to request account statements and coupon books mid-year	<a href="http://pcmfla.com/progressive/outside_home.asp#">http://pcmfla.com/progressive/outside_home.asp#</a> then select Homeowner Services and the desired service