

**SAVOY ON PALM CONDOMINIUM ASSOCIATION, INC.**  
**BOARD OF DIRECTORS MEETING MINUTES**  
**November 20, 2008**  
**FINAL**

**Call to Order:** The Board of Directors Meeting was held November 20, 2008 on the Third Floor of the Savoy on Palm Condominium at 401 South Palm Avenue, Sarasota, Florida 34236. President, Mr. Fanning called the meeting to order at 3:05 pm.

**Determination of a Quorum:** Board members present were Mr. Fanning, Mr. Hawley, Mr. Lindeman, Mr. Siegel. Mr. Ruben joined the meeting at 3:20 pm. Representing Beth Callans Management were Gary Glass, Liz Donegan and Neil Fleet.

**Proper Proof of Notice:** Proper proof of notice was established in accordance with the Condominium documents and Florida Statutes.

**Reading and approval of previous minutes from October 16, 2008:** Mr. Hawley stated to amend the October 16, 2008 meeting minutes, last page first sentence, the word manufacture should be corrected to read manufacturer. Mr. Siegel made a *motion*, seconded by Mr. Lindeman to approve the October 16, 2008 meeting minutes. *Motion passed unanimously.*

**Treasurer's Report – Mr. Siegel**

Mr. Siegel reported as of October 31, 2008 the Association has a surplus of \$43,380. The estimated surplus for the end of the year will be \$37,000. Mr. Siegel stated there is \$24,694 in the operating account, \$53,939 in the reserves and \$35,854 from the special assessment that are still available. Mr. Siegel informed everyone the Association is up to date on all bills.

**Presidents Report – Mr. Fanning**

Mr. Fanning thanked his fellow Board Members'. Mr. Fanning stated he enjoyed working with everyone.

**Committee Reports**

**Turn Over Committee Report – Mr. Ruben**

Mr. Ruben reported on December 10, 2008 there will be a meeting with Liz Breuer and her team, Turner and Floria to complete the turn over. Mr. Ruben stated they are one hundred percent (100%) done entering the units. There is some stucco work to be done and the men's restroom sink still needs to be completed. Mr. Ruben stated the project of painting the garage floors and installing the railings will start after January 1, 2009. Mr. Ruben reported the cost to have Lawyers, Engineers and Inspectors going through to see what needed to be fixed was \$100,000. Some of the money was paid from the last years surplus and from \$1,000 collected per unit. Mr. Ruben thanked Mr. Siegel for donating his time. Turner paid \$300,000-\$350,000 on all repairs and sub contractors.

Mr. Ruben stated sixty nine (69) cushions will be going out on Friday for repairs. Mr. Ruben mentioned elevators 1 and 2 are still making noise and Schindler Elevator will be here to fix them next week. The other elevators are working fine.

**Life/Safety Committee – Mr. Hawley**

Mr. Hawley read his report. A copy is attached and thereby incorporated herein.

Mr. Hawley discussed Direct TV as it was not on his report. Mr. Hawley suggested getting a seconded (2nd) television provider. Mr. Hawley stated he looked into Direct TV, and they quoted him \$22,000. Mr. Hawley stated Verizon spoke about FIOS in the August 2008 Board meeting and stated Verizon would be in the area of the Savoy by the end of the year. Mr. Hawley stated Verizon will now be in the Savoy area by October of 2009. Mr. Fanning stated if an owner wanted to purchase Direct TV, they would have to get Board approval first. Mr. Siegel stated he had Direct TV come out three (3) weeks ago to get an estimate for his unit. Direct TV concluded they would not be able to do the wiring.

**Investment Committee – Mr. Mesirov**

Mr. Mesirov read his report. A copy is attached and thereby incorporated herein.

Committee suggested putting money in cd's and sell the GNMA. Mr. Fanning would like to table the recommendation on this report.

Committee Chair request to make a *motion* to put money in fixed income investments until the market settles down.

A *motion* was made by Mr. Fanning, seconded by Mr. Hawley to give the authority to the Investment Committee to buy cd's or the GNMA and to authorize to sell the GNMA.

*Motion passed unanimously.*

**Civic Committee – Ms. Siegel**

Ms. Siegel read her report. A copy is attached and thereby incorporated herein.

**Social Committee – Betsy Cole**

Ms. Cole thanked the following people for their hard work.

1. Mr. Hawley, Life Safety Committee for everything he has done including having Fire drills.
2. Mr. Lindeman for making the website and training owners with the ADF Defibulator.
3. Mr. Reuben for taking the time to come to the Savoy every day while under construction.

Ms. Cole stated the Savoy has the best Board imaginable and Mr. Fanning is an extraordinary leader.

**Beth Callans Management Report – Mr. Glass**

Mr. Glass read his report. A copy is attached and thereby incorporated herein.

**Old Business:**

Mr. Siegel reported the first time the Plaza Hotel handed in their application, it was denied. The second time the application was amended, the developer submitted two (2) plans, one with fifty percent of weeks as fractional ownership and fifty percent of the weeks as hotel. The application was appealed by the Association and the Developer. Mr. Siegel stated the developer filed an appeal but the developer never paid the fee. Per Mr. Siegel, nothing will happen until after January 1, 2009. Mr. Siegel stated he will meet with the City on December 9, 2008 and will report back to the Board.

Mr. Reuben stated at the next Board Meeting, the discussion of the Regency air rights will reopen.

**New Business:**

Mr. Fanning spoke to Unit 1102 attorney in regards to the sculpture. There was a communication problem with the attorney and the unit owner of 1102. Mr. Fanning gave the owners a five (5) day extension so they may remove their sculpture.

**Owners Comments:**

**A unit owner questioned about the special assessment allocation. Mr. Siegel stated the Association has the money from the special assessment and it will go towards painting the garage.**

**Adjournment:**

A *motion* was made by Mr. Fanning to adjourn the meeting at 4:20pm.

Respectfully Submitted,

Gary Glass, LCAM  
Property Manager  
Beth Callans Management Corporation

November 20, 2008

## THE SAVOY CIVIC COMMITTEE REPORT

### Connecting Downtown to the Bayfront

The City of Sarasota held four public Charrette Workshops from November 14<sup>th</sup> through November 18<sup>th</sup>, 2008. The purpose of these Charrettes was to explain and solicit support from those of us attending on "HOW TO MAKE THE BAYFRONT ALONG U.S. 41 MORE EASILY ACCESSIBLE FOR PEDESTRIANS".

Discussions included optional new plans for the following: Roadways, including roundabouts, bayfront greenspace, traffic patterns and parking, extending additional retail space on both sides of Main Street towards Gulfstream where the benches and small park exist today and improving and adding more walking and bike paths. The master plan concepts include decreasing the speed on Highway 41, removal of certain traffic signals, widening Gulfstream to a much wider street with parking on both sides. Cars will be able to exit off of 41 at the end of Gulfstream and drive past the Church of the Redeemer (parking lot), ending at 41, where the bank is located.

Within the next several days, we will be able to view all the current architectural drawings and suggested plans for this very expensive project. At that time, the Civic Committee will update the Board on what has transpired. We, as homeowners, should support or not support this project for the future of our well-being.

Gerry will bring us up to date on the landscaping situation with the City and Church as well as the vagrancy situation and the water drain problems on Palm Avenue, affecting our property.

Mort will give an update on the status of the Plaza.

Gerry Elden reported that the Church of the Redeemer has "put on hold" contributing monies for new plantings on the property adjacent to the Savoy on Palm Avenue, ending at Ringling. We will revisit this matter in the future.

In case you have not read in the local newspapers, the downtown Proscenium Project was unanimously approved by the Sarasota City Commissioners. There will be 5,000 new construction jobs and 1600 other jobs available. Built on 6 acres off of U.S. 41 in the Rosemary District, the development will include a Waldorf-Astoria Hotel and a performing arts center as well as shops, office space and condominiums. Opponents are concerned that the traffic will choke off an already busy U.S. 41 and, if built, it would create the need for \$28 Million Dollars in road improvements that are not covered by the developer.

The Elected Mayor Now Committee will soon start sending ads, holding forums and going door to door to win votes in Sarasota that has turned down two previous proposals for an elected Mayor. The group has collected 3,100 petitions to get its initiative on the March ballot. The elected Mayor would serve a four-year term and would work with the City Manager to prepare a Budget. The proposal adds two at large commission seats including the Mayor's post. If voters approve the measure, it would change the form of government giving the Mayor strength as a leader.

Respectfully submitted,

COOTS SIEGEL

**Downtown to Bayfront Connectivity Charrette**  
**11/20/08**

Influence – it is not clear what the “political driver” is for this improvement project but it does appear that some changes are going to be made.

Funding uncertain – references have been made to some state funding if not, . . . funding will be local taxpayer.

Timeframe – first phase is 0-3 years.

Key Objectives of Concept Phase

- slow down RT 41 traffic
- make pedestrian traffic safer/easier
- improve Sarasota Trail

Preliminary Design Features

- Roundabouts at Gulfstream/41, Fruitville/41, and Boulevard of Arts/41.  
Possible additional locations
- “Enhanced” pedestrian crossings (people will not cross at roundabouts but rather will be able to stop traffic at designated spots).
- Urban Boulevard entrance for southbound 41 starting at 14<sup>th</sup> Street
- More pedestrian crossings in Main to Osprey section

Some Concepts Opposed at Charrette (many oppose anything being done)

- Extending shopping to Bayfront
- Opening Gulfstream Avenue from Mound Street to Main Street
- Eliminating trees or reducing green space

Observations

- Project team did listen to residents' comments and appears to be open to modifications
- Northern section would make entrance to downtown more impressive
- Work in northern section needed for new projects (Proscenium, Bayside, new cultural district)
- Roundabout at Gulfstream at the end of the bridge appears to be the most critical change
- No actual studies on pedestrian usage or crossing
- If this gets city approval, it is important to closely follow design effort as that could impact us

Respectfully submitted,

MARVIN GROSS

This is the final report to the current Board. Investment decisions will be made by the soon to be elected Board. As such we are offering our opinions and recommendations along with our performance data.

As of Monday's close (Nov 18th) our investment pool was down 11.9%. The GNMA fund had a small profit due to the compounding effect of the dividends. When we purchased this fixed income investment, bank CD rates were abnormally low relating to the "open window" at the Fed. Our CD purchased in July has, by definition, zero effect on our P & L. CDs were starting to raise yields, but were only compounding semi annually. The first interest payment will be in January.

The stock investments in the Total Market Index did what it was supposed to do. Unfortunately this was a 34% loss. The rapidity of the loss along with the almost lack of positive days is abnormal. Normally stocks in up and down markets have almost(!) the same up/down ratio. But of course the moves in a down market would be greater than the up moves. The market is rightfully concerned about a severe recession and maybe a depression. Along with this is the fear of deflation which would add to our problems. Personally I am worried about excessive inflation caused by the rapid increase in Money Supply. Low turnover of this money (Velocity) is preventing inflation. But when we recover, then the Velocity will return to normal. Anna Schwartz who wrote the bible on economics with Milton Friedman is worried.. The inflation indexed TIPS are predicting less than 1% inflation. So reducing risks seems to be the theme de jour..

Please also note that we have our 4th quarter investments in cash per the last meeting.

Since the last meeting we have moved our excess operational funds to a money account at Superior. Our deposits are now insured to \$250M.

The Committee currently recommends the following

- 1-New Investments should be in fixed income, until both the markets and the economy recover. Yes the market will be much higher when this happens.
- 2- CDs of 2 year length would be our favorite investment. We can get 4.4% (compounded monthly) vs about 1.6% on a two year Treasury and 5.1% on the GNMA fund. I think GNMA certificates are still cheap.
- 3- We would like the Board to allow the Committee to sell the GNMA fund and buy CDs depending on market conditions.
- 4- We feel that stocks are cheap. Panic, hedge fund and margin call liquidations are driving the market South relentlessly. Therefore we recommend holding on to our current equity position.

Michael E Mesirov for the Committee