

SAVOY ON PALM CONDOMINIUM ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING MINUTES
December 11, 2008

Call to Order: The Board of Directors Meeting was held December 11, 2008 on the Third Floor of the Savoy on Palm Condominium at 401 South Palm Avenue, Sarasota, Florida 34236. President, Mrs. Gross called the meeting to order at 4:03 pm.

Determination of a Quorum: Board members present were Mrs. Gross, Mr. Roe, Mr. Lindeman, and Mr. Siegel. Mr. Ruben joined the meeting at 4:08 pm. Representing Beth Callans Management were Gary Glass 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 November 20, 2008: Mr. Siegel stated an amendment to the November 20, 2008 meeting minutes. Mr. Siegel made a *motion*, seconded by Mr. Lindeman to approve the November 20, 2008 meeting minutes as amended. *Motion passed unanimously.*

Treasurer's Report – Mr. Roe

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

Presidents Report – Mr. Fanning

Mrs. Gross read her report. A copy is attached and thereby incorporated herein.

Committee Reports

Committee Assignments and Structure – Mrs. Gross

Mrs. Gross read her report. A copy is attached and thereby incorporated herein.

Turn Over Committee Report – Mr. Ruben

Mr. Ruben reported on December 10, 2008 there was a meeting with Liz Breuer and her team, Turner and Floria on the turn over. Mrs. Gross attended the meeting. The meeting was mainly an informational meeting on where the Association stands legally. A review of the current status of common area issues was discussed. The list is down to approximately five (5) items inside the building. There is a meeting scheduled on January 21, 2009 to bring closure to the final issues on the turnover. There will be monetary discussions with the Developer at that meeting. Mrs. Gross thanked the committee for all their hard work.

Mr. Ruben mentioned the noise the elevators are still making is due to worn brake pads on the elevator cars. Schindler currently has the pads on backorder. They will install them as soon as the pads are available.

Facilities Committee – Mr. Doery

Mr. Doery read his report. A copy is attached and thereby incorporated herein. Mr. Doery reviewed the issue with the pavers installed. He will meet with the church to discuss the issue.

Mr. Doery reviewed the issue with the request for owners to have keys for the doors from the stairwells to their units.

Finance Committee – Mr. Roe

Mr. Roe read his report. A copy is attached and thereby incorporated herein. A discussion was held on what parameters the Investment Committee can follow from the Board on investing the Reserves. This issue will be researched and reported at the next Board meeting.

Civic Committee – Mr. Siegel

Mr. Siegel read the report. A copy is attached and thereby incorporated herein.

Rules & Procedures Committee – Ms. Kaukin

No report yet. The first committee meeting is not until early January 2009.

Grievance Committee – Mr. Siegel

Mr. Siegel read the report. A copy is attached and thereby incorporated herein. Bill Veal inspected the area the statue was installed. Epoxy will need to be used to fill the holes. Mr. Siegel had sent an email on December 17, 2007 to all owners notifying them to submit plans to the Board for approval prior to an installations being done.

Social Committee – Betsy Cole

No report at this time.

Beth Callans Management Report – Mr. Glass

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

Old Business:

Mr. Ruben reported The Regency was interested in talking about the Air Rights. He will be scheduling a meeting with them to get a cost to the Association.

Mr. Lindeman reported that the Holiday Fund had collected \$2400. The committee has developed the formula for disbursing the Fund.

New Business:

1. Management Fees in 2009 – Mr. Roe made a *motion* to change the BCM fee in 2009 to 5% from the 6% in the approved 2009 budget, which would be reduced to 3% with auto debit of the fee, seconded by Mrs. Gross. *Motion passed unanimously.*
2. Check Signers – Mr. Roe made a *motion* to have Mrs. Gross, Mr. Roe and Mr. Fanning be the authorized signers for checks, seconded by Mr. Siegel. *Motion passed unanimously.*

3. Auditor – Mrs. Gross reviewed the bids from auditing companies. A duly seconded *motion* to accept the bid from Ken Kandefer was made by Mr. Roe. *Motion passed unanimously.*
4. Vanguard Account Signers – A discussion was held on changing the authorized signers for the Vanguard accounts. The Board decided to keep the same authorized signers at this time.

Owners Comments:

Mrs. Siegel reported on the meeting with the City regarding the US 41 & Gulfstream proposed project. Nothing has been finalized so far. The issues included parking on Ringling, US 41 access to Gulfstream and parking on Gulfstream.

Adjournment:

A *motion* was made by Mr. Ruben to adjourn the meeting at 5:36PM, seconded by Mr. Roe. *Motion passed unanimously.*

Next Board Meeting Date – January 22, 2009 at 4PM.

Respectfully Submitted,

Neil Fleet, LCAM
Property Manager
Beth Callans Management Corporation

Investment Committee Report for October 16, 2008-10-14

The financial markets were not kind to us. Both the bond market and the stock market dropped as has been documented in every paper except Car Bargains. As of September 30th, the fund had a value of \$53940 vs a cost of \$56250 or a loss of 4.1%. The GNMA fund had a small profit, our CD had zero income. This is because our CD pays semiannually or in January of 2009. The Total Market Stock Fund had a value of \$21900 vs a cost of 24600. Note that our last installment of investment in this fund of \$3000 was made on October 1st. Our committee decided that we must keep the faith that stocks are a superior investment to bonds before committing these monies. The loss was 8.9% in the stock portion. Our fund, by definition, mirrors the overall market.

Since October 1st thru Monday Oct 13th both the bond market and the stock market have collapsed. Our value was \$50200 for a loss of 10.8% YTD. The bond fund is especially disappointing as it should have been a better anchor for our overall portfolio.

Starting in July we switched to bank CDs. Fear of inflation led us to use stable CDs vs the GNMA fund. Please note that the GNMA fund does not have any credit issues. We can currently obtain about 4.4% for a 2 year CD vs about 1.8% for a 2 year treasury. This was not the case in March. The Fed artificially lowered bank CD rates. The main problem with CDs is a relative lack of liquidity. So we will have to project when the monies are needed 2 years in advance. Half the money will be available in one year or less.

The Board is requested to revisit our 50/50 stock & bond position. The long term results should follow historical trends----unless we hit a depression. Then long term could be exceed the time frame necessary to fund our capital expenditures. I hope that you will give advance thought to this issue.

Michael Mesirov for the committee

Thursday, December 11, 2008

THE SAVOY CIVIC COMMITTEE REPORT

GULFSTREAM – STATUS REPORT:

Since our last meeting on November 13, 2008, there have been several meetings regarding various plans, etc. regarding the future development and changes proposed vis-a-viz for Gulfstream Avenue. A short summary follows:

On December 4th, Howard Phillips, President of Tesera Condominiums, a Bay Front Community Group, representing approximately 14 condominiums and 1400 residents met to discuss matters of concern about the “Connectivity Issues” confronting the Bay Front. Here is the current update:

Our group has organized and requested to hold individual meetings with all the Sarasota City Commissioners, Steve Stancel, the City’s Project Manager and City Planner and representatives from Trans Associates, who were hired by the City as consultants on this project.

On December 10th, representatives from our group met with Commissioner Shelin. It was reported that it was a very good, constructive meeting with what they believe was a positive response from Ken. Essentially, we made the point that we were not being heard or listened to and then went through the arguments. To enhance our opposition regarding the future of Gulfstream, each of the Palm Avenue condos and neighboring members of our group were asked to sign a petition against the use of Gulfstream Avenue as an alternate north/south extension of U.S. 41 as a thru street supplement to supplement U.S. 41. 98-1/2 percent of The Savoy residents signed this petition. Future meetings will be held individually with the remaining City Commissioners . . . including one scheduled for December 12th with the Mayor.

As we speak, there is a site walk that has been established for today by Steve Stancel at 3:00 p.m. at the intersection of Ringling and Gulfstream. We will be walking the Gulfstream corridor with Jason Collins of Trans Associates, who will be listening to our concerns and comments from condominium representatives. A follow-up report will be e-mailed to all Savoy residents regarding this site walk today.

John Moran, current President of the Downtown Sarasota Condominium Association (Savoy is a member of this group) in a December 9th meeting with representatives from the Bay Front condos, was told in NO UNCERTAIN TERMS that we will proceed on our own with blocking the use of Gulfstream. He is in agreement and supports our efforts on this issue.

On December 10th, we learned that there has been a previously approved plan for a roundabout at the intersection of Palm Avenue and Ringling. According to Steve Stancel, City Planner, they are probably just starting on the engineering of the plan which will be using monies primarily from Congestion and Mitigation Funds provided by the State. The improvements will be completed within the next 12 - 24 months. Obviously, this potential situation is not in the best interests of the Palm Avenue, etc. residents. We will stay on top of this NEW and somewhat undisclosed information.

Mort Siegel will now bring you up to date on the proposed Plaza Hotel.

Respectfully submitted,

COOTS SIEGEL

Facilities Committee – Dec 11, 2008 Report

The Facilities Committee has four projects to consider for the coming year:

- 1) Number pads on the front and rear gates to the walkway on the North side of the building.
- 2) Light at the NE corner gate
- 3) Master keys for the stairwells.
- 4) Drainage from the church property

We are waiting for a copy of the 2009 budget before we can proceed with items 1 and 2. Once we get estimates, and if there is money in the budget and the Board approves, we will proceed with the project.

The master key and associated projects, item 3, await resolution of the key problem with Turner and the developer.

We have been working on the drainage problem for several months and have had three different people from the city, including Karen Burdine from Code Compliance, Michael Del Ressi from Engineering and Tim Litchet from Zoning and Code. All promise to look into the matter and get back to us but no answer so far.

Jerry and I met with Andrew Marcus the morning of Dec. 10th. Andrew is the manager of the US Garage building next door. His argument is that water has always drained from his lot onto ours and therefore it was not his problem. We disagreed and it stands there except that I have asked him to contact the church board and have them call me. They own the property and I do not know who is going to be responsible for correcting the drainage problem.

I spoke with Liz Breuer a few days back and she told me that the wall next to our property was installed by US garage to prevent drainage water from their lot from washing dirt onto the sidewalk. It appears that the wall construction has now diverted the drainage onto our lot and thus the problem. Andrew says the water always drained onto our lot but if this is true then why the necessity of building the wall? Anyway, it will be some time before we can resolve this.

GRIEVANCE COMMITTEE REPORT
Monday, December 8, 2008

On Monday, December 8, 2008, the Grievance Committee of The Savoy Condominium Association held a meeting with one of the owners of Unit 1102 - Joey Tanenbaum and his counsel, John Shea, relative to a series of unit owner complaints relating to an art sculpture on their front balcony. Present on behalf of the Committee: Betsy Cole, John Kidd, Nancy Lindeman, Dina Lareau and Morton Siegel, as Chairman.

The event which triggered the complaint initially took place on December 15, 2007 and has intermittently reoccurred through the current date. The primary concern was a life safety issue being that the sculpture exceeded the height of the balcony and could be knocked over by heavy winds, causing considerable property and physical damage.

Mr. Tanenbaum agreed to remove the sculpture on or before December 15, 2008 and have it shipped back to Toronto, Canada.

One of the outstanding important issues has to do with the unit owners' acknowledgment that their engineer contractor, after the incident occurred, constructed a base including some form of penetration into balcony deck with the intention of securing the sculpture. This work was performed in derogation of the Association Condominium Declaration, Rules and a warning e-mail dated December 17, 2007 from Mr. Siegel to Mr. Tanenbaum.

Mr. Tanenbaum and his attorney have been advised to produce a copy of the engineer/contractor's plan/drawings and to meet with representatives of the Association this week to determine whether any damage resulted from the installation. The unit owners' attorney has been advised of this meeting in writing, dated Tuesday, December 9, 2008.

The Committee's further action related to this incident will await the outcome of the inspection and receipt of the plans.

Respectfully submitted,

Morton Siegel, Chairman

**PRESIDENT'S REPORT
THE SAVOY ON PALM CONDOMINIUM
DECEMBER 11, 2008**

It has been a rather busy three weeks since our last Board Meeting.

- Petition - Thank you for responding so expeditiously to signing the petition on not to open Gulfstream Avenue as a thoroughfare. All but two members who are out of the country signed the petition by December 8th a well before the due date. This permitted our petition to be presented in discussions with the City Commissioners and tomorrow to the Mayor.
- Holiday Fund - Thanks you for volunteering to contribute to The Savoy Holiday fund. We heard from everyone in the building. Thanks to Bob Lindeman and to M.A. McGovern for agreeing to manage the distribution again this year which will be make early next week. Again this is ahead of the due date of December 15th.
- Newsletter – Thank you to Toby Kaulkin for publishing our first newsletter of the season. Great job and hopefully will have more contributions as time goes by.
- Beth Callans Management Change – I would like to take this opportunity to thank Gary Glass for serving us our Portfolio Manager and to welcome Neil Fleet as our new Manager. Gary will continue to work with Neil until the completion of the transition.
- Beth Callans Management Meeting – Bill Roe and I attended a meeting at the BCM site with Gary, Neil and Shaun Fitzer from Accounting. Bill provided an exhaustive list of items that we wanted to review and our “orientation” was very successful. Bill’s questions were detailed and relative. We are in good hands with Bill as our Treasurer.
- Upcoming Letter to Members – The State of FL recently passed a series of amendments to the FL Statutes which govern the operation of condominiums. One of these changes directly involved the members of this condominium association. Effective January 2009 and each year thereafter, The Department of Business and Professional Regulation require that each unit owner provide evidence of a currently effective hazard and liability insurance coverage. Beth Callans will be sending you a letter to this effect and the EOC’s will be retained by BCM. A controversial aspect of the Bill that is likely to be amended is that the Association must be an additional named insured and loss payee on all casualty insurance policies of unit owners. I will e-mail a summary of the House Bill as outlined by our attorneys Becker & Poliakoff. The Board will make sure we are in compliance with the new regulations.

- Beth Callans Offer Atlas Insurance Presentation – During the first quarter of 2009 Atlas Insurance, our broker will be invited to attend and present our insurance policies and coverage to The Savoy Board and the members.
- President Orientation – Peter Fanning kindly met with me for an hour and provided me with an overview. As a part of my personal K-2 (big mountain) learning curve, I observed that by reading the By-laws version May 2008 and the Rules and Regulations that I did not have all of the rules that apply to our Condominium. Peter agreed with me. I would like to summand a Special Task Force to compile all the Rules into one document whether attached to Board Minutes, Committee Reports, By-laws and the current Rules. In addition, I have identified some areas in which we have no written rules and are in need of some as related the real estate agents and showing units. I will be sending an e-mail asking for volunteers to work on this project and to determine a procedure that we can follow now that will capture the rules and changes to them as we proceed with our typical governance process. Every effort will be made by me to make this work and part of that will be to expedite the release and posting of minutes.
- Upcoming Member Survey About Staff – Last year the Budget Committee discuss conducting a survey of the members as related to staffing; i.e., primarily, days and hours of the concierge and housekeeping. I have learned that this is a very sensitive topic for some members and therefore have requested that the Finance Committee conduct the survey as an alternative to a 'special' staffing committee. Dina Lareau has kindly agreed to draft the survey for the Budget Committee. The Survey will be presented to the Board before distribution. The goal is that everyone will be heard and their opinion consider in what will be a logical decision process.
- Second TV Provider – Thanks to George Hawley for agreeing to head this project until final disposition. Simply here is we are now, there are two alternatives: Direct TV which comes at a cost of \$22K for wiring and Verizon FIOS which has agreed to connect the FIOS system to our voice/data communications systems and to connect to each Unit Owner willing to purchase the service. The question is when will FIOS be on S. Palm Avenue? It now appears it could be as soon as the 1Q09; therefore I will sign a "Premises Access License" to permit Verizon onto the premises to conduct a survey to develop the engineering for installation.
- Future Board Meetings – I would like to recommend that future Board meetings by held on the third Thursday of each month beginning January 2009.

That completes the President's Report.
Thank you

Lynne Gross

**THE SAVOY ON PALM
COMMITTEE STRUCTURE
2008-09**

Facilities Committee

Fred Doery, Chairperson

Betsy Cole – Landscaping
Beathe Elden - Landscaping
Jerry Elden
George Hawley
Gary Jones
Toby Kaulkin
Bob Lindeman
Marge Mesirov
Mike Mesirov

Finance Committee

Bill Roe, Chairperson

Nancy Lindeman – Budget
Peter Fanning
Mike Mesirov
Marvin Kaulkin
Marvin Gross – Insurance
Peter Fanning
Mike Mesirov - Investment
Walter Bladstrom
Marvin Kaulkin

Rules Committee

Toby Kaulkin, Co-chairperson
Marge Mesirov, Co-chairperson

Jane Baisley
Fred Doery
Lynda Doery
Dina Lareau
Nancy Lindeman

Grievance Committee

Mort Siegel, Chairperson

Betsy Cole
John Kidd
Dina Lareau
Nancy Lindeman

Civic Committee

Coots Siegel, Chairperson

Anne Bladstorm
Fred Doery
Jerry Elden
Marvin Gross
Dina Lareau

Social Committee

Betsy Cole, Chairperson

Toby Kaulkin - Communications
Kim Blackmore
Marvin Kaulkin
Marge Mesirov
Leslie Rivera
Ronna Ruben

Turnover Committee

Wayne Ruben, Chairperson

Peter Fanning
Bill Roe
Mort Siegel

The Savoy
Board of Directors Meeting
December 11, 2008

Treasurer's Report

-The November financials have not been prepared so the October '08 figures are the latest information available and they were reported at the last Board meeting. This timing problem will be avoided when our Board meetings are moved to the 3rd Thursday of each month.

-Our cash and invested monies are as follows:

Operating accounts:

Checking-	\$19,000
Money Market-	<u>\$20,000</u> (1.5% return)
Total Operating	\$39,000

Reserve Accounts:

Cash	\$18,867(2.2% return)
CD's	\$25,000 + interest earned
GNMA	\$4,227
Stock Index Fund	<u>\$19,458</u>
Total Value	\$67,606

(Note: Return on Reserve Accounts is -9.9% YTD)

Finance Committee Report

Investment Sub-Committee

To facilitate the operation of the Investment Committee we request that the Board approve a general set of money management guidelines and the Investment Sub-Committee operates within those guidelines until they seek modification of the established parameters. At such time they will be required to return to the Board for further approval.

Proposed Motion-The Board authorizes the Investment Sub-Committee to invest Operating monies in both the Checking and Money Market accounts as appropriate to receipts and requirements. The Board further authorizes the Investment Sub-Committee to invest Reserve Fund monies to a maximum 50% Equities and the balance in fixed income and similar funds. When markets change and dictate a different strategy, The Investment Sub-Committee will seek Board approval to modify the above guidelines.

Mike Mesirov, as head of the Investment Sub-Committee, will manage all money transactions and coordinate activities with the appropriate persons at BCM

Insurance Sub-Committee

As required by newly passed State law, BCM will send to all unit owners a letter stipulating that every unit be insured, a copy of a Certificate of Insurance be sent to the Association, and the Association be named as additional insured. The law passed last year requiring the above actions has many problems and is likely to be changed in the next legislative session. Therefore, we recommend that BCM comply with the law by issuing the letters but we do not enforce the requirement placed on the owners to provide the letters to the Association.

We plan to have an insurance appraisal of the Savoy facilities in 2009. BCM and Marvin Gross will manage this activity.

Last year there was an attempt to schedule a visit to The Savoy for Darren Howard of Atlas brokers. The purpose of the visit was to discuss insurance with interested owners. If time and interest allows, we will try to reschedule this event during the upcoming months.

Budget Sub-Committee

All the hard planning work for 2009 has been completed and now they will keep a watchful eye as we spend our money. Activity for 2010 will begin in late spring of 2009.

Other matters-

- The Reserve Study is planned for the end of the 1st Quarter of 2009.
- Bill Veal will have a Savoy debit card for miscellaneous expenses that he incurs.
- Bill Veal will now review and approve all non-routine invoices for the Savoy.
- Lynne Gross and WH Roe visited BCM last week to review and discuss operating and accounting procedures.