

# Hillcrest East 25, Inc.

## Condominium Board Meeting Minutes: December 21, 2023

**Call to Order:** Meeting was called to order in the Lobby of Hillcrest East 25, by Greg Eisinger at 7:08pm.

**Board Members Present:** Steven Hurtig, President; Lori Limardo, Vice President/Secretary; Harriet Dinari, Treasurer; Bill Cannizzaro, Member at Large; Greg Eisinger, Attorney for Hillcrest East 25; Al Romano, Accountant for Hillcrest East 25

**Board Members Absent:** Will DeForte, Member at Large

### Meeting Summary:

**First Item on the Agenda:** Greg Eisinger called the meeting to order and began the roll call of the Board Members present.

**Second Item on the Agenda:** Greg Eisinger then asked for the prior Meeting Minutes to be approved and if they would be read or is there a motion to waive reading of the Minutes. Lori Limardo made a motion to waive reading the Minutes from August 2, 2023. Steven Hurtig seconded the motion and the motion was passed by all Board Members present.

**Third Item on the Agenda:** Greg Eisinger introduced the 2024 Budget to be discussed and approved. Greg Eisinger noted that the budget has increased but stipulated that this increase is a lot less than most of the Associations represented by his firm. Greg Eisinger continued with the substantial increases in insurance premiums being the bulk of this Budget increase.

Greg Eisinger explained there will be a motion to adopt the proposed 2024 Budget then questions may be asked before the Budget is voted upon. Greg Eisinger then asked if there was a motion to approve the 2024 Budget. Lori Limardo then made a motion to approve the 2024 Budget. Steven Hurtig seconded the motion.

Greg Eisinger then asked the Unit Owners if they had any questions, concerning the Budget. There was a question and the question was answered. Greg Eisinger then returned to the motion. Steven Hurtig made a motion to approve the 2024 Budget. Lori Limardo seconded the motion. Greg Eisinger asked the Board Members for their votes. All of the Board Members present voted to approve the 2024 Budget therefore the motion passed and the 2024 Budget was approved without reserves.

**Fourth, Fifth and Sixth Items on the Agenda:** Greg Eisinger continued and explained that now the Board will need to nominate and elect their Officers for 2024. Bill Cannizzaro then made a motion to have the current Officers remain in their respective positions. Harriet Dinari seconded the motion. The motion was passed unanimously by all Board Members present.

**Seventh Item on the Agenda:** Greg Eisinger then asked if there were any reports from the Officers. Steven Hurtig began with a list of items to discuss. Unfortunately, there has been a big raise in insurance premiums and it is sad to report but this was totally out of our control as the Board had no say in the matter. The Board did everything possible to acquire the lowest rates and were fortunately able to remain with Citizens. Many of the private insurance carriers have left Florida and the only private carrier that we could get a quote from was Lloyds of London and it was for \$120,000 more than what we are paying. In addition to that, the coverage was not as good. It is very, very important that we have wind coverage on our building. Some buildings have decided to underinsure to meet the financial

responsibility that they have and are trying to cut corners by underinsuring their building. We have a fiduciary responsibility to the Unit Owners in our building and we will not underinsure our building under any circumstances. We have fully insured the building for wind insurance, which is difficult to obtain. We did not raise the deductible to 10%, which would've given us a little discount. We have a 5% deductible right now. We will also not play games with the appraisal of the building, which leads to underinsuring. The last appraisal of our building was at \$43 million. We have maintained and will continue to maintain a very solid insurance policy. If we ever would have a catastrophe and had a big deductible, then there would be Unit Owners who would not be able to pay their share and the burden would be placed on the other Unit Owners. This is a protection for everyone.

Steven Hurtig continued to explain some developments that affect Florida in general. The government agencies, Fannie Mae and Freddie Mac have established a black list. There are approximately 2000 condominiums on that list right now to where they will NOT issue mortgages. This greatly limits overall purchases to cash buyers which greatly decreases property values.

We are not on that list right now but some of their deciding points are as follows. Inadequate reserves. Inadequate insurance. Too many delinquencies. Our building right now has a 1% delinquency rate which is fantastic. In fact, we have a couple of Unit Owners who have paid in advance so in essence we have a small credit. The bank looks upon us very favorably for these reasons. It is also important to note that the loan we had taken out in 2020 is fixed at 4.25% and the same loan now would be at 13%. Steven Hurtig continued with the black list deciding points for rejecting mortgages. Structural and construction issues. Outstanding special assessments. Too many renters in the building. Lack of impact windows and doors.

At this time our building is in very good shape and it is well managed. We do have the remainder of the assessment left for approximately three years, though we can see the end of it and it will be retired relatively soon.

We have made a multitude of improvements which will lessen the impact of the financial requirements under the new statutory fully funded reserves. We should be able to be in a better position than most in regards to fully funded reserves.

As it concerns our insurance, if we are able to negotiate a better rate during the year, we will cancel the existing insurance and write with another company which would reduce the maintenance. There is legislation going on right now to give the insurance companies various benefits that would enable them to reduce the price. If Citizens reduces their price, then we will pass it on immediately to every Unit Owner in our building. In the meantime, this is the insurance rate we have been given.

Steven Hurtig continued with the broadband change that was made. Even though the Hotwire portion of the Budget is higher than when we had Comcast, most of the Unit Owners will save a significant amount of money because Hotwire has included many features that Comcast charged extra for. With Hotwire the internet is included, there is no equipment rental, the television channel options are more broad where you don't have to pay for the additional channels. The savings for most is substantial as opposed to keeping Comcast. At the end of the meeting, we have a chart for each Unit Owner that shows the Comcast contract and the Hotwire contract and specifies the individual savings after subtracting the extra costs with Comcast. This change comes at a good time and will offset some of the maintenance increase that we now have.

Steven Hurtig continued to explain that in preparing this 2024 Budget, the attempt was to make it as lean as possible, considering the massive insurance increase. Therefore, there are some items that are not included in the Budget and we will need to figure out how to work it into the Budget. Specifically, Elevator #3 needs a brand new motor. Until this motor becomes available, we have been shutting down Elevator #3 between 11pm and 7am to alleviate the noise heard on the top floors and help Unit Owners to get their sleep.

Other items that are not in the Budget are the Structural Engineering Fee and the Emergency Life Saving Engineering Fee for the proposal for the sprinklers. We also have to have a new reserve report which also has an Engineering Fee.

Again, there will be attempts to work these items into the Budget though it will be difficult. Steven Hurtig reminded everyone of the frugal spending while providing a good product at a good price, though not always the cheapest but at a very fair price.

Steven Hurtig then reflected on the previous meeting when the subject of partial reserves was discussed. The general consensus was that Unit Owners wanted to have partial reserves. However due to the insurance increase that we had this year, the Board decided not to piggyback any additional expenses to inflate the Budget any more than necessary. We will address partial reserves again as there may be some circumstances in 2024 that will allow us to go into this next year.

Steven Hurtig then asked Greg Eisinger to clarify the legislative change, concerning when reserves will be required.

Greg Eisinger explained that since the original legislation was passed, there have been some tweaks that has basically extended the requirement for one more year. The legislation now states that Budgets passed AFTER December 31, 2024 would have to include reserves. What that means is when a Budget for 2025 is passed BEFORE December 31, 2024, then that Budget is not required to include reserves. As of now all Budgets for 2026 will be required to include reserves unless there are further tweaks in the near future.

Steven Hurtig then announced a development in the Hillcrest community. Steven Hurtig is representing Hillcrest in a Zoom meeting with Park View. Park View wants to charge Hillcrest Owners and residents for the use of the tennis and pickleball courts. The use of these courts have been free until the end of the year but now they are exercising their right, which is in the restricted covenant that was signed when the golf course was sold, to charge a usage fee to only Hillcrest people. The Park View people will not have to pay this fee.

Steven Hurtig wanted to express that the culture of this particular Board has been to help the people in the building, some with financial problems, some with construction problems, whatever the issue, this Board is here to help everyone. There are many other Boards who are like Condo Commandos that are looking to find fault or hiding behind a pole, waiting for someone to commit a violation or come downstairs at 5:05pm as previous Board Members have done to turn a truck away that's been stuck on I-95. The Rules and Regulations of this building are a living and breathing thing and sometimes we have to make provisions for extenuating circumstances to help the people out in the building. We will, on the other hand, aggressively enforce the rules for the protection of those people that are obeying the rules. It is not the most pleasant task yet we also get back to everyone who files a complaint within 24 hours. They receive an email or a phone call and we discuss everything. We check the recommendations and complaint box regularly and if there is something that needs to be addressed, we are on it immediately.

Steven Hurtig pointed to the three Board Members at the table and stated that these are excellent Board Members and that this is the best Board to have ever been associated with since being on the Board. They are very hard working people and a common characteristic that they have is that they care greatly about the building, not about their authority, nor if they have a business that they are looking to promote. They are excellent, excellent people. The audience began to applaud but Steven Hurtig then wanted to call the attention to the electronic screen up on our lobby wall that Lori Limardo has been changing every month and in addition, currently the photos are displayed from our party. Anyone who is taking the time to look, Lori Limardo puts a different group of pictures every month which coincide with the holidays and themes of that month, what the holidays are, a little history and people have given it a very, very good review. Even Real Estate Brokers and people that come in marvel at it. Steven Hurtig then turned and thanked Lori Limardo for the great job for us. The audience applauded and Lori Limardo thanked everyone with appreciation.

Steven Hurtig then turned to Harriet Dinari and asked if she had any comments on any other items. Harriet Dinari replied yes and began to explain that a few Unit Owners have had some issues with their Hotwire TV video. Harriet Dinari asked if anyone has had repeated issues and have called customer service yet the issues continue, the Board would like to address these issues. Harriet Dinari is

compiling a signup sheet in the office for Unit Owners who are still experiencing these reoccurring issues with their Hotwire service. The Board will have each Unit addressed by the Launch Manager directly until these issues are resolved. The Board wants to ensure that every Unit is getting the service that they should be getting.

Harriet Dinari also thanked everyone who came to the holiday party and invited those who had not attended, to join us all next year. Unit Owners have commented that they have gotten to meet new neighbors along with it being a very nice evening. Harriet Dinari continued that it was a pleasure to see everyone chatting and enjoying the various deserts. Next year's party will have a different theme and hopefully even more Unit Owners will attend.

Steven Hurtig thanked Harriet Dinari then Lori Limardo had wished to give some comments.

Lori Limardo reminded that there is a list of small projects that the Board had wanted to take care of this past year such as changing the louvers at our generator room in our Service Area, painting the curb at the front around to our Service Area and repainting the interior stairwell however these projects had to be postponed because we had run into some mandatory projects such as the drain in the parking lot and some jacuzzi issues. Therefore, to manage the budget, the Board needed to postpone those other projects. Lori Limardo stressed that the other projects have not been forgotten and that the Board will work them in as soon as it is possible.

Steven Hurtig thanked Lori Limardo and turned the conversation to the fact that the Board has put together a very good working relationship with the staff in the building. Our Maintenance Staff, Jose Corchuelo and David Romero as well as our four Security Guards have done a very nice job for us and they have been here on a regular basis. We do have a new maintenance man, named Jairo Quintero, who is terrific also. Jairo Quintero does a lot of work that he is not asked to do, he takes it upon himself and is doing a very, very good job for us. Therefore, one thing that is very annoying is when these people get disrespected. There are a few Unit Owners who have talked down to our staff and have disrespected them. This will not be tolerated because we value the people that work in this building and the Board is of the opinion that they do a very good job.

Steven Hurtig then commented on our packaging program where the packages are being scanned in, taking pressure off of the Guards, has been working very, very well. The FOBs have also taken a little pressure off of the Guards with the volume of residents coming in from those doors. It is a very difficult job sitting behind the Security Desk. They must worry about parking, getting a package, taking a phone call and for one person to do that, there are times when they still get slammed with several tasks at one time. The Board has been trying to upgrade the front desk services while at the same time allow the Guards to focus on their duties of security.

Steven Hurtig then thanked everyone in attendance and commented that most in this building have been great to work with and that there are still 5% of the people causing 100% of the problems. The audience chuckled. Steven Hurtig continued that that is fine if they continue to want to do it, bring it on. The audience chuckled again.

Steven Hurtig then held up a form that the Board had created for each Unit Owner to itemize and calculate their savings from moving our service to Hotwire. Each Unit Owner can fill in the what they were paying Comcast for the list of service options and compare it to what Hotwire has included in their service contract.

Steven Hurtig then reminded Unit Owners using the ACH program, will need to submit a new form to reflect the Maintenance Fee by December 28<sup>th</sup>. The Board will email a new form to everyone or the form can be picked up in the office. In addition, some Unit Owners have their banks automatically send a check to the office. These Unit Owners will need to contact their bank and adjust the check amount to reflect the new Maintenance Fee. These changes will need to be made as soon as possible so that the Association can make all of its necessary payments on a timely basis.

**Eighth Item on the Agenda:** Steven Hurtig asked our Unit Owners if there was any further discussion needed, concerning the agenda items. There were some questions and those questions were answered.

One of the Unit Owners commented that the rise in the maintenance fee is a hard pill to swallow but it is necessary with the reality of the rising costs in maintaining the building. There is no choice but to pass it on to the residents. The Unit Owner then referred to Greg Eisinger's comments that our building is in much better condition than other buildings around us. The Unit Owner continued that while living in this building for the past two and a half years, there have been great improvements and this building is very well maintained. We have to look at the positive side of what is being done, what has been achieved and what the Board is looking to do. The Unit Owner wanted to thank the Board for working very hard to make it all happen. The increase is necessary for our building which is our home. It is all of our responsibility to maintain it properly and rather than to complain, it is better to recognize how much is being done.

The audience began to applaud.

Steven Hurtig thanked the Unit Owner then Lori Limardo added that Steven Hurtig is the financial wiz behind the budget and keeping our building financially sound. Harriet Dinari agreed. Lori Limardo further thanked Steven Hurtig for contributing his financial genius to our building.

The audience applauded again.

Steven Hurtig thanked everyone and asked if there were any more questions or comments.

There were none.

**Ninth Item on the Agenda:** Steven Hurtig then made a motion to adjourn the meeting. Lori Limardo seconded the motion and the motion was passed unanimously by the Board Members present.

**Meeting Adjourned:** 7:58pm