

Ballantrae Condominium Association, Inc.

Board of Directors Meeting Notice

DATE and TIME: February 21, 2024, 6:00 PM

LOCATION: Gulf Gate Library Meeting Room A

Agenda

1. Call to Order, Confirmation of Notice, Roll, and Confirmation of a Quorum
2. Treasurer BOD Appointee Confirmation – Ken Rowland
3. Approval of Meeting Minutes
 - a. 12-06-2023 (6PM Board Meeting – New Board)
 - b. 12-20-2023
 - c. 1-17-2024
4. Officer Reports
 - a. President
 - b. VP
 - c. Treasurer
 - d. Secretary
5. Committee Updates
 - a. Social / Caring
 - b. Welcome
 - c. Rules and Regulations
 - d. Newsletter
 - e. Landscaping
 - f. Building
 - g. Financial
6. Vote on New 2024 Operations Budget
7. Vote on New 2024 Reserve Study and Contribution Requirements
8. Vote on Special Assessment Range
9. Approve Financing Insurance Premium Monthly for 2024
10. Exercise Options Contract Right (Approve) for Remaining 9 Roofs with Long Boat Key Roofing
11. Adjournment

Ballantrae Condominium Association, Inc.

Board Meeting Minutes

Date: February 21, 2024 **Time:** 6:00 PM **Location:** Gulf Gate Library, Rm A

Board Members Present: Ben Elliott, Dennis Dryjanski, Kathleen Lyden

Attendees: Mike Miller/Miller Mgmt. 49 residents

President Motion: Ben Elliott made a motion to appoint Ken Rowland treasurer of HOA. Motion seconded by Dennis Dryjanski. Motion unanimously approved 3-0.

Approval of Minutes: Ben Elliott made a motion to approve 12/6/2023 – 6:00 board meeting minutes and waive the reading. Ken Rowland seconded. Motion passed 4-0.

Ben Elliott made a motion to approve the 12/20/2023 – 6:00 board meeting and waive the reading. Ken Rowland seconded. Motion passed 4-0.

Ben Elliott made a motion to approve the 1/17/2024 board meeting and waive the reading of minutes. Ken Rowland seconded. Motion passed 4-0.

President's Report: A streamlined process for Architectural Review Forms is being developed. Continue to use work order for various request. Larger requests that involve change to the exterior or utilize a contractor on or affecting Ballantrae property require an ARC form. President's report attached.

Vice President's Report: Ben mentioned the Vice President's report would be attached and that Drew was not attending due to important familial obligations.

Secretary Report: The Comcast cable contract is expiring. We are gathering information from both Comcast and other providers to determine best options. Secretary's report attached.

Committee Updates:

Landscape: There have been several complaints regarding PML's landscaping crew that are being addressed. Ben Elliott and Kathleen Lyden had a conference call with PML on Feb. 5th. PML committed to addressing all issues. The high-level meeting will be scheduled every 4-6 weeks at a high level. Ben mentioned we are using a tracker to make sure contractually obligated items are being completed.

Old work orders should be caught up by the end of week. New process for work orders and ARC forms in process.
Landscaping report on the attached Secretary report.

A resident brought concern of an alligator in pond behind Royal Birkdale. It is reported that this alligator is not aggressive and has been in pond. We will monitor for aggressiveness and act if necessary.

Social/Caring: St. Patrick's Day celebration. Details to follow.

Welcome Committee: One interview. Darrell and Judith Baker on Royal Birkdale.

Rules & Regulations: Realtor sign being left out front. Will request that they are only there for a few days ahead of open houses.

Plumbing issue that was not addressed with ARC form is still in process of resolution.

Newsletter: Going to discuss roofing, forms, etc. Items we should be aware of to keep our community beautiful.

Buildings: LED lights all replaced Ben thanked Dennis for leading this charge for staying on top of FPL. This should result in savings.

New driveways - concern about discoloration. Will revisit in warmer months to determine if action required.

Mailboxes are slated to start March 4th. There will be a small piece of machinery used to lift the mailbox roofs. The mailbox posts will be concrete encased to help ensure durability.

Roofing:

The first building took a few days longer than expected. Rain delayed. Asked Long Boat Key if they can move faster but we do expect all roofs to be completed before storm season. Ben said that the worst case scenario would be September if the roofers took 2 weeks to complete per building.

The second building started Feb. 21st. Updated schedule to be posted as we get more information. Roofing projects for an additional nine roofs to be done upon completion of the first group. Contact will be made prior to roofing to determine if the resident wants to install a new skylight or dome light. There was a question on who pays for the skylight / dome repair / chimney repair – all of these are to be paid by the unit owner.

The painting schedule will be revisited later.

Financial:

Ben mentioned that the new budget proposal and the financial presentation were to follow. Presentation of new roofing assessment and potential payment options attached.

Budget:

Ken Rowland went through the proposed operations budget for 2024 on a projector screen. Ken mentioned that the proposed new fees would lower to \$556 starting in July. He mentioned that the effective rate (weighted average) would be \$620. This would revise the original budget presented earlier in the year. A question was asked if the budget was balanced, specifically the application fees and gate remote fees. Ken mentioned that these were not part of the balanced budget.

Ben Elliott made a motion to approve the revised 2024 budget. Ken Rowland seconded the motion. Motion passed 4-0.

Ben Elliott made a motion to approve the reserve requirement in the amount of \$125,000. Dennis Dryjanski seconded the motion. Motion passed unanimously 4-0.

Assessment:

Ben went through the attached power point presentation on what it would take to finish the remaining 9 roofs including the repairs, and consulting fees. The presentation covered topics such as how we got to where we are, potential loan options, what makes up a reserve, and what the special assessment would be. He mentioned that an assessment of 7,353 per unit owner would be required and due 5.1.2024.

The board reminded everyone that our insurer is not renewing Ballantrae in 2025 which would stick us with Citizen's – who would make us have a full roofing contract in hand.

Ben mentioned that the board is trying to get a loan option for those who wish to choose the loan option but mentioned that if we can't get the loan option, then all assessments would be due 5.1.2024 in full. He reminded everyone that the loan would have a prepayment penalty if someone paid off early, which would mean all interest on that loan would be due. That is to say even if you paid off the loan portion in the first year, you would still have to pay the 5 year interest.

A question was asked if the community had been saving money in reserve for these roofs. Ben answered that yes, the association was saving, but the roofing project was slated to end in 2028, and that we must come up with the 4 years payment now, rather than have savings that would have been spread out over 4 years.

A resident mentioned that the new roofs could result in savings. Ben mentioned that Atlas (Ballantrae's insurer) hinted at savings but did not guarantee them in terms of a policy adjustment in 2024. They did however confirm that we could have some credits applied and would have better terms on our insurance.

Ben Elliott made a motion to approve the special assessment due 5.1.2024 in the amount of 7,353 per unit. Ken Rowland seconded the motion. Motion carried 4-0.

Ken Rowland reminded residents that there is a possibility that the assessment could be lowered if it's determined the roofing variable costs are lower than anticipated. Ben confirmed this was possible, but dependent on unreliable pre-inspections.

Insurance: Ben Elliott made the motion to approve the insurance payment of \$312,384 and finance the monthly premium of \$11,089. Dennis Dryjanski seconded the motion. Motion carried 4-0.

Corporate Resolution: A corporate resolution was read recognizing the board's authority to apply for a line of credit. The line of credit will be for \$750,000. Ben Elliott made a motion to authorize the resolution. Dennis Dryjanski seconded the motion. Motion passed unanimously 4-0.

Roofing Contract: Ben Elliott made a motion to authorize the board to exercise the addendum B option's contract with Longboat Key Roofing to add 9 roofs to the contract. Dennis Dryjanski seconded the motion. Motion carried unanimously 4-0.

ARC Approvals: Ben Elliott made the motion to approve a chimney cap replacement at 7301 Ballantrae Place. Dennis Dryjanski seconded the motion. Motion passed unanimously 4-0.

Ben Elliott made a motion to approve a pvc drier pipe at 3774 Ballantrae Drive. Dennis Dryjanski seconded the motion. Motion passed unanimously 4-0.

Ben Elliott made a motion to approve screen replacements at 7366 Royal Birkdale Drive. Dennis Dryjanski seconded the motion. Motion passed unanimously 4-0.

Ben Elliott made a motion to approve a solar tube installation at 3625 Gleneagle Drive. Dennis Dryjanski seconded the motion. Motion passed unanimously 4-0.

Ben Elliott made a motion to approve a landscaping request at 3641 Gleneagle Drive. Dennis Dryjanski seconded the motion. Motion passed unanimously 4-0.

Meeting Adjournment:

Ben Elliott made a motion to adjourn. Ken Rowland seconded the motion. Motion passed unanimously 4-0. Meeting adjourned at 7:30.

Ballantrae Condominium Association, Inc.

President's Report – February 2024

2024 has started off with a lot of moving parts that are going to help lead our community in the right direction. We now have a full board (addition as treasurer), strong committees, and a great strategic vision for the year. I will touch upon more of the improvements in the building committee section.

Tonight there will be a lot of information to go over. Every report and presentation shown will be uploaded with the meeting minutes within 1 week of the board meeting. As you have questions please hold them until the end of an agenda segment, or before a motion if requested.

We have recently started utilizing the Architectural Review Committee (ARC) form for projects that impact the outside of the unit. Please continue to use work-orders as you have for various requests, but for larger requests that involve a change to the exterior or a utilize a contractor, please fill out the ARC form found on our website and send to Fran Clymore or a Board member. The goal is to streamline this process without a full board hearing on each change and ultimately to protect the association's property.

I look forward to seeing what each committee is producing and going over the assessment proposition in detail with each and every one of you.

Sincerely,

Ben Elliott

Ballantrae Condominium Association
Vice President's Report – February 2024

Ben asked me to speak today about the situation with the roofs. The reason is because I was strongly opposed to replacing all remaining roofs just two months ago. However, I have come to understand this is not feasible.

One of the reasons for replacing all the roofs that has been given is the chance that people won't be able to get financing when trying to buy Ballantrae condos, thereby hindering sales and resulting in lower home values. This may be true, but has been disputed. Also, owners who aren't looking to sell might not feel the urgency to get this done immediately.

However, what is not in dispute is this.:

Ballantrae is required to purchase insurance to cover our buildings every year. When we renewed for 2023 (coverage just finished), there was only one company willing to insure Ballantrae. This same company was the only one willing to renew us for 2024. This company, Colonial insurance, has informed us they will NOT renew us for 2025, because of our remaining wood shake roofs.

So what will we do in 2025 to obtain insurance? If we do not replace the roofs now, we will be faced with one option. Go to Citizens insurance, who will charge us 50-60% more in premium AND will require us to replace the roofs anyway.

If we don't replace the last 9 roofs this year, it appears we will be forced to replace them in 2025 anyway. The advantage of replacing them this year is that we will likely save about \$200,000+ in insurance premiums in 2025, because instead of being forced to use Citizens, we would have multiple companies competing for our business.

For the record, I am 100% in support of replacing the additional 9 roofs this year, and feel this is the best option for us, which will actually save a lot of money for Ballantrae homeowners.

Feel free to call me directly if you'd like to discuss.

Drew Lowther

Ballantrae Condominium Association, Inc.

Secretary's Report – February 2024

Cable

The contract for Comcast cable service is coming up for renewal. We have reached out to Comcast for terms of renewal. A request has also been made to Frontier. Once information has been gathered we will present the findings and hopefully have a recommendation that keeps our expense down.

A separate mailer has gone out to all residents asking whether they use the Comcast cable. We are trying to get an idea of how many residents actually use it so that we are not paying for more homes than necessary. All residents are asked to fill out the form and return by March 4th. We have currently received approx. 25 responses.

Landscaping

There have been a number of complaints from residents regarding PML's landscaping crew. These include the speed in which they run mowers, grass being torn up, cuttings being sprayed toward homes rather than away and blowing cuttings on driveways with no regard for direction.

Ben Elliott and I had a conference call with PML on February 5th to voice our concerns over these issues as well as an overall discussion about their services in general. We were assured that they would address the issues raised and appeared eager to provide an above average service.

We are in the process of addressing old work orders which should be caught up by the end of next week. There is a process for Work Orders (attached) that will be posted on the website. Please refer to the process when filling out the requests. Any questions should be directed to Fran Clymore at fclymore@comcast.net.

Several owners have asked if mulching would be done. We are in the process of gathering pricing.

Ballantrae Condominium Association, Inc.

Building Report – February 2024

There are many building projects completed and underway for 2024. The projects completed in 2024 so far are:

- **LED bulbs** placed in the FPL light poles. All the light temperature colors now match, and we should save some money from using LED
- **5 Driveways Repaved**
 - There is some concern about discoloration in a couple of the driveways. The pourer said that this should come out in the coming months as the concrete continues to cure. We got a second opinion which was in line with the first. We are monitoring the situation and will revisit in warmer months

The projects underway and slated for 2024 are as follows:

- **Mailboxes**
 - Josh Jacobs slated to begin mailbox replacement starting 3-4. He expects each mailbox stand to take about 2 days. While he is working there will be a mini crane on site to lift the mailboxes. There will also be temporary stands for mail while the mailboxes are being replaced. More of these details will be coordinated in the coming days
- **Roofing project (7 Roofs)**
 - The roofs are tracking 8-9 working days each. A new schedule will be posted at the bulletin boards to reflect the work pace. As a reminder, please park down the road, when your unit(s) are being worked on – not in the cul-de-sac because the dumpster will be there
 - Please reach out to a building committee or board member if you would like your solar dome (just the cap) or small skylight replaced. Depending on the situation it will be paid by the unit owner or the association
 - First roof – building 9 is underway and should be completed this week
 - There was an incident in one of the buildings where a unit owner's garage drywall fell because the roof sealing popped out during the rainstorm this past weekend. Longboat Key Roofing (LBKR) is working with the unit owner to get all of that fixed. This was a one-off incident, but we have been assured LBKR will take extra measures to keep the roofing seal on
 - Second Roof – Building 11 has begun the tear off phase today 2-21
 - Third Roof – Building 14 should begin 2-27/28 pending unforeseen weather delays
 - Roofs 4-7 will follow at that 8-9-day mark – updated schedule will be posted
- **Roofing project (9 roofs)**
 - Slated to begin right after the 7 are completed. More info to come
- **Painting**
 - More information to come at a later time

BALLANTRAE CONDOMINIUM ASSOCIATION, INC.
2024 PROPOSED REVISED BUDGET WITH REDUCED RESERVES PAYMENT
January 1, 2024 through December 31, 2024

ACCT#	ACCOUNT NAME	2023	2023	2024	2024	PROPOSED
		APPROVED BUDGET	ACTUAL 12/31/2023	FULLY FUNDED BUDGET	APPROVED BUDGET	REVISED BUDGET
OPERATING INCOME						
4101	Maintenance Fees	\$495,621	\$495,719	\$620,294	\$620,294	\$634,172
4114	Late Fees	\$0	\$557	\$0	\$0	\$0
4501	Interest	\$0	\$3	\$0	\$0	\$0
4502	Application Fees	\$400	\$700	\$400	\$400	\$400
4600	Gate Openers	\$150	\$270	\$150	\$150	\$150
TOTAL OPERATING INCOME		\$496,171	\$497,249	\$620,844	\$620,844	\$634,722
RESERVES						
4104	Reserve Assessments	\$174,217	\$174,217	\$296,780	\$217,771	\$125,000
TOTAL RESERVES		\$174,217	\$174,217	\$296,780	\$217,771	\$125,000
TOTAL ASSESSMENTS/RESERVES		\$670,388	\$671,466	\$917,624	\$838,615	\$759,722
OPERATING EXPENSES & RESERVES						
General & Administrative						
6102	Management Fee	\$16,296	\$16,296	\$16,948	\$16,948	\$16,948
6104	Postage & Office Supplies	\$3,700	\$3,566	\$3,000	\$3,000	\$3,000
6106	Legal & Accounting Fees	\$20,000	\$8,485	\$15,000	\$15,000	\$14,000
6110	Income Taxes	\$0	\$0	\$62	\$62	\$62
6112	Division/State Fees	\$469	\$469	\$469	\$469	\$469
6120	Misc/Bad Debt/Website	\$1,900	\$1,550	\$1,500	\$1,500	\$1,500
6150	Social & Caring	\$200	\$610	\$200	\$200	\$200
Subtotal		\$42,565	\$30,976	\$37,179	\$37,179	\$36,179
Landscaping						
6200	Payroll	\$54,000	\$53,833	\$55,260	\$55,260	\$55,260
6201	Payroll-Simple IRA-Match	\$1,620	\$1,615	\$1,658	\$1,658	\$1,658
6202	Payroll-Taxes/HRA	\$10,100	\$10,167	\$10,376	\$10,376	\$10,376
6203	Grounds Maintenance	\$90,988	\$86,813	\$87,000	\$87,000	\$87,000
6204	Equipment Maint/Gas Supply	\$2,400	\$2,540	\$2,000	\$2,000	\$2,000
	Storm Cleanup	\$0	\$7,630	\$3,000	\$3,550	\$3,000
6210	Tree Trimming/Replacements	\$8,500	\$2,200	\$5,000	\$5,000	\$5,000
6211	Irrigation Maintenance	\$2,000	\$141	\$2,000	\$2,000	\$2,000
6212	Fertilize/Mulch	\$15,000	\$0	\$18,000	\$18,000	\$18,000
6214	Plant/Shrub/Sod Replacement	\$2,400	\$2,645	\$2,400	\$2,400	\$2,400
6215	Lake Maintenance	\$5,000	\$6,050	\$6,900	\$6,900	\$6,900
Subtotal		\$192,008	\$173,634	\$193,594	\$194,144	\$193,594
Maintenance & Repairs						
6304	Building/Sidewalk Repair	\$4,000	\$3,261	\$4,500	\$4,500	\$4,500
6306	Roof Repairs/ChimneyCap	\$5,400	\$5,019	\$4,000	\$4,000	\$4,000
6320	Other/Gate/Misc.	\$750	\$2,305	\$500	\$500	\$500
Subtotal		\$10,150	\$10,585	\$9,000	\$9,000	\$9,000
Utilities						
6401	Electric	\$9,600	\$11,883	\$12,000	\$12,000	\$12,000
6425	Cable T.V.	\$54,912	\$54,271	\$57,626	\$57,626	\$57,626
6435	Telephone	\$2,400	\$2,258	\$2,300	\$2,300	\$2,300
Subtotal		\$66,912	\$68,412	\$71,926	\$71,926	\$71,926

BALLANTRAE CONDOMINIUM ASSOCIATION, INC.
2024 PROPOSED REVISED BUDGET WITH REDUCED RESERVES PAYMENT
January 1, 2024 through December 31, 2024

ACCT#	ACCOUNT NAME	2023	ACTUAL	2024	2024	PROPOSED
		APPROVED BUDGET	AS OF 12/31/2023	FULLY FUNDED BUDGET	APPROVED BUDGET	REVISED BUDGET
Insurance						
6650	Insurance (If paid up front)	\$184,536	\$205,709	\$308,595	\$308,595	\$312,384
	Additional for monthly payments					\$11,089
	Total Insurance cost					\$323,473
TOTAL EXPENSES		\$496,171	\$489,316	\$620,294	\$620,844	\$634,172
RESERVES						

	Total Annual Reserves	\$174,217	\$174,217	\$296,780	\$217,771	\$125,000
	TOTAL EXPENSES & RESERVES	\$670,388	\$663,533	\$917,074	\$838,615	\$759,172
UNIT ASSESSMENT						
	Quarterly Maintenance				\$1,520	\$1,554
	Quarterly Reserve Fee				\$534	\$306
	TOTAL Quarterly Fee				\$2,054	\$1,860
	TOTAL Monthly Fee				\$685	\$620
	Yearly Assessment					\$7,443
	Remaining after 2nd quarter					\$3,335
	Quarterly fee July - December					\$1,668
	Monthly fee July - December					\$556
	Line of Credit					\$750,000
	Monthly Payment 60 mos. @6.99%					\$14,816
	Per Unit Assessment Monthly					\$145
	Total Number of Units: 102					
NOTE #1: Some figures have been rounded for ease of calculation.						

Ballantrae Condo Association
Corporate Resolution – Roofing Assessment

Be it further resolved that the Board of Directors of Ballantrae Condo Association having a grant of authority to assess and fund the reconstruction do hereby authorize funding for roofing replacement by procuring a line of credit up to seven hundred and fifty thousand dollars (\$750,000.00).

An assessment of \$7,353 dollars shall be made to each unit owner (102 units) for roof reconstruction. The assessment will be made payable by 5.1.2024.

Be it further resolved that unit owners shall be given option to pay the necessary assessment by:

1. A paid in full installment by 5.1.2024 in the amount of \$7,353.00.
2. Pay installments of \$145 monthly for a term of 60 months.
3. Pay off balance during loan term, but pay outstanding interest

This resolution was adopted at a duly noted meeting of the Board of Directors, on the 21st day of February 2024, at which a quorum of the board was present.

Sincerely,

Ben Elliott

President Ballantrae BOD

ROOFING ASSESSMENT BALLANTRAE

FINANCIAL COMMITTEE REPORT



WHY DOES BALLANTRAE NEED ALL ROOFS DONE AT ONCE?

For the plan to be implemented, the Ballantrae Board of Directors must vote to approve the recommended plan.



Insurance Company Not Renewing Ballantrae for 2025



Forced to Go to Citizen's

Would still need a roofing contract in hand with Citizen's AND no telling of what price could be

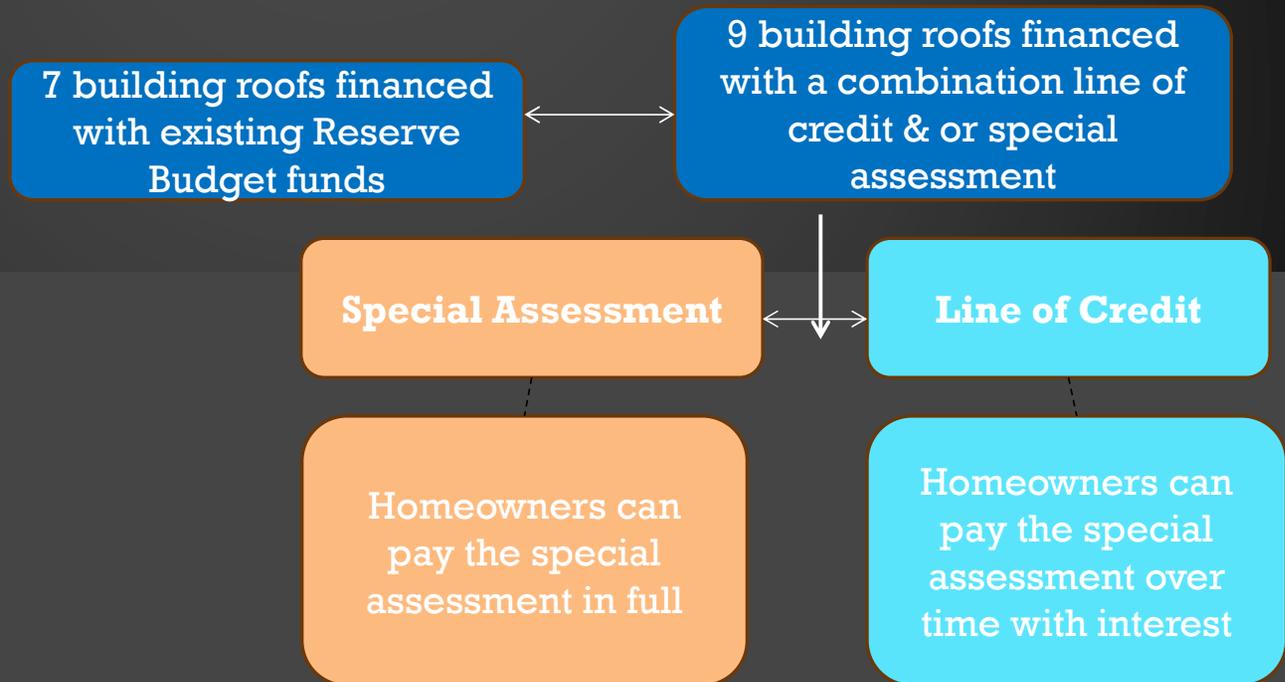
Marketability

May have a smaller purchasing pool of buyers due to insurance requirements

WHAT DOES IT COST TO REPLACE ROOFS ON 16 BUILDINGS?

The following diagram shows the decision tree used by the Roofing Finance Committee to determine the best way to finance the replacement of 16 building roofs and keep the Association on sound financial footing.

For the plan to be implemented, the Ballantrae Board of Directors must vote to approve the recommended plan.



HOW DOES THE LINE OF CREDIT WORK?

The Association will apply for a Line of Credit from a lender.

Interest is paid on the amount of credit used to pay for the roofs.

A homeowner can pay their special assessment in full or opt for the line of credit. The full amount of interest will be due if paid in full after the set date of 5.1.2024



Line of Credit

Line of Credit amount borrowed will depend upon how many homeowners pay the special assessment in full

Full amount of interest will be due. Cannot re-amortize.

Special Assessment

Homeowners can decide to pay the special assessment up front to avoid interest.

I WANT TO PAY THE SPECIAL ASSESSMENT OVER TIME. WHAT HAPPENS?



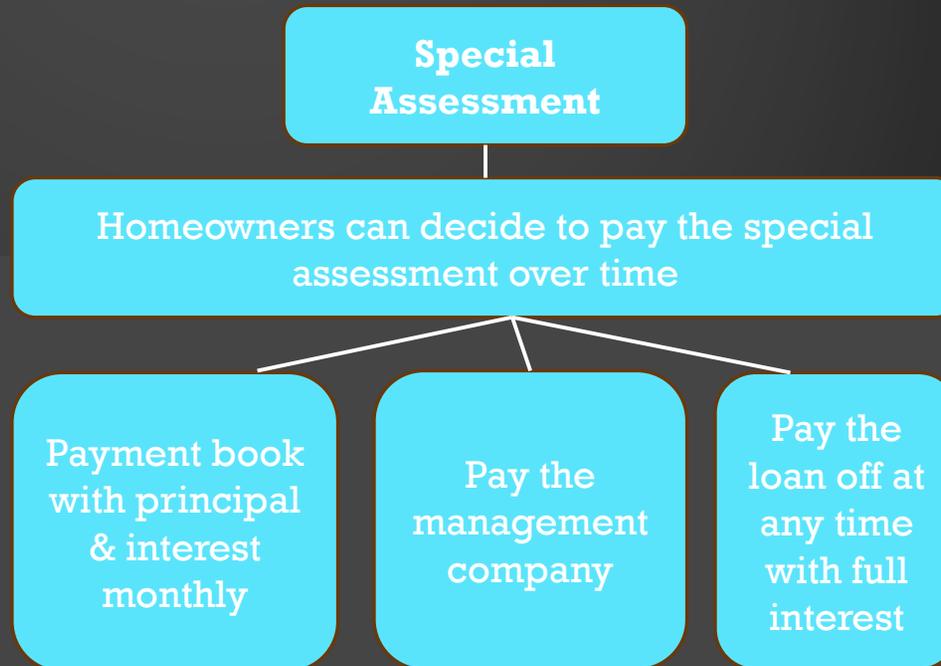
The Line of Credit lender will extend payment terms to homeowners who want to pay the special assessment over time.

The lender (through the management company) will give the homeowner a payment book with the principal and interest due each month.

The homeowner will pay management company who will then pay lender

The homeowner can pay the loan off in full at any time, but will have to pay the whole interest amount if they did not opt for paying all up front.

Homeowner can only avoid the interest if they pay up front in full on May 1, 2024.



WHAT IS THE HOA FEE GOING TO BE?

The Association applied for a **750,000** Line of Credit from a lender. This comes out to \$7,353 per unit without interest.

Homeowners who pay the assessment in full will pay the monthly HOA fee of \$556 beginning July 1

Homeowners who pay the assessment over time will pay the monthly HOA fee of **\$556** AND an additional payment of the loan amount including principal and interest of approximately **\$145** over **5 years** if we get **6.6 percent** interest.

This is the best estimate, and has the potential to get reduced on a pre-inspection of the 9 roofs or better lending terms.



Line of Credit \$750,000

Homeowners who pay the special assessment over time will pay the monthly HOA fee of \$556 AND the additional payment of \$145 to service the loan

Special Assessment

- Homeowners who pay the special assessment in full will pay the monthly HOA fee of \$556

WHAT ARE THE FACTORS THAT IMPACT THE HOA FEE?

The amount of money paid into the Reserve Fund each month is being reduced.

The Association Insurance is being paid monthly instead of a one lump sum.

Special Assessment off loads the loan amount including principal and interest. Not included in the monthly fee.

For the plan to be implemented, the Ballantrae Board of Directors must vote to approve the recommended plan.

