

The Towers of Key Biscayne, Inc.  
The Auditorium  
1121 Crandon Boulevard  
Key Biscayne, FL. 33149

Regular Board of Directors' Meeting October 19, 2011

Meeting called to order at 7:03 PM

**I. Roll Call**

Members Present:

Mr. Anthony Ottavio	President
Mr. Mario Lopez	Treasurer
Ms. Judy Rosenblum	Asst. Secretary
Mr. Ricardo Martinez	Director
Mr. Allan Khan	Director
Dr. Elsa Dominguez	Secretary

Also Present:

Mr. Joe Maura	General Manager
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**II. DETERMINATION OF QUORUM**

Once a quorum was established the meeting proceeded

**III. IV. & V. - APPROVAL OF MINUTES FOR MEETINGS HELD : TWO ON AUGUST 25TH , 2011 AND ONE ON OCTOBER 4TH,2011**

**Mr. Ottavio moved to waive the reading of the minutes for the two meetings held on August 25 and the one on October 4, 2011**

All board members unanimously agreed

**Mr. Ottavio moved to approve the reading of the minutes for the two meetings held on August 25 and the one on October 4, 2011**

All board members unanimously agreed

**VI. MANAGER'S REPORT**

**See Attached Report**

<> **MS. ALLISON OWEN - VICE-PRESIDENT ARRIVED AT THE MEETING AT 7:19 PM**

## **VII. TREASURER'S REPORT**

### **See Attached Report**

Mr. Lopez explained that since the financial statements for September, 2011 are not finished yet, he will go over August 2011 as well as the eight months period ended August 31, 2011.

For the eight months period ended August 31, 2011 Revenues exceeded Expenses by approximately \$160,000. Revenues were consistent with the budget for the period, while expenditures were below budget by approximately \$160,000. The variances of expenditures as compared to budget were primarily due to a lower than anticipated insurance premium expense and lower salary costs. These lower than anticipated costs were offset to an extent-by unanticipated increases in utility costs, in particular Diesel Oil for Hot Water Burners, Gas for BBQ and Pool Heaters. The lower salary costs were a result of management procedures to postpone salary increases until next year to offset skyrocketing increases in Diesel oil and Gas costs.

Management has adopted the policy of granting salary increases every other year.

-During 2011, taking advantage of favorable quotes, management undertook the process of obtaining the 40 year certification required by the Miami-Dade County and The Village of Key Biscayne. This expense was not in the budget for 2011, the inspection was projected for year 2012. Up to August 31, 2011 we have incurred approximately \$30,000 including the fee of the engineer performing the study. We anticipate that approximately \$100,000 will be incurred during 2011 and the remaining balance will fall in 2012. As reported by manager, the inspection for the certification was favorable: some electrical repairs and lighting issues only needed to be addressed.

-Looking at the period remaining in the year 2011 we foresee that the excess of revenues over expenses will be lower than the current \$160,000 due to unanticipated costs associated with the 40 year Certification and to The Village of Key Biscayne increase of the Storm Sewer maintenance fee by approximately \$4 per unit (from \$5 to about \$9) retroactively to March 2011.

-As of August 31, we had approximately \$1.9 million on deposit with financial institutions insured by the FDIC.

All above matters were discussed at the Finance & Budget Committee meeting and the Committee recommends to the Board that the August Financial Statements be approved as submitted. We are currently working on the budget for 2012 to be presented next month for Board approval.

**Mr. Lopez moved to approve the Financial Statement for August 2011 as presented.**  
All board members unanimously agreed

Mr. Lopez proposed to open an account with local Bank United to facilitate investing any excess of funds as well as transferring funds between accounts to be FDIC insured.

**Mr. Lopez moved to open an account with the local Bank United to invest a maximum excess funds of \$ 250,000.**

All board members unanimously agreed

#### **VIII. MOTORS FOR TRANSFORMER FOR FPL ON ROOF**

Mr. Ottavio explained that 220V transformers are on the roof for each building to provide electricity to the apartments and they must be properly ventilated. Mr Maura stated that this was one of the issues brought up by the 40 year recertification, which also involves the ventilation of the boilers and pumps in the roof.

Manager informed that he had received two proposals for the complete work on the roof: one from Bay Lighting for app. \$70,000 and the other one from Alaska Appliance for app. \$60,000 and his recommendation was to accept Alaska Appliance to perform the job.

**Ms. Owen moved to grant Alaska Appliance the complete work of proper ventilation of the transformers, boilers and pumps in the roof for the amount of \$60,500.**

All board members unanimously agreed

#### **IX. RAMPS FOR POOL BATHROOMS**

Mr. Martinez explained that even though we are not required to have ramps in the pool area, the Association is willing to build two ramps to facilitate access to the pool bathrooms from each pool deck, as originally presented by Manager, it will be done in-house .The only cost will be two railings and its estimated cost is \$ 7,140.

**Mr Martinez moved to approved the construction of the ramps and railings in the pool bathrooms area for an amount not to exceed \$7,140**

All board members unanimously agreed

#### **X. PAVER'S AT BEACH & BBQ AREA**

Mr. Martinez mentioned that the Association is planning to replace the wood deck and the steps by the BBQ and beach entrance with same pavers installed at the beach, it will remove maintenance cost of wood deck as well as the risk of slipping when the deck is wet. Again the project would be done in-house as proposed by Manager having the only cost of materials for \$740.

**Mr. Martinez moved to approve the paving of the BBQ and beach entrance for a cost of \$740**

All board members unanimously agreed

**XI. RESTAURANT MENU RE: SUNSET MENU**

Mr. Martinez expressed his concern regarding the increase price of the sunset dinner now \$ 22 while the club dinner was before \$19.99 and the time frame offered to residents : from 4-6 PM . He asked Ms. Rosenblum -as the Restaurant representative- to address these issues as well as other ones.

Mr. Ottavio explained that A- Sunset Dinner has no time limit for Towers residents , B- residents will get a 10% discount on their tab and C-the restaurant operator Cory shows being very flexible to accommodate our requests .

One comment done by a resident: water glasses served only by request should be modified.

**XII. FUTURE BOARD MEETINGS SCHEDULE**

**Ms. Owen moved to have monthly board meetings except in the summer months**

All board members unanimously agreed

**XIII. SIGN-IN SHEET FOR THE BOARD MEETINGS**

Mr. Ottavio proposed to have a list with names of people attending each meeting, not precisely a sign-in sheet, for the only purpose to ensure that only owners would attend the meetings.

**XIV. LOCATION OF THE WALK-IN FREEZER FOR THE RESTAURANT**

Mr. Maura explained that all restaurant operators requested a walk in refrigerator during the interview process. Finally a location was found in one room in the upper garage by Tower C. All expenses related to this item are within the previously allocated \$65,000 for the restaurant.

**XV. RELOCATION / PURCHASE OF LIGHT POLES FOR THE PARKING**

Mr. Maura reminded that even in the last meeting the Board had approved the relocation of the old light poles from the front of the building; it was found that due to the high risk of being damaged in the process made him change that idea. New light poles will be purchased as requested for the 40 year recertification. The estimated cost for the relocation of the light poles was app. \$ 30,000 while new poles would cost an extra \$ 3.000. It was requested to add 10 light poles to the parking lot to comply with the 40 year

recertification. The estimate for purchasing new poles is \$18,455 plus the installation \$14,750 makes a total of \$33,205.

**Mr. Ottavio moved to buy light poles to comply with the 40 year recertification for the amount of \$33,205.**

All board members unanimously agreed

#### **XVI. REMOVAL/RELOCATION OF TV'S FROM THE AUDITORIUM**

Mr. Ottavio proposed that due to the complaints of the TV's from the auditorium being in the way, even hitting residents' heads plus loosing seating space they could be removed or relocated possibly to the gym.

Mr. Maura explained that the TV's removal will leave a hole in the wall , it implies a considerable expense and we do not yet have the wallpaper to repair the wall .It was found out that 400 yards is the minimum order accepted by the Wallpaper Co. Therefore at this time we are not able to decide on this issue.

#### **XVII. TABLES AT GAZEBO**

Mr. Martinez mentioned that Management added tables, chairs and umbrellas in the walkway to the gazebo. The restaurant might provide service to our residents. The umbrellas will be placed on the wood railing as proposed by Mr Maura for safety reasons. .

**Mr. Martinez moved to leave the tables, chairs and umbrellas placed on the walkway to the gazebo**

All board members unanimously agreed

#### **XVIII. HALLWAYS 1<sup>ST</sup> FLOORS/ELEVATORS LANDING**

Mr. Martinez explained that the original renovation design proposed to have the same wood veneer finish in the elevator landing of the hallways as that of Tower F & C.

He proposed to assign the funds not used for the lobby project along with some contingency funds for this work.

**Mr. Martinez moved to finish the wood veneer and metal sheet in the remaining lobby elevator landings on Towers A, B, D & E not to exceed \$ 22,000**

All board members unanimously agreed

Mr. Martinez mentioned that the Board is aware of people misstepping in the lobby and we are researching the possible options to solve it.

**XIX. ELEVATOR CABS**

Ms. Owen explained that the inside of the elevators needs to be brought up to date: to replace the metal strips, floors, lighting, ceiling and mirrors. The project is planned to be done at the beginning of next year and its expense will be included in 2012 budget.

**XX. OPEN FORUM**

**XXI. ADJOURNMENT**

**Mr. Ottavio moved to adjourn the meeting at 8:46 pm**

All board members unanimously agreed

**Minutes typed by Jorge Alfonso**

**Minutes approved by Dr. Elsa Dominguez, Secretary**