



Jupiter Bay Condominium Association Newsletter

March, 2017

Paul St.Clair - President
Marie Rapp - Vice-President
Frank Kania - Secretary
Ray Larson - Treasurer
Alma Bjorklund - Director

President's Message:

- It's been a busy winter focusing on landscaping projects, sidewalk repair, the bocce ball court, staffing changes and various projects. We had a brief but important review of the Association's Strategic Plan at the January 30th Board meeting. Owner input to the Plan can be provided on the Planning page of the Association's website.
- We've been working closely with the auditor and our bookkeeper in updating and enhancing our financial procedures. Discussions with our insurance broker have resulted in a change in wind insurance vendor from Citizens, resulting in a significant cost savings. Budget data and revised insurance allocations for 2017 were updated in our QuickBooks accounting system, and the landscaping budget was allocated across the various expense areas.
- The Association has begun addressing issues with the master lease holder, responsible for restaurant and tennis court maintenance and management, regarding violations of the leases terms and conditions. This is further addressed below.

Annual Meeting:

- As a reminder, the Annual Owners Meeting will be held at 10:00 AM on April 1, 2017 at the Jupiter Community Center. It is being held at the Community Center as the First United Methodist Church no longer provides for the rental of their fellowship area. The second notice and agenda for this meeting will be posted and sent out within the next few weeks.

Board of Directors:

- Ray Larson was appointed to the Jupiter Bay Board of Directors at the Association's January 30th Board Meeting, replacing Daryl Kosloske, who resigned. Ray assumed the remainder of Daryl's 2-year term, which expires in the spring of 2018. Ray is a manufacturing engineer who has worked at General Electric, Digital Equipment Corporation, Compaq, and Hewlett-Packard as a project manager.
- Two people expressed their desire to be a candidate for the board of directors and fill the two positions that will become available this spring. They are current board members Marie Rapp and Paul St. Clair. Each will begin a new two-year term which will expire in the spring of 2019.

Financial Update:

- We spent \$2,024,100 last year, \$1,611,995 of Operating Expense and \$412,105 of Reserve Transfers. The 2017 Budget is only approximately \$8,000 more than what we spent in 2016.
- Operating Expense was \$46,236 (2.3% over budget). However, we brought in an additional \$25,826 from late fees, transfer fees (West C), reimbursed attorney fees and the West F Special Assessment. This resulted in a deficit (income minus expense) of \$20,410, which was 1.0% over budget.
- The major over-budget items for last year were Landscaping (14.6% over budget) and Common Repair & Maintenance (39.8% over budget). Expense for replacing sidewalks between the West C and D buildings (\$19,350) was charged to Common Repair and Maintenance since the sidewalk reserve funds were insufficient to cover the cost. The landscaping overage was caused by the Jupiter Neighborhood Grant Project (\$6,918), irrigation repair and extra landscaping plants. The bulk of the Neighborhood Grant expense was reimbursed by the Town of Jupiter.
- Our reserve accounts, which are primarily invested in CDs, grew by nearly \$200,000 to \$1.4 million.
- At yearend 2016, we had only one owner who was delinquent by more than \$1,000, and that account is at the attorneys for collection.
- The 2016 Audit is underway, and we have provided the auditor a copy of our yearend QuickBooks Company file, updated bookkeeping procedures, a completed Fraud Inquiries Questionnaire and various other documents. As soon as the audit is

complete, owners will be able to obtain copies of the 2016 Audited Financial Statements.

Landscaping:

- The \$150,000 landscaping budget for 2017 was divided into 10 categories to assure that all landscaping requirements are appropriately funded:

Item	Expense
Mowing/Edging (Annual)	\$87,550
Tree/Shrub Trimming	14,540
Turf Fertilize (3x yr.) & Insecticide (1x yr.)	5,000
Mulch - 1.5x yr.	13,000
Annuals Planting - 1x yr.	5,000
Replace Dead Trees/Shrubs	8,000
Plant 20 Foxtail Palms	3,000
Bocce Ball Excavation, Plants & Irrigation	3,000
Added Trees & Shrubs (Landscaping Comm.)	8,000
Unassigned	2,910
Total	\$150,000

- Several major landscaping projects were completed including:
 - ✓ **Marble Chips** - Marble chips were added as needed at the West Pool and behind first floor units in the West buildings. The cost was \$240 per cubic yards, and 13.5 yards were installed at a total cost of \$3,240.
 - ✓ **Villas Entrance Palms** - 15 Fishtail Palms (costing \$4,650) were installed at the Villas entranceway from US Hwy #1. Five of the trees were planted along US Hwy #1 to fill in the empty space between the dense shrubbery and our entranceway plantings. The remaining 10 trees were installed on the left side of the entrance road across from the palm trees planted as part of the Jupiter Neighborhood Grant Program. These trees improve the attractiveness of our entranceway into the Villas and provide privacy to the Villa D Building owners.

- ✓ **East Entranceway Plantings** - The plantings at the East sign and East entranceway from Palm Avenue were replaced with 67 new plants costing \$947. Several decorative rocks were added (an owner suggestion) to complete the project.

Other Completed projects:

- **East Sidewalk Replacement:** Five cracked sidewalks in the East were replaced by Complete Repairs, Inc. at a cost of \$4,340.
- **AT&T Phone Replacement:** We already replaced the office phones with Ooma internet phones (\$2,076 annual savings) and all 10 elevator phones with Kings III cell phones and monitoring services (\$2,623 annual savings). The final phase of the AT&T phone replacement project, replacing the two pool emergency phones with Kings III, was recently completed for an annual savings of \$492.
- **West Pavilion Fan Replacement:** The two outdoor fans and lights under the West pool pavilion were replaced at a cost of approximately \$1,200.
- **Holiday Lighting:** In late January, our holiday lighting, except at the West Bridge and US Hwy #1 entranceway, was taken down by Randy's Holiday Lighting. Once it was realized that an earlier commitment was made to leave the holiday lights up through the end of March, we contracted to reinstall the lights at a cost of \$3,210. The price included new quality LED lighting to be owned by the Association. At the end of the winter season, we will turn the lights off and turn them back on in early November. This will save the Association the cost of taking down and reinstalling lights in the fall, and the LED bulbs will reduce electric usage by 80%. The US Hwy #1 entranceway and bridge lights will remain on all year.
- **Pool Furniture Inventorying and Repair:** Pool furniture was inventoried, and peak season requirements for lounges (61 West, 26 East), pool chairs (68 West, 22 East), tables, and umbrellas were determined. We contracted with A-1 American Metal Refinishing to have our pool lounges and chairs repaired at a cost of \$5,232. Furniture was repaired as needed and is in place, including 3 new fiberglass tables, purchased for \$900, to accommodate additional West Pool umbrellas.

Maintenance Employee realignment:

- With the November hiring of Johnny Marrero and the resignation of Tim Rochelle, the Association reduced the number of maintenance employees to four and realigned

responsibilities:

East Buildings - Vincent Buonanno

West A Building and Work Orders - John Fernandez

West B, C, D & E Buildings - Johnny Marrero

West F Building, Villas and Irrigation Projects - Angel Colon

- In prior years, we have had four maintenance employees, and during those times their responsibilities included pool and spa maintenance. This change is part of our program to employ fewer but more senior experienced employees.

Insurance:

- The Association spends over \$244,400 for insurance each year. The biggest components are wind insurance (\$132,940) and property & general liability insurance (\$92,990). Other components include equipment, crime and theft, directors & officer's liability, golf cart coverage, workers comp and umbrella coverage. This year, for the first time in over a decade, the Association's insurance broker, RV Johnson, could provide wind coverage through an independent insurance company (Frontline Insurance Unlimited) enabling us to leave Citizens, the state run insurer. This move saved the Association \$8,517 over last year's cost and provides a 3% hurricane deductible instead of the 5% deductible with Citizens.
- Because the Association's insurance covers the 14 condominium buildings in addition to the common elements, homeowners only require relatively inexpensive H06 insurance policies. An H06 Policy, which is crafted specially for condominium unit owners, bridges the gap between the insurance provided by the Association and each unit owner's insurance needs. It covers all personal property within the unit or limited common elements excluded from the Association's policies. (H06 Policies encompass the following five major areas: Dwelling Coverage, Personal Property, Loss of Use, Personal Liability and Medical Payments.)

New Association Engineer:

- On February 15th, the Association signed an engineering services contract with Swaysland Professional Engineering Consultants. Swaysland will provide consulting engineering and project management services on an "as needed" basis for our various building maintenance and improvement projects.

Bocce Ball Court Update:

- The Bocce Ball Committee, consisting of Gary Weil (leader), Henry Freda, Mike LaPaglia, Jack McColgan & Gary Weibler, continues to make progress on bocce ball court construction.
- S & S Landscaping has excavated the area, and they will provide landscaping once the court is completed.
- Crush and run gravel for the bocce ball court bed, and the 6 x 6 border timbers, were delivered.
- An updated survey from Miller Surveying was completed which will be posted to the town of Jupiter website. This will allow both the Planning Department and the Building Department access to the survey so that they can complete the permitting process allowing construction to continue.
- An \$8,000 contract was signed with Complete Repairs Inc. to construct the court and concrete sidewalk areas.

Illegal Truck Parking:

- Paragraph 10.4 of the Association's declaration says that: "No truck, van, pickup, tractor, recreational vehicle, or loud or noisy vehicle, machine or device shall be used, operated, stored or parked in any unit, parking area, street, or other portion of the condominium property; provided, however, that this provision shall not preclude the use of delivery trucks or other trucks, equipment or machinery necessary for the maintenance, care or protection of the condominium property or any construction activities during the period of constructing any unit contemplated by this Declaration or an amendment hereto."
- A motion was passed unanimously by the Jupiter Bay Board of Directors at the January 30th Board Meeting saying that "effective March 1, 2017, we will enforce paragraph 10.4 of the Association's declaration through the issuing of parking violations, towing, and owner fines regardless of time of day."
- On February 13th, a letter was sent to all agencies that rent units for Jupiter Bay Owners informing them of the action taken by the Board at the January 30th Board Meeting and asking them to help enforce our truck parking policy by assuring and verifying that tenants are not planning to bring trucks onto Association property.

- Trucks that are not removed or continue to park on Association property will be towed at the owner's expense. In addition, the Association has the legal option of fining condominium owners who allow tenant trucks on Association property \$100 per day with a maximum fine of \$1,000.

Restaurant & Tennis Club Update:

- The Jupiter Bay Condominium Association is engaged in legal action with its Tenant, Jupiter Bay Racquet Club, Inc (JBRC), regarding a breach of its Lease Agreement with JBRC dated November 1, 1982 and as amended on June 30, 1992. This Lease is for the management and maintenance of the Association's restaurant and tennis courts.
- Due to several defaults, including two loan transactions whereby the Tenant (JBRC) borrowed \$200,000 using the Lease as collateral without the Association's knowledge or approval, the Association is attempting to terminate its Lease with JBRC.
- The Association's attorney, with the Ward Damon law firm, sent JBRC a letter on February 2nd advising them of the default. A second letter was sent from Ward Damon's trial attorney on February 28th issuing a Notice of Termination of Lease Agreement due to the previously noted default and five additional defaults.
- The Association received responses to both letters from JBRC's attorney, Robert Lee Shapiro, disputing our claims.
- The Association's goal in this legal action is to preserve and enhance the Association's restaurant and tennis court assets while retaining current tenants.
- We will keep the Jupiter Bay owners informed of further developments.

**We hope that you are having an enjoyable winter.
Please call the Association Office at (561) 746-5857
with any comments or questions**