

Jupiter Bay Condominium Association Newsletter

April 2018

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

President's Message:

- During the last few months the Annual Owners Meeting was held, the bocce ball court was completed, the pumps and lines providing lake water were replaced, our annual audit was completed, most Internet/TV cable in our buildings was replaced, and we continued making progress toward reopening our restaurant.
- Also, our owners organized various social and sporting activities for residents to enjoy. There was the annual Memory Tribute, a special end of season celebration featuring our favorite band (Wall Street), and many Thursday night socials at the West pool pavilion. For the athletes in residence there was tennis, water aerobics, golf, bowling and bocce ball. For others there was mah jongg, bridge and various other card games.

Annual Meeting:

- The Annual Owners Meeting was held at 10:00 AM on March 23rd, 2018 at the Jupiter Community Center. Ninety-one owners attended the meeting.
- Following are highlights of the meeting:
 - Frank Kania, Alma Bjorklund and Frank Dalton were up for reelection, but with no other candidates expressing their desire to run for the Board, all three will remain in office for another two-year term. The other two Board Members, Paul St. Clair and Marie Rapp, will begin the second year of their two-year term.

- Jupiter Police Captain Bill Allen acknowledged the incident that Jupiter Bay experienced early on the morning of January 3, 2018 with car break-ins. He reported that everyone associated with the break-ins was arrested. Captain Allen also announced that Jupiter Police are using a new technology called LCR (License Plate Readers). Looking like radar devices on trailers parked on the side of the roads, the LCRs scan and record license plates on vehicles as they pass. License plate numbers are matched against a database of stolen vehicles and those with violations.
- Reggie Sheppard, of S & S Lawn, Landscaping & Tree Service, spoke about some of the improvements that his company has made to the property over the past year including cleaning up after Hurricane Irma, landscaping the bocce ball court, adding 1,700 seasonal plants, distributing 3,500 bags of mulch, trimming the trees, and installing four large magnolias.
- Paul St. Clair, the Association President, provided an update on the: Comcast project, landscaping activities & costs, building concrete restoration projects, lighting improvements, elevator issues & need for modernization, bocce ball court, and lake pumps & irrigation upgrades.
- Vince Friscia, Comcast's Senior Sales Manager, reported that the Board had negotiated a great package with significant value for the owners. As a part of the new contract, Comcast had agreed to rewire the infrastructure to give Jupiter Bay improved service. Vince introduced the rewiring crew that is working on the property. Because of building differences and unique situations within some units, Comcast did not project a firm completion date. Probably in May there will be an onsite event, conducted by Lauren Fischbach from Comcast, to announce that rewiring is complete, and the new service will begin. Owners should get to know Lauren, as she will be active in scheduling the installations and training. Each owner will receive a letter from Comcast when it's time to call and arrange installation.
- Frank Dalton, Association Treasurer, presented a high-level overview of: 2017 yearend financials including reserves, 2017 Audit Report progress, the 2018 budget, 2018 insurance policies/premiums, February financials, and East & West buildings repainting cost & schedule.
- Dane Leitner, Ward Damon Trial Attorney, provided a brief update on the status of the Association's litigation with JBRC. He indicated that there are several

recent developments that may help bring this lawsuit to conclusion. There is both outside interest in the master lease as well as internal (Jupiter Bay) interest in trying to work out a settlement.

- Additional detail regarding these presentations is available on the "Board Meetings" page of the Association's Website.

Audit Report:

The Association's 2017 Audited Financial Statements are now available, and a copy of the full report is posted on the Financial Page of our website. You can also call or email the Association office to have a copy mailed or emailed to you. Following is a summary of the Report:

- **Revenue:** The Association had revenue of \$2,053,915 in 2017, comprised of: \$2,014,855 in member dues, \$19,480 in late fees and other income, and \$19,580 in interest. \$1,591,142 of this income was allocated to the Operating Fund and \$462,773 was allocated to reserves.
- **Expense:** Expenses totaled \$1,796,728. \$1,670,482 was spent for Operating Fund items and \$126,246 for Replacement Fund items. Operating expenses were \$86,936 higher than 2016, and Reserve expenses were \$132,000 lower. The majority of the 2017 reserve expenditures was spent for elevator repair (\$33,431), concrete restoration (\$28,688), patio screen & frame replacements (\$28,530), fire sprinkler line repairs (\$18,042) and the new bocce ball court (\$10,890).
- **Operating Fund Balances:** Fund Balance is defined as income minus expense. The combined Associations' Operating Fund had a negative \$73,745 balance at the end of 2017. This is the result of: a positive \$5,595 carryover balance from 2016 and Excess Expense of \$79,340 in 2017. All buildings/associations had a negative Fund Balance except the Villas, which had a \$12,302 surplus.
- **Reserve Fund Balances:** The Reserve Fund had a \$1,726,855 balance at the end of 2017, consisting of: \$340,043 in cash and \$1,431,000 in Certificates of Deposit offset by \$4,000 in Accrued Expense (Bocce Ball Court) and \$40,188 Due to the Operating Fund. The Reserve balance was \$336,527 higher than its December 31st, 2016 value. Our 2018 budget will add \$489,424 to Reserves, \$46,175 more than 2017. Over the past 6 years, our reserves have grown significantly from \$570,339 in 2011 to three times that amount today.

Litigation Update:

- The Association continues to pursue legal action against its Tenant, Jupiter Bay Racquet Club, Inc (JBRC), who is responsible for the Restaurant and Tennis Club.
- On April 9th the Association filed a motion for Leave to File a Second Amended Complaint. The Amendment adds a monetary breach of the lease by failure of the Defendant (JBRC) to timely pay rent as required. (Under the Lease terms rent includes the requirement for JBRC to pay to the Association on a quarterly basis an amount equal to one-quarter of the amount of tax levied against the leased premises during the immediately preceding year as an estimated tax for the then current year.) These payments were to be made on the first day of each quarter (1/01/18 and 4/01/18). The defendant failed to make these payments as required.
- The Board of Directors, joined by Scott Hinterleiter of Capital Reality Advisors, conducted a second inspection of the restaurant on April 12. The results of our inspection were documented in a slide presentation sent to our attorney. The presentation provided further evidence of improper building/grounds maintenance and lack of proper climate control.
- The Association's D&O (Director & Officers) Insurance attorney, Mark M. Heinish, who is defending us in JBRC's 10/26 Counterclaim, is scheduled to appear in Palm Beach County Court on April 27 to present his motion to have the Counterclaim dismissed.
- Our goals continue to be to have our properties (Restaurant and Tennis Club) properly maintained, managed by experienced and competent individuals, open for use for at least nine months each year, and operated according to the terms of the Master Lease.

Comcast Contract:

- Comcast is continuing to replace all the home run wiring servicing our 359 units. The home run wiring is the condominium-owned wiring from the building's distribution panel to the owner's first cable outlet. Wiring began on February 19 starting with the West A building. By the time you receive this newsletter, Comcast should be finished wiring all 14 buildings (West, East and Villas).
- In nine of the units, the installers ran into an issue that will be addressed once the wiring in all other units is complete. This typically means that an obstruction, broken conduit, or owner built-in has made the rewiring significantly more complicated. However, we have been assured that all issues will be addressed, any damage to a

unit will be repaired, and everyone will be able to take full advantage of the new Xfinity X1 service and performance Internet.

- Finally, Comcast will be installing Wi-Fi (hot spot) service at both the East and West pools.
- Once installation is complete for all units, bills will be adjusted, and owners will have the option of attending an on-site Marketing Event. They can also call Comcast to schedule a professional installation or stop by an Xfinity store to pick up their new equipment and do the installation themselves. (We are still awaiting Comcast's decision to extend free in-home professional installation service into the fall for owners who have already left for the summer.)
- Any remaining installation issues can be brought to the attention of our property manager who will in turn contact Comcast's Community Account Representative, Lauren Fischbach, for resolution. Post installation service issues can be reported via 1-800-Comcast.
- As a reminder, everyone will receive three cable boxes one of which is a DVR and two of which will have a voice remote control. Also, you will be supplied a wireless internet gateway which will replace your current modem and router. This wireless Gateway is configured for voice for anyone who wishes to subscribe to this optional service. Your current (2018) quarterly maintenance assessment covers the new monthly rate for cable and Internet of \$71.76, including tax.

Landscaping:

- This year our landscaping budget is \$150,000, same as last year. The clear majority of this is nondiscretionary spending items including mowing, edging, tree/shrub trimming, mulching, fertilization and insecticide application.
- Already this year, discretionary landscape spending has included \$7,004 for repairing damage from the new water line installation, \$5,584 for bocce ball landscaping, and \$8,000 for improvements authorized by the Landscaping Committee. For this reason, the Association will need to be very frugal in scheduling additional landscaping services.

Elevator Issues/Modernization:

- The property manager and Board of Directors are very aware of the many elevator outages particularly in the West C and F buildings.

- We spent \$114,745 with Otis Elevator last year for our maintenance contract, East A Building elevator modernization, and regular maintenance & repair. This has not fully resolved the issues, and we may need further elevator modernization projects.
- By the end of this year we will have sufficient reserve funds to modernize a second East elevator. This was originally planned as a summer 2018 project. However, with some of the repairs made last year, East elevators in the remaining three buildings are having fewer outages. Because of this, we are holding off on the scheduling of another East elevator modernization project.

Bocce Ball Court Update:

- The ribbon cutting ceremony for the Association's newly-constructed bocce ball court was held on March 6th. This marked the conclusion of a two-year project to add another recreational facility to Jupiter Bay.



- The Bocce Ball Committee is to be congratulated for persevering through this project. They obtained the necessary votes, secured vendors to do the work, and helped with Town of Jupiter approvals. The members are: Gary Weil, Gary Weibler, Henry Freda, Jack McColgan, and Mike LaPaglia. We thank them for their efforts.
- The total cost including construction, landscaping, irrigation and equipment was \$23,103.
- Men's and women's league play is available, organized by Millie Condon, Ann Freda and Frank Kania.

Lake Pumps & Irrigation Projects

- Over the past several months we've had four major irrigation projects:

Cost	Project
\$3,780	1.) Addition of a new irrigation line and zone for the Bocce Ball Court.
\$12,200	2.) Cleaning our 4 wells which provide the lake with irrigation water and installing 4 new 5 horsepower, 200-volt submersible pumps.
\$40,000	3.) Installing new PVC water lines connecting the 4 pumps and feeding

	water into the lake.
\$5,854	4.) Replacing the check valve in the lake waterfall pump's 12-inch water intake line. This valve keeps the pump from losing prime, which causes it to stop working.
\$61,834	TOTAL

➤ The new pumps and water lines were needed to keep the lake water at its optimum level. The previous pumps were inefficient, and the water lines were constricted due to the buildup of deposits (see photo). One 4-inch line was reduced to the size of a quarter. At a capacity of 400 gallons per minute, the new pumps should provide, for many years, all the lake water that we need. Their improved efficiency and shorter run time is expected to reduce electrical usage.



➤ We had not planned for infrastructure projects of this size and cost (\$61,834), and our \$15,560 irrigation reserves will be \$46,274 short. This will necessitate a special assessment of at least \$130 per unit. We will notify owners later this year once we are certain of no additional irrigation projects and the exact amount needed.

Summer Condo Closing:

Following is a summer condo closing checklist from our April 2016 newsletter:

- ✓ Shut off main water valve (usually located near water heater).
- ✓ Shut off hot water heater breaker (in electric panel box).
- ✓ Empty refrigerator of items that could spoil or have a short expiration date. Set refrigerator and freezer setting to "normal".
- ✓ Empty pantry of perishable goods.
- ✓ Replace thermostat battery. Set A/C at 77 degrees and humidistat at 58% RH (or ON position). Set fan to auto.
- ✓ Check and replace (as necessary) air conditioner filter.
- ✓ Unplug small appliances, especially TV's, computers and other electronic devices.
- ✓ Add chlorine bleach to toilet water, and cover toilets with plastic wrap.
- ✓ Lock all doors and windows.
- ✓ Turn off all lights and set any light timers.
- ✓ Close any patio or window hurricane shutters.

- ✓ Remove all furniture from unenclosed patios. During a hurricane, unsecured furniture could cause damage to your unit and others.
- ✓ If you are leaving a vehicle on property, park in a spot away from a building. Disconnect battery and cover vehicle (if available).
- ✓ Notify office of your leaving and the name and phone number of person looking after your unit. The person looking after your unit should periodically inspect the unit to determine whether any mold, moisture, water leaks or other damage has occurred; and if so, they should notify you immediately.
- ✓ Make sure the office has a key to your unit.

**We wish you all an enjoyable summer.
Please call the Association Office at (561) 746-5857
with any comments or questions**