

DAYTONA BEACH OCEAN TOWERS  
OWNERS MEETING 29 APRIL, 2008

The Daytona Beach Ocean Towers Owners Meeting began at 7:00 PM. There were approximately 50 people present representing 40 condo units. A sign up form was presented to those present for anyone wishing to speak for 3 minutes using the microphone/loudspeaker system. Al Trey took the first turn as speaker.

The items which concerned him were:

1. The fact that no meetings had been held since the current board was elected on 1/8/08. No Finance or B& G meeting either.
2. The front desk situation continues to be a mess. We now have what appears to be newly hired personnel who have no training and we do not know what the plans are for the hours it will be manned.
3. The Status of Jack Aberman's accounts. It is a fact that all of his accounts were in the arrears by a total of at least \$20,000 in Mid December. It appears that because of the units being in foreclosure, the association will not get what it is owed.
4. The many covert TV cameras that have been installed in the garage and other areas seem to be caused by paranoia on the part of the board. There seems to be a spy attitude involved, and many people are not aware of this. There is about 10 cameras installed in the garage alone.
5. The total amount in our reserve account as of 3/31/08 is \$44,790.00 while there is approximately \$185,000 in the checking account. This is not the recommended way to keep the association's funds secure.
6. An amount of \$61,595.66 was placed in the checking account as "Verizon Generator Maint." Just exactly what it is for is not known. Maintenance of a brand new generator should not warrant that large a payment.
7. Of great concern is the fact that the accounting bookkeeping system is still open to the manager and board members and possibly others. The bookkeeping system should be secure and available only to the bookkeeper. At this time any entry could be made in the bookkeeping and anyone could be responsible for the mistake.
8. The hallway Air Conditioner thermostats have been moved to within the A/C enclosures to prevent tampering with them. There have been some reports that the A/C 's in some of the hallways are not operating properly.
9. Questions arose regarding the bookkeeper. No one in the meeting knew the name of the bookkeeper and what days and hours she works. They also asked if she is an employee of The Towers or a contractor.

Edna Weeks took the podium and microphone and discussed her concerns about the

following items.

1. The financial statement for the 2007 year ending 31 October, 2007. It shows as accounts receivable, owner maint. fees in the amount of \$182,000. This amount is about the same as the loan taken with Bank of America for pay for the garage & sea wall. This amount on 3/31/08 was \$67,000. Is this due to bad debt write off as a result of the delinquencies owed by Jack Aberman, a member of the Board.
2. The costs of the front desk personnel, who work for an outside contractor, is Included in the payroll expenses category. This should not be accounted this way. It should be shown as a contract expense just as the lawn mowing service is.
3. Many financial expenditures have been the results of a unilateral decision by The board, mainly the president. These decisions should be the result of decisions by the building and grounds committee and the finance committee and sometimes even the owners, before the board sees fit to make these expenditures.

Questions arising from this segment were. Are the owners interested in hiring a forensic accountant to examine the books to determine any problems?

Several owners expressed interest in this.

Neither a B & G committee or a finance committee has been named nor has a meeting been held. One owner stated that there has been no information as to just what work was done in the garage and parking lot and what the total cost was. We don't even know if a competitive bid was performed.

Lisa Chamberlain was next to speak. Some of her concerns had already been covered by Al Trey, but she emphasized some points regarding The Hallways.

1. The hallway air conditioners on the 10<sup>th</sup> and 9<sup>th</sup> floor are not operating. It appears that just the fan is running. This will create a mold or mildew problem in those areas.
2. There are no lights on the 5<sup>th</sup> or 6<sup>th</sup> floors except for one wall. This creates a safety problem especially for people with poor vision.
- 3, Recently, some newly hired personnel are working on the front desk. Has a background check been performed on each of them.
3. A former employee, Paul Hood, has been rehired. Since he walked off the job with the front desk contractor which resulted in some threat of litigation against The Towers, why should the board consider hiring this person back?

Joe Capano was the next person to speak. He spoke of the following items.

1. An air conditioner contractor told him that there is already mildew in the Air conditioner enclosures and this could be the basis for a law suit.

2. When he was the manager in 2006-2007 the board decided to increase the cost of using the laundry from \$1.00 to \$2.00 to increase the laundry fund in order to acquire new washers and dryers. It was not meant to be permanent but it seems to be so now.
3. The front desk have personnel have had no training before being left alone on the desk. They do not know the alarm system, or who to call in emergencies or the procedures for allowing visitors in the building.
4. An outside contractor should be used to provide qualified, trained personnel for the front desk.

Alan Lampman spoke next. He addressed some of the items previously discussed.

1. He had been told that the lighting on the 5<sup>th</sup> & 6<sup>th</sup> floors had been reduced because of an experiment with FPL. If this were to work out, it could save The Towers quite a bit of money.
2. The outside lighting is off schedule. It appears that the timers are not set for the proper times and number of hours.
3. The reason that the contract front desk people left was because the board refused to give them the \$1.00 an hour raise they requested. The cost of the new personnel will be less than the cost of the contractor with the pay raise.

Bill Badger Talked next. He discussed the fact that the rules are not being obeyed.

1. The Umbrellas are not being taken down at the end of the day. There are about 4 broken umbrellas. People put the umbrellas up after hours and then do not stow them properly, resulting in their damage when winds come up. Maybe we should stop buying the umbrellas to replace them.
2. The parking lot is not being watched properly. Many people park here with out a parking decal. The desk personnel should be watching this.
3. The people do not use the kiddie pool properly. They walk in the pool to clean the sand off their feet. Some people clean their kids diapers in the kid pool. They don't use the shower as the rules state.
4. Paul Hood had been a good employee. He probably was the most responsible Employee we have had in the past.

Mrs. Runyan took the microphone next.

1. The behavior or the people around the pool area is of great concern to her. There should be a lifeguard on duty when the pool is open. Basically the rules are not being enforced and the parents are not taken care of their children.

Tom Roam spoke next.

1. The front desk is essential to the operation at the towers. The front desk should keep a proper log of all the activities regarding the towers. If someone files a complaint at the front desk, it should be entered in the log Later references to the log could be very helpful.

2. The manager should be living on the premises. This way he would be making himself visible to the staff which might make them do a better job.

Fred McDaniels talked for short while.

1. He emphasized that in the past, committee meetings were held and recommendations were made to the board and it seemed to work very well.

Many Question were raised by several individuals regarding such items as:

1. The Sunshine Law
2. The placement of liens on property for arrearages.
3. What should be done about the problems with the current board.
4. Can the board be held responsible for the lack of legal action regarding the arrearages discussed earlier.
5. What can we do to change the board.