



O-Gram

October 2020

Volume 6 No. 5

OCEANS GRAND OWNERS ASSOCIATION, INCORPORATED

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A. Hello All! It has been a busy 2 months! We have a new CAM, Becky Carpenter, and a new condominium association president, Jo Stevens. A big welcome to both. We have seen many good changes and much is in the works to make our home the best ever. Thank you!

At the same time, we say goodbye and a big thank you to our former president, Dave Underland and his wife, Barb, who was chair of our social committee. Neither job is easy and we thank them both for their service to our community and wish them well on their return to family and grandbabies.

B. Message from our President, Jo Stevens: I have received numerous emails, calls, cards and comments supporting my decision to accept the President position of Oceans Grand. Thank you very much for that. I feel I can be successful if I have your help.

We are emerging from a difficult time. At the same time, we are moving in a positive direction. Our new Manager is “a breath of fresh air”. With her guidance we are seeing lots of change in the way we do business here at the Grand. Communication and transparency are the keys as we go into 2021.

Thank you again for your help and support. Jo Stevens. (PonceBuddy@aol.com).

C. Update from our New CAM, Becky Carpenter: We have had quite a month and a lot has been accomplished or is well in the works.

A couple of sources for the unusually high water bills have been identified. The first is the pool leak that I mentioned in my manager’s report last week. That has been fixed. The other water culprit is the cooling tower, which was cycling 7 times a day instead of 4-4.5 times a day. This was due to settings on the chemicals in the water that were adjusted when we hired a new chemical company last year. We are working to make the adjustments now.

Our landscaping committee is obtaining proposals for a landscape design plan. Once a company is chosen and a design approved, we hope to begin implementing sometime in March/April 2021, after the Upper parking deck is resurfaced and the threat of frost is gone.

Speaking of resurfacing the Upper parking area, we have proposals from engineering firms for the Board’s consideration. The Board will meet on Tuesday, October 6th to consider the engineering proposals, as well as consideration of whether to allow electronic voting. We have 4 candidates running for the 2 Board of Directors positions, so we will have an election this year. I am investigating electronic voting options to make it easier for those people who are not in residence and it will also speed up the counting process during the annual meeting. We now have 165 units with email contact information, with 111 email consent forms returned.

I have ordered a new pool shower that will be here in early October.

The carpet has been replaced on floors 19, 17, 6 & 5. There are some areas that are not well matched and we are having the carpet company come out and redo those areas.

Work on the Social Room has begun and is expected to be completed by mid-October.

D. Report on the Social Committee: Gwen Craig is taking Barb's place through the end of the year. Unfortunately, due to COVID-19, there is no report 😞

E. Update from the OG Landscape Committee by Chairman David Younts: The landscape committee met on Friday the 18th of September. (Meetings are posted in the elevators and are open to all. Minutes of the meetings are posted in the mailroom). The members have been removing a lot of dead plants around the condo. We are going to get bids from landscape companies to come in and beautify our condo. We have added some new plantings at the curve going into the garage and are going to do some plantings by the small sign out at the street where you first turn in. We welcome anyone who would like to join our committee. Respectfully, David Younts, Chairman, email: dhyounts@yahoo.com.

F. Maintenance Tip: I have been including maintenance tips from our former president and wonderful resident, Stu Stewart. Sadly, Stu passed away August 4th. I was fortunate to interview both Stu and his lovely wife Pat for the August 2019 edition of the O-Gram. If you didn't get that one and would like to read it, just email me at tvssog902@gmail.com and I'll send it to you. As Becky wrote (and I will repeat here in case you didn't receive it): "Wilbert (Stu) Stewart served not only our country, but also served our community on the Board of Directors as President. He edited the O-Gram for many years. Although I only had the pleasure of knowing him a short time, I know that he will be greatly missed by many. Stu will be buried in Arlington National Cemetery after the pandemic. Due to the COVID-19 virus, the local church is still closed, so there will not be a local funeral. The family is asking that donations be made in his name W.T. (Stu) Stewart to Halifax Urban Ministries in lieu of flowers". I plan to continue to include maintenance "gems" from Stu and here is one where you can almost feel he's talking to you:

(March 2015)

Take a look at this aerial photograph



This photo was taken from the backseat of a Cessna 182 flying on a heading of 110 degrees at an altitude of 1,500 feet MSL. Note the triangular shape of the structure. When we get winds from a particular direction at a particular velocity, the structure can become sort of a vertical airfoil. Then, as explained in Bernouli's Principle, the wind velocity can actually increase around parts of the building. This can create harmonic vibrations thus causing the roaring noises we sometimes hear. Add that to the vibrations created by the winds passing through and beneath the balcony railing spindles and you can sometimes hear some eerie sounds. It is similar to the sounds you might hear on a bridge structure, an antenna tower or near guy wires during high winds. We can't label the situation as a "phenomenon" as it is not that rare.

G. Report on the Charlie Rizzo Grand Book Club from Pat Colgin: The book club is inviting new members. We are currently using ZOOM for our meetings but hopefully will be able to return to the newly redecorated CARD ROOM for them soon. We meet on the second Thursday of each month at 4:00 pm. It usually lasts about an hour to one and half hours, depending upon how much we are enjoying our conversations.

We read one or two books a month depending on our own time to read and the subjects are extremely varied. It is amazing when you learn what you have been missing by not venturing into various authors. We have enjoyed a great many genres ranging from fiction, non-fiction, mystery, historical, etc.

We suggest potential titles at the meetings then discuss them at the meeting and by email until we agree on one or two for each month.

I must admit I have always enjoyed our conversations as much as the book reviews. We only limit politics and other PC subjects. Believe it or not that does allow for some fun sharing of views and memories.

If you are interested in joining us I encourage you to email me for a list of our previous reads since 2016 just to show you the range we enjoy. And if you wish to just sit in with us at a meeting just let us know. You are invited!

H. OG Inc. Financial Status and Treasurer's Report from Ed Everts:

Oceans Grand Treasurer's Report					Aug 2020	submitted 9/28/2020
	YTD 2020 Budget	Actual Through 8/31/2020	Better/(Worse) Than Budget	B/(W) Percent	Comments if over 5% difference	Full Year INCOME 2020 Budget
INCOME						
Maintenance Fees/Inc	\$ 797,687	\$ 805,563	\$7,876	1%		\$ 1,196,531
EXPENSE						
Administration	\$ 18,233	\$ 17,516	\$717	4%		\$ 27,350
Building Management	\$ 100,000	\$ 98,440	\$1,560	2%		\$ 150,000
Maintenance	\$ 95,827	\$ 95,138	\$690	1%		\$ 143,741
Cable TV Expense	\$ 82,667	\$ 79,371	\$3,295	4%		\$ 124,000
PUD	\$ 45,360	\$ 45,360	\$0	0%		\$ 68,040
Total Maintenance	\$ 223,854	\$ 219,869	\$3,985	2%		\$ 335,781
Insurance	\$ 86,667	\$ 81,317	\$5,349	6%	Renewal came in better than budget	\$ 130,000
Utilities	\$ 186,000	\$ 219,063	(\$33,063)	-18%	Sewer & Water & Elect expense over budget	\$ 279,000
Total Operating Expen.	\$ 614,754	\$ 636,205	(\$21,451)	-3%		\$ 922,131
Reserve Contribution	\$ 182,933	\$ 182,933	(\$0)	0%		\$ 274,400
TOTAL EXPENSE	\$ 797,687	\$ 819,138	(\$21,451)	-3%		\$ 1,196,531
					Net better/(worse) than budget	
					(\$13,575)	

Red Figures = Planned Item; Black Figures = actual bids or expenses

Reserve Fund	Projected 2020	Through August	2021	2022	Reserve Fund Allocation
Reserve Fund Beg. Bal:	\$ 1,068,057	\$ 1,068,057	\$ 1,072,863	\$ 716,538	8/31/2020
Project Expenditures					CD's \$ 400,000
Hallways - Carpet	\$ 50,183	\$ 23,426	\$ 29,000		US Treasury Fund \$ 547,110
Hallways - Carpet remainder		\$ 26,757			Cash & Money Market \$ 214,789
A/C compressors & maint.	\$ 34,811	\$ 24,435			\$ 1,161,899
Card Room	\$ 17,000	\$ 14,473			
Game Room	\$ 10,500				
Lobby	\$ 18,800				
Office	\$ 4,800				
Social Room	\$ 33,500				
Balcony Railings	\$ 75,000				
Parking Deck - Asphalt Removal/Paving					
Subtotal before Continge	\$ 244,594	\$ 89,092	\$ 684,325	\$ 319,800	
Contingency for Unexpected	\$ 25,000				
Total Reserve Expenses s	\$ 269,594	\$ 89,092	\$ 684,325	\$ 319,800	
Reserve Contribution so far	\$ 274,400	\$ 182,933	\$ 328,000	\$ 328,000	
Reserve Fund End. Bal:	\$ 1,072,863	\$ 1,161,899	\$ 716,538	\$ 724,738	

Hallways - Furnishings/Finishes \$ 208,900 We will be conducting a new Reserve Study in the current year (2020), so all of the numbers to the left are estimates from 3 years ago and are to be reviewed before proceeding on any projects in 2020

Lobby \$ 7,100

Garage Access \$ 12,700

Garage Gates \$ 12,500

Asphalt Paving \$ 18,600

\$ 75,000 \$ 60,000

\$ 580,325

2017, 2018, 2019 & 2020 Monthly Assessments

UNIT TYPE	MONTHLY ASSESSMENT
A (18)	\$459.94
B (77)	\$489.46
C (36)	\$459.09
D (37)	\$651.39
E (20)	\$624.40
F (1)	\$626.94
Total Per Mo. All Units (189)	\$99,710.95

The major items that have created the biggest variation from budget are expenses for Sewer, Water, & Electric Expense. This could be due to more residents staying in Florida due to Wuhan Virus concerns and lockdowns although our new CAM has found a water leak. We still have about \$25,000 that will go to reserves once the Audit establishes the exact amount for the year 2019. There is some concern that the previous CAM misrepresented our income received at the end of 2019, so the \$25,000 may not materialize and we may in fact be short on income. Audit results are expected shortly and Becky is working on updating all of the assessment records and we should have an updated assessment receivables report within the next few weeks. I will issue an updated August report once we have the audit results and the assessment report.

Respectfully Submitted: Ed Everts, Treasurer

The projected budget for 2021 requires an increase in monthly assessments (condominium association dues) of 12%. The following information explains the reasons for this first increase since the beginning of 2017. Also, most or all of the increase in 2016 was due to the inclusion of internet and cable TV at that time.

In the past few years, our budget was getting tighter when compared to monthly assessments and expenses are expected to be in excess of revenues at year end 2020. A number of items also require increases in 2021. The major ones are: 1) Insurance premiums - we were very fortunate in 2020 that our insurance renewal came before the fires and hurricanes had an impact on the commercial insurance market. We have been informed by our insurance broker to expect an increase of up to 25% with our 2021 renewal (the insurance broker will shop our policies to get the best rates possible); 2) In order to boost the cleaning of common areas we have increased the

janitorial services budget for 2021, plus we are incurring additional expenses due to COVID in janitorial supplies; 3) To improve the landscaping around the building we have also increased landscape maintenance and replacement; 4) We have been notified by AT&T that they will increase their cable TV & internet expense by 4% and our 2020 budget included a refund that will not be repeated in 2021; 5) Our increased water & sewer expenses appear to be due to several leaks but we are unsure as to how much the fixes will save us at this time; 6) Current year collectibles show a shortfall that our CAM is working to reduce but we need to set up a reserve for uncollected assessments at year end; and 7) A number of other expense items have continued to show inflationary increases.

A review of monthly assessments (dues) since the building was fully completed in 2007 shows that our assessments have increased 16% over that time, when inflation has increased 25% over the same period. The assessments in 2007 also did not include internet and cable TV expenses as they do now. When those are removed from consideration, the assessment increase since 2007 is closer to 11% compared to the inflationary total of 25%.

Ed Everts, Treasurer - Oceans Grand Homeowners Association

I. Special Election Edition Article from Cliff Fisher: ELECTION TIME! We are approaching our annual meeting (Nov). Concurrent with this meeting we will elect people to any vacancies on the board of directors (BOD). You will be given notice prior to the meeting and given the opportunity to seek one of the positions. Once the BOD is established the five members vote among themselves regarding President, Vice-President, Secretary and Treasurer. These officers must be well qualified as they have important duties to perform, particularly the president and treasurer. The duties are spelled out in our condominium documents. As a commercial real estate appraiser since 1970, I observed many residential condominiums suffering from poor management or mismanagement. I wanted to be on our BOD to avoid the mistakes that other associations have made since condominiums first appeared in Volusia County (The Landmark at 404 South Beach Street was built in 1963). Frequently, owners/ residents have never lived in a condominium and have difficulty adjusting to the concept. The primary “bones-of-contention” have been: GOVERNANCE Residential condominiums are highly regulated by Florida laws and condominium documents. The elected BOD establishes policy to be carried out by management. Owners (even directors) do not have authority over staff. Between BOD meetings, the president (or someone authorized by the president or the BOD) directs staff. BUDGET Owners want to pay as little as possible via maintenance fees. The result can be an under-funded association. Not only can this lead to special assessments, but values suffer and lenders are reluctant to make loans. Reserves should be based on a professional appraisal. The association should avoid the temptation to have certain maintenance items done by owners. Instead, hire professionals. RULES. Few people like rules. They are, however, necessary for the orderly operation of the association. It is vitally important that all rules are fair and do not discriminate against any of the different types of owners that may exist, e.g., permanent residents, seasonal residents, investors, etc. Each owner type has rights and responsibilities that should be protected and/or held accountable. REDECORATING Sooner or later, some parts of a condominium will need renovation. Agreement (color, style, etc.) among owners may be difficult and hard feelings are frequently the result. The best solution is a hired professional decorator.

PERSONAL AGENDAS Personal agendas should be avoided at all costs. A person or a small group can wreak havoc on an association. Frequently the bias is directed toward staff, budget or rules. Fairness is rarely their goal. Beware of someone that is overly eager to volunteer for a sensitive position (budget, rules enforcement, decorating, etc.). Proper vetting should take place before appointment. The above issues are the reason I served on Oceans Grand's BOD. I hope these issues are always considered in the future. Cliff Fisher, Unit 1001
PS: as with all organizations, good communications between the parts is essential.

Last Word: Many thanks to our board and committee volunteers for their time and dedication. Also, if you have any ideas for new articles to be included in our O-Gram or would like to contribute an article, please feel free to contact me, Val Smith, at my email address: tvssog902@gmail.com. I am also looking for an O-Gram editor to take my place so please contact me if you are interested. I will have done this for 2 years and am planning that the December 2020 edition will be by last one, so you would have plenty of time to prepare. If you are not receiving this through email, please give your updated email address to Becky. It's very important to be on the list as that is used for emergency contacts.

The Oceans Grand is an interactive community of residents living in relatively close proximity. Our goals are to maintain an attractive, clean, quiet, *safe* and *secure* place to live, to instill pride of ownership and to ensure our condominium remains a high-quality investment. We strive for harmony among our residents and we urge all residents to be good neighbors.

EMERGENCY TELEPHONE NUMBERS

**For any life-threatening emergency requiring Fire, Police or EMT Service, dial 911.
For after-hours matters concerning emergency building repair only, contact the
LCET at 386.679.7455**