



The Atrium of Palm Beach Shores Board of  
Directors Meeting March 22, 2022

Minutes of the Board of Directors Meeting of The Atrium Homeowners Association, Palm Beach Shores, Florida, held at The Atrium Clubhouse, in Palm Beach Shores, Florida at 6:30 PM on the 22 of March, 2022.

I. CALL TO ORDER

- a. Board President Ollie Klein called the meeting to order at 6:30 p.m.

II. ROLL CALL OF OFFICERS

- a. Present: Ollie Klein, Chuck Gulgus, Bob Button, Ann Degnan, Tony Traversa, Tom Mason, Patricia Brosammer, Claire Graves, Denise Quigley  
b. Absent:None  
c. Also Present: Dave Nolan, Office Manager

III. APPROVAL OF THE MINUTES OF THE REGULAR MEETING

- a. Motion by Patricia Brosammer, seconded by Claire Graves, to approve the minutes of the Regular Meeting for January 25 2022, Motion carried, no objections  
b. Motion by Tom Mason , seconded by Denise Quigley , to approve the minutes for the Regular Meeting for February 22<sup>st</sup>, Motion Carried no objections.

IV. PRESIDENT'S REPORT

- a. Candor Trailer – Attorney sent letter to Candor and they agreed to move the trailer tomorrow to be able to make space for the Emergency Generator. The North section of the parking lot near the clubhouse has since been deemed uninhabitable for parking by the township while the generator is onsite.
- b. Pool – The Pool heaters (2) both stopped working. The chemical system also stopped working a few weeks ago and all the pool chemicals were being balanced by hand. The records/log book are also not consistent. Chemicals only tested 3 days a week – we need to create a procedure where the chemicals are tested every day. We also signed a small cost contract for a company to come in twice a year to service the heaters. There are two and they cost us \$7,000 and we want to make them last as long as possible. Chemicals in the water are only tested 3 days a week – we need to create a procedure where the chemicals are tested every day. As of now – Denise, Ollie and Chuck are filing in on days needed.
- c. Cleaning Contract – We are recommending a new cleaning company. There was a Cleaning Committee interviewing companies and Total Cleaning company is the recommended choice at a cost of \$30,204 for 6 days/week for 7 months (season) and 3 days/weeks for 5 months (off season) with the off season starting 5/1. Patricia made a motion to accept the cleaning contract and Bob Button seconded it. Motion carried, none opposed.
- d. Emergency Power – We had an incident on March 12 in the afternoon around 3 PM. The sprinkler system failed and a section gave way, causing water to build up on our electrical pipes causing the pipes to come down. Some electrical equipment called a transfer switch failed to properly shut down the power. There were water and sparks. As a result, cars were damaged and the East side of the building (56 units) was left without power. The Fire Department, Police, Ambulance, and Gator Electric as well as Seabreeze were on site. The electrical equipment is original to the building and needs to be replaced.

## PRESIDENT'S REPORT (Continued)

We must 1. get temporary power to the East side of the building and 2. we must replace the outdated/nonfunctioning transfer switches (both). Gator recouped the good wire and we are storing it on site for reinstallation when we are ready which helps us save money.

Gator has brought us an electrical engineer to design the layout for the new equipment. Building codes have changed and we must submit plans before work is started and equipment ordered. We are working with the Mayor and Township to expedite the process.

Sprinkler System – Our sprinkler system has not been maintained per code. We had a full fire inspections today and were notified of many violations and outdated inspections.

### WE ARE WORKING ON ALL OF THESE MAINTENANCE ISSUES.

We called the insurance company and spoke with our attorney. The attorney has an insurance division who is reviewing our policy for coverage. Everyone said we *should* be covered but not one person is saying we are definitely covered. So we don't know what the amount in dollars would be covered yet.

## V. MANAGER'S REPORT

a. Dave Nolan gave the report as follows.

- i. Parking Lot – The parking has been pushed off until June 1 and will take 9 days when they start.
- ii. Clubhouse Roof- Roof should be finished this week and we will wait for the township inspection.
- iii. Gates – Are operational ; callbox had a few glitches and hopefully things will go smoother.

## VI. FINANCIAL REPORT

a. Bob Button gave the report as follows

- i. (See attached Financial Report)
- ii. The Emergency Generator – We located an emergency generator with a company called Megawattage after interviewing three companies. The generator that services 56 units will have a monthly expense and a daily fuel expense. The first month includes setup at a cost of \$56,000. The fuel will be based on usage at \$6 a gallon which could also fluctuate. We are not sure how much fuel we will use daily. The cost of fuel could be as much as \$5000 a day. We expect to have the generator on site for 6-8 weeks.
- iii. Due to the emergent need - We are going to use our Bank line of credit for \$500,000 at a rate of 4 1/2%. HOWEVER, we will need to pay off these costs and the attorney does not recommend we utilize reserve money. THEREFORE, I am recommending that we make a motion to have the attorney draft up wording for a special assessment of \$200,000 to pay for the costs incurred for the generator, electrical work. And we may need to have a second assessment if the costs continue to rise. Tom Mason approved the motion, Denise Quigley seconded it and all voted in favor.

iv. Questions asked by Owners (O) and Answered by Board Member (B):

- O: Why assess before insurance? B: We have to pay now for the service and insurance company may take a while to respond and insurance may NOT pay for the generator.
- O: Are we going to use any reserve money ? B:Attorney is suggesting we do NOT use reserve money
- O: IF we use the full \$200K this month what happens next month? B: We could possibly have a second assessment.
- O: Should we get a Public Adjuster? – Ollie: our attorney will help with this IF we need one.
- O: What happens if the generator breaks down? B: They will Replace it.

v. Questions asked by Owners (O) and Answered by Board Member (B): (cont)

- O: Why not do only one assessment? B: We are looking into best options for owners.
- O: Can we have someone reviewing the refills for accuracy? B: Yes.
- O: Are other maintenance issues being taken care of like structural concerns? B: We are working on getting proposal to review the roof, the Atrium floor, the Sundeck, the Garage roof, the pillars, etc. We are in contact with Tim Marshall who was the engineer for the construction 5 years ago.

b. Ollie asked for a motion to approve the Generator Contract with Meggawattage and enable him to sign it. Tom Mason made the motion, Patricia Brosammer seconded the motion. The motion passed, none opposed.

UNFINISHED BUSINESS

c. Unfinished business was discussed by Joyce Murphy.

i. Insurance Committee: See attached Minutes

VII. NEXT MEETING DATE:

The next monthly Board meeting is scheduled for April 26 at 6:30 p.m.

The board meeting adjourned at 8:42 p.m.

These minutes were approved by the Board of Directors.

*Ann C Degnan*

---

Ann C Degnan, Secretary

# **February 2022 Monthly Financial**

Sea Breeze Comm. Mgmt. Svcs.

The Atrium at Palm Beach Shores  
COA, Inc.

Monday, March 14, 2022

## Table of Contents

<b>Section</b>	<b>Report</b>	<b>Description</b>
1	Fund Balance Sheet -By Range	A list of the balances in all general ledger accounts broken down by funds.
2	Detailed Income Statement -ByRange	The income minus the expenses of a community or other business entity over a period of time comparedto budgets.
3	Aged Owner Balance	The list of owners with balances over 30
4	Prepaid Owners	days. The list of owners with a prepaid
5	AgedPayables	balance.
6	CheckRegister	Expenses that need to be paid and how long they have been due. The list of all checks written for a community during a period of time.
7	General LedgerDetail	ShowsGeneralLedgeractivityandsupportinginformation for a given time period.

# The Atrium at Palm Beach Shores COA, Inc.

Run Date: 03/14/2022  
Run Time: 05:05 PM

## FUND BALANCE SHEET

As of: 02/28/2022

### Assets

Account	Operating	Reserves	Total
<b>Asset</b>			
01005 Petty Cash	\$300.00	\$0.00	\$300.00
01007 Centerstate Stat Res Act 8241	\$0.00	\$506,053.35	\$506,053.35
01008 Centerstate Operating 9717	\$266,469.56	\$0.00	\$266,469.56
01310 Assessments Receivable	\$7,748.49	\$0.00	\$7,748.49
01315 A/R-Note Receivable	\$9,920.73	\$0.00	\$9,920.73
01350 Insurance Company Receivable	\$56,094.75	\$0.00	\$56,094.75
01610 Prepaid Insurance	\$40,010.31	\$0.00	\$40,010.31
02010 Furniture & Fixtures	\$6,806.20	\$0.00	\$6,806.20
02210 Accum Depr - Furn & Fix	{ \$6,806.62 }	\$0.00	{ \$6,806.62 }
<b>Asset Total</b>	<b>\$380,543.42</b>	<b>\$506,053.35</b>	<b>\$886,596.77</b>
<b>Total Assets:</b>	<b>\$380,543.42</b>	<b>\$506,053.35</b>	<b>\$886,596.77</b>

### Liabilities

Account	Operating	Reserves	Total
<b>Liability</b>			
03010 Accounts Payable	\$1,975.00	\$0.00	\$1,975.00
03310 Prepaid Owner Assessments	\$26,786.21	\$0.00	\$26,786.21
03320 Centerstate Spl Proj Loan	\$1,211,954.66	\$0.00	\$1,211,954.66
<b>Liability Total</b>	<b>\$1,240,715.87</b>	<b>\$0.00</b>	<b>\$1,240,715.87</b>
<b>Reserves</b>			
05045 Deferred Replacement Fund	\$0.00	\$504,291.61	\$504,291.61
<b>Reserves Total</b>	<b>\$0.00</b>	<b>\$504,291.61</b>	<b>\$504,291.61</b>
<b>Total Liabilities:</b>	<b>\$1,240,715.87</b>	<b>\$504,291.61</b>	<b>\$1,745,007.48</b>

### Equity

Account	Operating	Reserves	Total
<b>Reserves Equity</b>			
05095 Reserves - Interest	\$0.00	\$1,761.74	\$1,761.74
<b>Reserves Equity Total</b>	<b>\$0.00</b>	<b>\$1,761.74</b>	<b>\$1,761.74</b>
<b>Members Equity</b>			
05510 Fund Balance	{ \$922,517.37 }	\$0.00	{ \$922,517.37 }
<b>Members Equity Total</b>	<b>{ \$922,517.37 }</b>	<b>\$0.00</b>	<b>{ \$922,517.37 }</b>
Current Year Net Income/(Loss)	\$62,344.92	\$0.00	\$62,344.92
<b>Total Equity:</b>	<b>{ \$860,172.45 }</b>	<b>\$1,761.74</b>	<b>{ \$858,410.71 }</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$380,543.42</b>	<b>\$506,053.35</b>	<b>\$886,596.77</b>

# The Atrium at Palm Beach Shores COA, Inc.

## INCOME STATEMENT

Start: 02/01/2022 | End: 02/28/2022

### Income

Account	Current			Year to Date			Yearly
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
<b>Income</b>							
06310 Assessment Income	102,960.44	102,960.50	(0.06)	205,920.88	205,921.00	(0.12)	1,235,526.00
06335 Cable Income	7,166.60	7,166.67	(0.07)	14,333.20	14,333.34	(0.14)	86,000.00
06340 Late Fee Income	150.00	0.00	150.00	275.00	0.00	275.00	0.00
06355 S/A 2020 Payments	17,496.16	0.00	17,496.16	57,709.18	0.00	57,709.18	0.00
06410 Application Fees	0.00	0.00	0.00	100.00	0.00	100.00	0.00
06920 Misc.Income(Copies, Fax,etc.)	0.00	416.67	(416.67)	0.00	833.34	(833.34)	5,000.00
<b>Income Total</b>	<b>127,773.20</b>	<b>110,543.84</b>	<b>17,229.36</b>	<b>278,338.26</b>	<b>221,087.68</b>	<b>57,250.58</b>	<b>1,326,526.00</b>
<b>Total Income</b>	<b>127,773.20</b>	<b>110,543.84</b>	<b>17,229.36</b>	<b>278,338.26</b>	<b>221,087.68</b>	<b>57,250.58</b>	<b>1,326,526.00</b>

### Expense

Account	Current			Year to Date			Yearly
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
<b>Administrative</b>							
07010 Administration-Misc.	82.71	375.00	292.29	2,961.19	750.00	(2,211.19)	4,500.00
07020 Accounting Fees	0.00	541.67	541.67	0.00	1,083.34	1,083.34	6,500.00
07025 Management Fees	21,374.46	20,416.67	(957.79)	38,874.92	40,833.34	1,958.42	245,000.00
07030 Legal	0.00	625.00	625.00	200.00	1,250.00	1,050.00	7,500.00
07050 Office and Building	235.89	333.33	97.44	235.89	666.66	430.77	4,000.00
<b>Administrative Total</b>	<b>21,693.06</b>	<b>22,291.67</b>	<b>598.61</b>	<b>42,272.00</b>	<b>44,583.34</b>	<b>2,311.34</b>	<b>267,500.00</b>
<b>Operating</b>							
07280 Insurance/ Bldg.	23,148.72	29,166.67	6,017.95	49,137.32	58,333.34	9,196.02	350,000.00
07310 Electricity	1,899.98	2,333.33	433.35	3,998.02	4,666.66	668.64	28,000.00
07320 Water/Sewer	7,064.41	7,750.00	685.59	14,134.39	15,500.00	1,365.61	93,000.00
07360 Gas/Fuel	2,591.35	875.00	(1,716.35)	2,909.82	1,750.00	{1,159.82}	10,500.00
07370 Cable TV	7,069.68	7,416.67	346.99	14,139.36	14,833.34	693.98	89,000.00
07380 Telephone	1,743.38	1,958.33	214.95	3,271.99	3,916.66	644.67	23,500.00
07395 Miscellaneous	0.00	416.67	416.67	0.00	833.34	833.34	5,000.00
<b>Operating Total</b>	<b>43,517.52</b>	<b>49,916.67</b>	<b>6,399.15</b>	<b>87,590.90</b>	<b>99,833.34</b>	<b>12,242.44</b>	<b>599,000.00</b>
<b>Maintenance</b>							
07520 Landscaping/Grounds Maintenan	473.15	1,000.00	526.85	1,648.15	2,000.00	351.85	12,000.00
07525 Maintenance Supplies	459.88	1,000.00	540.12	1,756.66	2,000.00	243.34	12,000.00
07530 Building Maintenance	2,935.00	3,333.33	398.33	8,239.91	6,666.66	(1,573.25)	40,000.00
07538 Cleaning Service	2,879.37	2,833.33	(46.04)	5,758.74	5,666.66	(92.08)	34,000.00
07540 Elevator Maintenance	1,176.80	1,416.67	239.87	4,328.60	2,833.34	(1,495.26)	17,000.00
07550 Electrical	0.00	208.33	208.33	0.00	416.66	416.66	2,500.00
07570 Mechanical	0.00	208.33	208.33	0.00	416.66	416.66	2,500.00
07575 Plumbing	1,582.14	1,083.33	(498.81)	3,617.98	2,166.66	(1,451.32)	13,000.00
08010 Pool	0.00	1,333.33	1,333.33	1,039.75	2,666.66	1,626.91	16,000.00
<b>Maintenance Total</b>	<b>9,506.34</b>	<b>12,416.65</b>	<b>2,910.31</b>	<b>26,389.79</b>	<b>24,833.30</b>	<b>(1,556.49)</b>	<b>149,000.00</b>
<b>Special Assessment Expense</b>							
09266 S/A Loan Interest Expense	3,921.95	0.00	(3,921.95)	7,902.95	0.00	(7,902.95)	0.00
<b>Special Assessment Expense Total</b>	<b>3,921.95</b>	<b>0.00</b>	<b>(3,921.95)</b>	<b>7,902.95</b>	<b>0.00</b>	<b>(7,902.95)</b>	<b>0.00</b>
<b>Reserve Contributions</b>							
09945 Reserves -General Replacement	25,918.83	25,918.83	0.00	51,837.70	51,837.66	(0.04)	311,026.00
<b>Reserve Contributions Total</b>	<b>25,918.83</b>	<b>25,918.83</b>	<b>0.00</b>	<b>51,837.70</b>	<b>51,837.66</b>	<b>(0.04)</b>	<b>311,026.00</b>

<b>Account</b>		<b>Current</b>			<b>Year to Date</b>		<b>Yearly</b>
	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>Budget</b>
<b>Total Expense</b>	<b>104,557.70</b>	<b>110,543.82</b>	<b>5,986.12</b>	<b>215,993.34</b>	<b>221,087.64</b>	<b>5,094.30</b>	<b>1,326,526.00</b>
<b>Net Income</b>	<b>23,215.50</b>	<b>0.02</b>	<b>23,215.48</b>	<b>62,344.92</b>	<b>0.04</b>	<b>62,344.88</b>	<b>0.00</b>



**The Atrium at Palm Beach Shores COA, Inc.**  
**AGED OWNER BALANCE**

As of: 02/28/2022

Account #	Lot	Name/Address	Current	Over30	Over60	Over90	Total
205		David & Ida Kevorkian (A)(PP) 145 S. Ocean Avenue 205	\$251.18	\$251.18	\$251.18	\$9,418.37	\$10,171.91
519		Aly Heffelfinger 145 S. Ocean Avenue 519	\$860.23	\$860.23	\$47.62	\$179.11	\$1,947.19
802		James & Nancy Ditello 145 S. Ocean Avenue 802	\$889.78	\$889.78	\$0.00	\$0.00	\$1,779.56
711		James A. Robideau, Trustee 145 S. Ocean Avenue 711	\$1,214.02	\$91.91	\$0.00	\$0.00	\$1,305.93
514		Hasan D. Karabag 145 S. Ocean Avenue 514	\$1,040.57	\$0.00	\$0.00	\$0.00	\$1,040.57
719		Janine Frankovich 145 S. Ocean Avenue 719	\$854.90	\$0.00	\$0.00	\$0.00	\$854.90
812		Emilio & Ivelisse Martinez 145 S. Ocean Avenue 812	\$267.46	\$0.00	\$0.00	\$0.00	\$267.46
301		Victor & Sue Kleinman 145 S. Ocean Avenue 301	\$149.00	\$0.00	\$0.00	\$0.00	\$149.00
203		Oscar & Flor de Liz Cerna (S) 145 S. Ocean Avenue 203	\$77.02	\$0.00	\$0.00	\$0.00	\$77.02
313		Richard & Michele Dragone 145 S. Ocean Avenue 313	\$49.70	\$0.00	\$0.00	\$0.00	\$49.70
806		Mario & Carmen Aguilar 145 S. Ocean Avenue 806	\$25.00	\$0.00	\$0.00	\$0.00	\$25.00
202		Sandal Mendes & Barbara Daly 145 S. Ocean Avenue 202	\$0.98	\$0.00	\$0.00	\$0.00	\$0.98
<b>Community Total</b>			<b>\$5,679.84</b>	<b>\$2,093.10</b>	<b>\$298.80</b>	<b>\$9,597.48</b>	<b>\$17,669.22</b>

**Report Summary**

<b>Code</b>	<b>Account#</b>	<b>Current</b>	<b>Over 30</b>	<b>Over60</b>	<b>Over90</b>	<b>Total</b>
01 - late Fees	01310	\$100.00	\$50.00	\$0.00	\$0.00	\$150.00
AI - ASSESSMENT	01310	\$3,923.94	\$1,597.63	\$0.00	\$0.00	\$5,521.57
CI-CABLE	01310	\$306.63	\$102.38	\$47.62	\$148.44	\$605.07
C3 - Spec.Assessment	01310	\$0.00	\$0.00	\$0.00	\$30.67	\$30.67
CG - S/A 2019 PP	01310	\$1,349.27	\$343.09	\$251.18	\$9,418.37	\$11,361.91
<b>Grand Total:</b>		<b>\$S,679.84</b>	<b>\$2,093.10</b>	<b>\$298.80</b>	<b>\$9,597.48</b>	<b>\$17,669.22</b>

<b>Account#</b>	<b>Account Description</b>	<b>Delinquency Amount</b>
01310	Assessments Receivable	\$17,669.22
Total:		\$17,669.22

**Total Number of Homes: 12**



Meeting – March 23 @ 10:00 AM at the Atrium of the Insurance Committee

Attendees: Ollie Klein, Chuck Gulgas,, Denise Quigley, Gil D’Andrea, Al Mayer, Brendan Lynch

Present at the meeting

Brendan Lynch, Plastridge, Ollie Klein, Al Meyer, Joyce Murphy, Gil D’Andrea, Chuck Gulgas on phone, part-time David Nolan, Denise Quigley, and Tony Traversa.

The purpose of this meeting was to clarify the information of what happened on Saturday March 12, 2022 in the garage at the Atrium at Palm Beach Shores.

Denise Quigley happen to be present in the garage with one other owner and witnessed water coming from one of the fire sprinkler pipes. This water continued to shoot at great force directly above and at our electrical conduits. The chain of events then took place as the electrical conduits, under the force of the water, pulled away from the ceiling and dropped like dominoes.

David Nolan said that when he reviewed our security video he was able to see just the water shooting out but as the camera angle did not pick up the rest of the event.

David Nolan, called Brendan Lynch at 6 PM on Saturday night, March 12. Brendan was at a family function and also spoke with the David twice that evening. Ollie Klein, President of the Atrium Board of Directors spoke with Brendan on Monday a few times.

When Brendan came to this meeting on March 23, 11 days after the event, he was completely unaware of everything that took place. He was surprised to see the catastrophic damage that was done by the broken fire sprinkler pipe as he walked through the property with all of us so that he could better understand the course of events.

Six days after the broken fire sprinkler event a field adjuster visited our property. Ollie’s impression was that the adjuster lacked the experience to properly understand a loss of this magnitude. In addition, she did not seem to have the correct information. Her focus was only with the damage that was done to the cars that were in the garage. She was unaware of the 56 families that were without power before she came on site.

Chuck Gulgas met with her and asked her what her assignment was. Her sole mission appeared to be to photograph the damaged cars. She was unaware of the 56 units without power. There appeared to be a disconnect between Dave and Brendan’s understanding of the magnitude of the loss on the day of the event.

Cathy Edge, who is an adjuster from Plastridge is attempting to secure a more seasoned field adjuster to work on our case.

As things stand now, the cost of the first month of the backup power generator is \$58,000. The second month it will cost \$41,000. The initial estimate of fuel consumption is 800,000 gallons of diesel fuel, or approximately 1200 gallons of diesel per day at a cost of \$4800. Approximately \$150,000 per month. I must note that these are

estimates. As to the duration of the use of backup power it is entirely a function of the equipment replacement and associated electronic and other work associated with this job.

Brendan Lynch said he has had two similar claims in the last year or so. When Martinique II had a bus bar failure, the job took 2 1/2 to 3 months from start to finish. They were not even able to get a generator for more than a month. They eventually found one in Michigan. Brendan cannot believe how quickly the Atrium team responded and was able to have a generator on site and operational within 11 days of the event.

Brendan is going to send Ollie and Dave the name of the company who helped with the Martinique II claim in order to speed up our claim. Ollie and Brendan have already had a conversation with the manager who handled that claim at the Martinique II.

Brendan noted that the generator is an additional extra expense to all the other work that is required. He said that it is not possible to put a final number on our exposure at this point. The insurance company is the one who hired the adjuster. If there was no insurance we still had to do this.

Chuck said our first most pressing need was to get electrical power to the 56 units, then get the fire systems up and running. Then to clear the electrical conduits associated with the debris. The electric was removed from the ceiling by Gator electric. This work permitted us to supply power to the 56 units that now have electricity because of the generator.

Brendan didn't come initially because he didn't understand the magnitude of the problem. He usually waits for the adjusters report. At this time he cannot comment on the extent of our coverage. Even Mark Friedman, our lawyer won't opine on the likely extent of our coverage.

Brendan noted that with the other two cases that happened within a year of each other, that most of the work was covered and there was some coverage for the generator and fuel. But he reminded us every case is different.

Ollie said that the initial field adjuster never looked at the meter room or the parts that were affected. She only took pictures of the damaged cars and the conduit and sprinkler systems that fell on the cars.

Brendan Lynch, our broker, will take his own pictures and provide a clear narrative of what happened. He will be talking with the former manager at Martinique II to see if he can learn anything that will be useful to us.

We will await Brendan's guidance of where we go from here.

Respectfully,  
Joyce Murphy, Insurance Committee Chair