

**PALMA DEL MAR CONDOMINIUM ASSOCIATION NO. 5  
OF ST. PETERSBURG, INC.  
SPECIAL BOARD OF DIRECTORS MEETING NOTICE**



March 26, 2024

Dear Palma Del Mar Condominium Association No. 5 of St. Petersburg, Inc. Unit Owner,

**NOTICE IS HEREBY GIVEN** of a Special Board of Director's Meeting of the Palma Del Mar Condominium Association No. 5 of St. Petersburg, Inc. to be held on the following date, time, and place:

**DATE OF MEETING:** April 9, 2024  
**TIME OF MEETING:** 1:30 PM EST  
**PLACE OF MEETING:** Palma Del Mar No. 5 Recreation Room

Join Zoom Meeting

<https://us06web.zoom.us/j/88502701832?pwd=RxOWO0llaU4UBlBagaXjmhoWigow7l.1>

Meeting ID: 885 0270 1832

Passcode: 959195

One tap mobile

+13052241968,,88502701832# US / +16465588656,,88502701832# US (New York)

The purpose of the Special Board Meeting is to vote on the **REVISED** 2024-2025 Budget reflecting a reduction in the previously approved 2024-2025 maintenance fees.

Please note that there will no membership voting issues as they were previously voted on by the membership at the Special Membership Meeting held on March 7, 2024, RE Approval of Carry Over of any 2023-24 Surplus Funds, Use of Reserve Funds in a Disaster/Catastrophic Event & Year End Audited Financial Statement.

Enclosed please find a copy of the proposed **REVISED** fiscal year 2024-2025 budget, including a **REVISED** reserve analysis, for your review. The proposed budget calls for a 12.98% increase in maintenance fees with Fully Funded Reserves as opposed to the March 7, 2024 previously approved 29.46% increase.

Should you have any questions regarding the enclosed budget or proxy, please do not hesitate to contact our office.

This notice was emailed or mailed to all owners of record on or before: March 26, 2024.

**On behalf of the Board of Directors**

Sincerely,

Scott Fisher, CMCA, AMS  
Association Manager  
Resource Property Management, AAMC

**PALMA DEL MAR CONDOMINIUM ASSOCIATION  
NO. 5 OF ST. PETERSBURG, INC.**

**SPECIAL BOARD OF DIRECTORS  
REVISED BUDGET APPROVAL MEETING**

**NOTICE** is hereby given that the Board of Directors is holding a Special meeting at the following DATE, TIME and LOCATION:

**DATE / TIME:** April 9, 2024 at 1:30 PM

**LOCATION:** Association's 2nd Floor Recreation Room  
6372 Palma Del Mar Blvd., Bldg. H, St. Petersburg, FL 33715

&

Join Zoom Meeting

<https://us06web.zoom.us/j/88502701832?pwd=RxOWOOllaU4UBIBagaXjmhoWigow71.1>

**Meeting ID:** 885 0270 1832

**Passcode:** 959195

**One tap mobile**

**+13052241968,,88502701832# US / +16465588656,,88502701832# US (New York)**

The purpose of the Board of Directors Special Board adopt the Revised 2024-2025 Annual Budget as permitted by Florida Statutes and the Governing Documents of the Association. An identification of agenda items is as follows:

1. Call to order
2. Proof of notice of the meeting
3. Determination of a quorum
4. Disposal of unapproved March 15, 2024, meeting minutes
5. Unfinished business
6. New business
  - Adoption of the *REVISED* 2024-2025 Budget
7. Adjournment

**ALL OWNERS ARE WELCOME TO ATTEND BY ZOOM**

Agenda posted March 28, 2024

BY ORDER OF THE BOARD OF DIRECTORS

## A Message from Palma 5 Treasurer: 2024/25 Amended Budget

**Background:** At the March 5 board meeting, the board approved a \$692,000 assessment for the roof project. The March 7 meeting, the new board approved the proposed budget (required by Florida law with fees increasing by 29.5%) and approved a motion to amend/revise the budget to reduce fees based on the assessment being applied directly to reserves. Scott Fisher indicated that if a revised budget is passed, it would take a couple of months to implement and reduce fees.

**Current Status:** The first step in the process to revise the budget was to update the 'reserve study'. Alex Gould from Reserve Advisors has completed the updated study with the assistance Scott Fischer providing the most up to date reserve balances and amounts owed for our two large capital projects (tower roof replacement and villa concrete restoration). With an updated reserve study applying the assessment directly to reserves, a revised budget has been developed.

**Results:** The revised budget fully funds our reserves, provides a year end reserve balance of \$188,000 and reduces the increase in our maintenance fees. While the reduction in fees is not as much as I/we had hoped for, it is a substantial change vs the original budget and will be effective immediately if approved.

The original approved budget had an increase in fees of 29.5% and an assessment of \$692,000. The revised budget applies the \$692,000 directly into reserves and reduced the increase in fees to 13%, less than half the original amount.

While there is still an increase in fees, there is an increase in the operating costs of our condo that should be reflected in fees. Our operating income is up \$152,000 from 2023/24 budget income while our operating costs are up by \$117,000 vs 2023/24 budget expenses. Our fees will contribute \$327,000 to our reserve funding (general reserves and structural) which is \$35,000 more than 2023/24 budget expenses. With these cost changes and funds paid to reserves, the fee increase is reflective of the cost of our operation. See Chart below for a comparison of the revised budget vs 2023/24 fees and the original 2024/25 fees:

Description	Class Type	2023-2024 Monthly	Revised 2024-2025 Monthly	Original 2024-2025 Monthly
Maintenance Fee	MN1	581.00	657.00	752.39
Maintenance Fee	MN2	642.00	726.00	831.56
Maintenance Fee	MN3	651.00	735.00	842.55
Maintenance Fee	MN4	737.00	832.00	953.50
Maintenance Fee	MN5	775.00	876.00	1,003.30

I want to thank Debbie Reinhardt (RPM CEO), Scott Fisher, Alex Gould (Reserve Advisors), Jim Miller and Debbie Schutt for helping to make this happen in time for our April fee payment. This was a significant challenge we all took on together. Scott Fischer will be sending out a notice for a budget approval meeting. Please look for it. I look forward to reviewing this with you and answering questions.

Nick Stambula,

Palma 5 Treasurer

Palma Del Mar Condominium  
 Association No 5 of St Petersburg,  
 Inc

APPROVED Budget Revised  
 for 04/01/2024 to 03/31/2025

Board Signature: \_\_\_\_\_

Approval Date: \_\_\_\_\_

	2023-2024	2023-2024	2024-2025	2024-2025
	Annual	Projected	Updated	Increase
	Budget	Expenses	Budget	Full
				Reserves
				%
<b>INCOME</b>				
<b>OPERATING INCOME</b>				
1010-Unit Maintenance Fees	1,178,198.00	1,178,268.00	1,331,170.00	12.98%
1020-Laundry Income	2,600.00	1,323.00	1,900.00	-26.92%
1040-Misc Income	300.00	215.00	260.00	-13.33%
1045-Gate Card,Key,Fob,Openers	50.00	0.00	0.00	-100.00%
1050-Application Fees	3,500.00	2,060.00	3,000.00	-14.29%
1060-Late Fees	130.00	740.00	700.00	438.46%
1075-Kayak Rack Income	1,400.00	650.00	1,140.00	-18.57%
1800-Operating Interest	0.00	204.18	0.00	0.00%
<b>TOTAL OPERATING INCOME</b>	<b>1,186,178.00</b>	<b>1,183,460.18</b>	<b>1,338,170.00</b>	<b>12.81%</b>
<b>OTHER INCOME</b>				
1900-Special Assessment	0.00	95,821.00	0.00	0.00%
1995-Unallocated RSV Interest	0.00	4,560.24	0.00	0.00%
<b>TOTAL OTHER INCOME</b>	<b>0.00</b>	<b>100,381.24</b>	<b>0.00</b>	<b>0.00%</b>
<b>TOTAL INCOME</b>	<b>1,186,178.00</b>	<b>1,283,841.42</b>	<b>1,338,170.00</b>	<b>12.81%</b>

**EXPENSES & RESERVE FUNDING****MAINTENANCE & REPAIR**

2020-Pool Service Contract	11,100.00	11,652.00	12,000.00	8.11%
2021-Pool & Spa Repairs	3,100.00	4,045.21	2,600.00	-16.13%
2022-Pool/Spa Supplies	2,750.00	1,794.83	1,915.00	-30.36%
2045-Building Repair/Maint	42,000.00	37,369.62	35,000.00	-16.67%
2055-Maintenance Contract	74,061.00	71,903.28	82,400.00	11.26%
2056-Janitorial Contract	24,783.00	24,060.60	26,500.00	6.93%
2057-Janitorial Supplies	715.00	0.00	630.00	-11.89%
2060-Elevator Contract	11,500.00	11,647.32	11,700.00	1.74%
2063-Sec/Fire Alarm Monitor	722.00	722.25	723.00	0.14%
2064-Fire Alarm	13,000.00	26,497.46	17,500.00	34.62%
2067-Generator Maintenance	2,500.00	2,731.00	2,650.00	6.00%
2068-HVAC Maintenance	1,500.00	0.00	0.00	-100.00%
2070-Lawn Service Contract	19,768.00	20,296.96	20,972.00	6.09%
2071-Plants/Sod/Mulch/Misc Grounds	10,000.00	2,847.53	2,500.00	-75.00%
2072-Entrance Way Lawn Care	1,650.00	1,179.17	1,650.00	0.00%
2074-Irrigation	4,000.00	1,650.00	2,700.00	-32.50%
2075-Tree Trimming	7,000.00	8,425.00	8,400.00	20.00%
2080-Pest Control	1,100.00	1,203.52	1,250.00	13.64%
2099-Security	28,080.00	29,969.51	30,805.00	9.70%
<b>TOTAL MAINTENANCE &amp; REPAIR</b>	<b>259,329.00</b>	<b>257,995.26</b>	<b>261,895.00</b>	<b>0.99%</b>

**UTILITIES**

4010-Electric	28,476.00	28,699.45	32,431.00	13.89%
4011-Pool Electric	15,678.00	10,280.67	11,618.00	-25.90%
4020-Water	30,500.00	28,038.95	28,600.00	-6.23%
4021-Reclaimed Water	5,835.00	5,799.82	5,800.00	-0.60%
4022-Storm Water	7,800.00	8,056.19	8,970.00	15.00%
4030-Sewer	50,472.00	47,034.76	50,445.00	-0.05%
4040-Trash	19,632.00	19,981.46	20,785.00	5.87%
4041-Trash & Recycling	2,692.00	2,421.92	2,692.00	0.00%
4050-Telephone	1,200.00	1,199.76	1,200.00	0.00%
4070-Cable	83,058.00	82,725.95	85,540.00	2.99%
<b>TOTAL UTILITIES</b>	<b>245,343.00</b>	<b>234,238.93</b>	<b>248,081.00</b>	<b>1.12%</b>

**ADMINISTRATIVE**

5010-Management Fees	30,266.00	30,630.72	31,780.00	5.00%
5011-Office & Administrative	6,142.00	5,284.69	6,400.00	4.20%
5014-Annual Corp Report	62.00	62.00	62.00	0.00%
5015-Division Fees	560.00	560.00	560.00	0.00%
5016-Licenses,Permits & Fees	625.00	625.00	625.00	0.00%
5020-Misc/Contingency Exp	4,000.00	1,800.00	3,500.00	-12.50%
5030-Legal & Accounting Fees	19,500.00	5,630.29	7,500.00	-61.54%
5036-Taxes	200.00	(209.97)	200.00	0.00%
5040-Prop & Liab Insurance	297,519.00	354,922.19	414,287.00	39.25%
5041-Workers Comp Insurance	700.00	565.00	600.00	-14.29%
5045-Flood Insurance	29,132.00	32,627.00	34,880.00	19.73%
5055-Christmas Bonuses	800.00	800.00	800.00	0.00%
<b>TOTAL ADMINISTRATIVE</b>	<b>389,506.00</b>	<b>433,296.92</b>	<b>501,194.00</b>	<b>28.67%</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>894,178.00</b>	<b>925,531.11</b>	<b>1,011,170.00</b>	<b>13.08%</b>

**RESERVE FUNDING**

9040-Pooled Reserves - General	292,000.00	291,999.96	110,000.00	-62.33%
9041-Pooled Reserves - Structural	0.00	0.00	217,000.00	100.00%
9095-Reserve Interest	0.00	4,560.24	0.00	0.00%
<b>TOTAL RESERVE FUNDING</b>	<b>292,000.00</b>	<b>296,560.20</b>	<b>327,000.00</b>	<b>11.99%</b>

**MISCELLANEOUS DISBURSEMENTS**

10590-Special Assmt Disb	0.00	0.00	0.00	0.00%
<b>TOTAL MISCELLANEOUS DISBURSEMENTS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00%</b>
<b>TOTAL DISBURSEMENTS</b>	<b>1,186,178.00</b>	<b>1,222,091.31</b>	<b>1,338,170.00</b>	<b>12.81%</b>
<b>NET(INCOME LESS DISBURSEMENTS)</b>	<b>0.00</b>	<b>61,750.11</b>	<b>0.00</b>	<b>0.00%</b>

**State Mandated Budget Items**

Rent for recreational/other commonly used facility	N/A
Taxes upon association property	N/A
Taxes upon leased areas	N/A
Operating Capital	N/A
Security provisions	N/A

Palma Del Mar Condominium Association No 5 of St Petersburg, Inc

APPROVED Reserve Plan Revised  
for 04/01/2024 to 03/31/2025

Board Signature: \_\_\_\_\_

Approval Date: \_\_\_\_\_

Reserve Item	Repair / Replace Cost	2023-2024 funding less exp as of 09/30/2023	Anticipated funding 10/01/2023 - 03/31/2024	Anticipated exp 10/01/2023 - 03/31/2024	Estimated Reserve Balance on 04/01/2024	Remaining Unreserved Funds	Est New Life	Rem Life Yrs	2024-2025
									Reserve Required
9040-Pooled Reserves - General*		406,779.51	146,000.02	0.00	552,779.53	(552,779.53)			110,000.00
9041-Pooled Reserves - Structural*		406,779.51	146,000.02	0.00	552,779.53	(552,779.53)			217,000.00
9095-Unallocated Interest		0.00	(2,054.74)	0.00	(2,054.74)	2,054.74			0.00
<b>Totals</b>									<b>327,000.00</b>

**\*See attached pooled reserve schedules.**

The Association's board of directors used a reserve study to determine the remaining useful lives and replacement costs of the reserve items.

The Association's current policy is to not allocate interest monthly unless a motion is made by the Board of Directors.

The association's reserves were not waived for the period.

**A STRUCTURAL INTEGRITY RESERVE STUDY IS REQUIRED PER NEW**

**LAW BY 12/31/2024.** Structural reserves include: roofs, load bearing walls, or other primary structural members, floors, foundations, fireproofing, fire protection systems, plumbing, electrical systems, waterproofing & exterior painting, windows and any other item that has deferred maintenance expense or replacement cost that exceeds \$10,000 and the failure to replace or maintain such item negatively affects the above items

**AS OF DECEMBER 31, 2024, STRUCTURAL INTEGRITY RESERVES CANNOT**

**BE WAIVED OR REDUCED (whether by membership vote or otherwise) and cannot be used for any other purpose other than their intended purpose (whether by membership vote or otherwise.)**

Palma Del Mar Condominium Association  
No. 5 of St Petersburg, Inc.

Individual Reserve Budgets & Cash Flows for the Next 30 Years

	FY2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Reserves at Beginning of Year (Note 1)	N/A	111,100	455,797	272,516	395,180	282,232	258,688	218,264	328,249	453,277	578,124	719,796	823,933	963,758	1,111,900	1,266,151
Total Recommended Reserve Contributions (Note 2)	N/A	110,000	117,800	121,900	126,200	130,600	135,200	139,900	144,800	149,900	155,100	160,500	166,100	171,900	177,900	184,100
Estimated Interest Earned, During Year (Note 3)	N/A	1,100	2,643	4,241	5,821	7,434	9,079	10,754	12,461	14,199	15,968	17,768	19,598	21,458	23,348	25,268
Anticipated Expenditures, By Year	N/A	0	(71,746)	(5,322)	(4,877)	(236,944)	(189,698)	(180,245)	(242,237)	(28,621)	(35,265)	(26,279)	(74,647)	(21,113)	(802,872)	(457,152)
Anticipated Reserves at Year End	\$2	\$111,100	\$155,727	\$272,516	\$395,180	\$292,232	\$258,688	\$218,264	\$328,249	\$453,277	\$578,124	\$719,796	\$823,933	\$963,758	\$1,111,900	\$1,266,151

(NOTE 5)

Structural Integrity  
CASH FLOW ANALYSIS

Palma Del Mar Condominium Association  
No. 5 of St Petersburg, Inc.

St. Petersburg, Florida

Individual Reserve Budgets & Cash Flows for the Next 30 Years

	FY2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Reserves at Beginning of Year (Note 1)	N/A	253,417	187,800	477,386	740,770	825,730	458,277	491,050	465,415	413,686	783,772	1,178,015	353,040	997,994	533,017	977,795
Recommended Reserve Contributions Additional Assessment	N/A	217,000	283,000	292,900	303,200	313,800	324,800	336,200	348,000	360,200	372,800	385,800	399,300	413,300	427,800	442,800
Total Recommended Reserve Contributions (Note 2)	N/A	909,000	263,000	292,900	303,200	313,800	324,800	336,200	348,000	360,200	372,800	385,800	399,300	413,300	427,800	442,800
Estimated Interest Earned, During Year (Note 3)	N/A	4,368	6,566	12,061	15,510	12,713	9,399	9,668	8,902	11,876	19,443	17,436	15,664	15,178	14,978	17,249
Anticipated Expenditures, By Year	N/A	(978,985)	0	(41,577)	(233,750)	(693,966)	(301,426)	(351,503)	(428,621)	0	0	(998,211)	0	(891,455)	0	(673,491)
Anticipated Reserves at Year End	\$253,417	\$187,800	\$477,386	\$740,770	\$825,730	\$458,277	\$491,050	\$465,415	\$413,686	\$783,772	\$1,178,015	\$353,040	\$997,994	\$533,017	\$977,795	\$764,353

(NOTE 5)



Palma Del Mar Condominium Association No 5 of St Petersburg, Inc

Maintenance Fees

APPROVED Revised Fee Schedule for Year  
for 04/01/2024 to 03/31/2025

Board Signature: \_\_\_\_\_

Approval Date: \_\_\_\_\_

Maintenance Fees With Fully Funded Reserves

Description	Class Type	% of Own	# Units	% Own by Class	2023-2024	2023-2024	2024-2025	2024-2025
					2024 Monthly	Annual	APPROVED Monthly	Approved Annual
Maintenance Fee	MN1	0.591922%	1	0.591922%	581.00	6,972.00	657.00	7,879.49
Maintenance Fee	MN2	0.654210%	49	32.056290%	642.00	7,704.00	726.00	426,723.72
Maintenance Fee	MN3	0.662854%	18	11.931372%	651.00	7,812.00	735.00	158,826.84
Maintenance Fee	MN4	0.750138%	36	27.004968%	737.00	8,844.00	832.00	359,482.03
Maintenance Fee	MN5	0.789318%	36	28.415448%	775.00	9,300.00	876.00	378,257.92

<b>Totals</b>			<b>140</b>	<b>100.000000%</b>				<b>1,331,170.00</b>
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Number of Payments Each Year 12