

## **Minutes of Highland Towers Association Board Meeting, November 11, 2024**

The meeting was called to order by the President

The Secretary called the roll:

President/ treasurer: James Keefe present

Vice president: Bill Licata present

Secretary: Bob Turrentine – present via Zoom

Director: Mike Hernandez – present via Zoom

Director, Kevin O'Brien -present

Director, Jeff Lapnow – present via Zoom

Director: Ruth Dugan -present via Zoom

The Secretary reported that the meeting notice was sent in a timely manner.

Motion by the Secretary to approve the meeting minutes of June 27, 2024, and that they be inserted into the Association official records. Motion approved unanimously.

The President reported the completion of the pool resurfacing and retiling project resurfacing. He congratulated Jeff Lapnow for his management of the project, and special thanks to Bill Licata and Mike Hernandez. He also praised the work of two ladies responsible for the selection of the tile pattern for the pool scupper.

The President then spoke on the topic of the new fire pump and controller. These have been installed as required by the Highland Beach Fire and Rescue Department. We await the electrician installing the circuitry to power the pump and controller, and Genset Fire and Security connecting the controller to the fire alarm system to make the pump operational. We have kept the Highland Beach Fire Marshal "in the loop" as to the progress on these two aspects of the project.

Following an inspection by the Fire Department personnel we are advised, among other requirements, that the room housing the pump must be sealed off with a fire-resistant door, and that no items (kayaks, boats, etc.) may be stored in the room. There is a steel frame around the entrance to the pump room, suggesting that at one time there was such a door in place.

The president discussed an upgrade of the Fire Alarm System. The Board has contracted with Genset Fire & Security install the system, which must comply with current codes, requiring more sensors in each unit. Existing wiring and wire molding will be used to avoid opening walls.

Elevator modernization may be required sooner than later. We have three proposals that the board will consider in the new year. The modernization is costly, but we are adequately reserved. We would prefer to complete modernizing the electrical system this coming summer before addressing the elevator issue.

Treasurer reported a deficit to October 31 of about \$22,000, primarily due to an increase in insurance costs. He proposed paying next year's insurance bill, due February 2025, upfront with available funds, while segregating operating money intended for insurance so that adequate funds are on hand for 2026.

The Admissions committee reported on rentals approved. Some returning renters had not submitted paperwork [that situation has since been corrected].

The Architectural Committee's Bill Licata and Kevin O'Brien discussed ongoing projects.

There were technical difficulties with the microphones during the meeting, making it difficult for some participants to hear. [New equipment has been obtained for future meetings.]

Board member Jeff Lapnow (who owns a landscaping firm in Connecticut) discussed the need for a new approach to landscaping, suggesting the use of more robust plants and possibly planters that could be covered during harsh weather. Board member Ruth Dugan agreed, noting the challenges of maintaining plants in the coastal environment and the need for a more practical solution. Ruth suggested using large planters that could be covered when necessary. Jeff pointed out that the result would not be significantly different from planting in-ground. Jeff plans to meet with the landscaper, Rich Wyczik of Greener Image, to discuss potential more sustainable solutions to ongoing issues with iguanas, strong winds of the ocean and consequent salt damage to plants.

Under Old Business, a proposal to charge an administrative fee or fee for shareholders who choose to rent their premises, originally submitted by the Admissions Committee, was withdrawn by Admissions Chair Bob Turrentine after Board discussion.

#### Committee Membership Restriction Proposal

The board then discussed the pending proposal to limit committee membership to three members. Bob Turrentine expressed concern that restricting membership would send the wrong message to shareholders and discourage them from volunteering for committees. Mike Hernandez suggested that limiting committees to three members could simplify decision-making. Jeff Lapnow opined that allowing volunteers to serve on committees but without voting rights might address that concern.

The Board discussed reserves which are funds set aside for capital expenses, such as fixing the elevator. The goal is to set reserves in a way to avoid special assessments in the future. We want to maintain our capital assets and replace them as required. We want to avoid so far as possible unanticipated breakdowns that force us to make large emergency repairs or replacements. When such events do occur we want to have available funds to make the needed repairs. Our recent SIRS and Reserve studies have highlighted the need to consider the effects of interest rates (positive) and inflation (negative) on reserves.

Treasurer Jim Keefe discussed management of our reserves. Because the reserve analyst recommends pooling reserves because of the flexibility this provides, the Board plans to create two reserve pools, one for structural and one for nonstructural components. The statute requires a shareholder vote when a transfer of money from a specific component reserve (e.g., elevators, roof, painting) to a pooled reserve. With Lisa Magill's approval Jim moved money from all the structured reserve components (Roof, Concrete Maintenance, Painting, Electrical) to the SA account, because SA funds had been spent on those items.

Jim will consult with Lisa as to whether the same transfers can be done where the SA has not in fact paid for the particular specific component (e.g., elevator) although the need will arise in the near future. If not, we will conduct a shareholder vote via email, asking for approval of a transfer of existing component reserves to the new nonstructural component reserve pool.

During the Q&A segment at the end of the meeting a shareholder raised concerns about the apparent imbalance of power created by the fact that most committees are chaired by and populated by board members. The shareholder asked the Board to consider a system more open to new members and a rotation of chairmanships. The shareholder emphasized the importance of restructuring the committee's "balance of power" for fairness and as a way of inviting shareholders to join committees.

The Board will consider these suggestions at the January meeting.

The Board meeting was adjourned by unanimous vote at 8:50 PM.

Respectfully submitted,  
Bob Turrentine, Secretary



# Highland Towers, Inc.

2921 South Ocean Boulevard, Highland Beach, Florida 33487

## **Board Of Directors Meeting November 11, 2024 @ 7:00 PM**

### **President's Report:**

Good Evening, and welcome to our November Board of Directors Meeting. The Fun Continues at Highland Towers! We have some projects completed, some in process, and some to be planned and executed in the future.

### **Pool Resurface**

Atlantic Pools completed resurfacing and re-tiling the in mid-September. Jeff Lapnow did a masterful job in overseeing this work, both while he was on site in July and after his return to Connecticut. He had assists from Mike Hernandez and Bill Licata. Thanks to all three, and a shout out to Anne Dunn and Margaret Keefe for holding the President to his promise to consult the House Committee on the color scheme and especially the tile work. I think most of us are pleased with the results, both in appearance and in comfort.

The project exposed some deficiencies in the pool pump room mechanics that required additional work, but the entire cost was within our pool reserve.

### **G-2**

Pearl Licata has **refurbished G-2's** accessories (towels, bedcovers). She works tirelessly to find items that give the apartment a fresh and welcoming look. The apartment's air conditioner was at the end of its useful life. A replacement was installed last week.

### **Dungeon Storage Rooms**

At the last meeting I reported that it had been cleaned and cleared of unneeded items, and would be available for storage of kayaks, etc. Not so fast!

*Use of this space for storage is contingent on the Highland Beach Fire Marshal approving a means of closing off the fire pump room from the rest of the Dungeon. There is at the entrance to the pump room framework for a set of fire rated doors that will likely be required to accomplish this.*

## Structural Integrity Reserve Study

Two reports have been drafted. They were reviewed by the Board, and after our input revisions were made. The reports are lengthy and detailed, (59 and 75 pages, respectively) but thorough and informative.

The first report discusses the **structural components** that must be evaluated at least every ten years per Senate Bill 154; its final recommendations will be mandatory. The Reserve Analyst and his company, Association Reserves, recommends that we convert our reserves from “straight-line” to pooled. Holding reserves this way allows the association to use funds in the pool for any one of the eight categories of structural components. (e.g., Roof, Structure, Fire Protection, Plumbing, Electrical, Painting, Windows and Doors, Railings) when an unanticipated need arises. If we do this well, we should never again need to levy a special assessment.

The second report surveys the components that are **not “structural”** but that we have traditionally reserved as capital assets (Paving, Fences/gates, Elevator, Pool, Seawall, and Other (pavers, walkways, beach stairs, lobby and elevator air conditioners, trash chute, exhaust fans, etc.) Again they recommend that we put the “straight line” reserves into a pool (separate from the structural component pool); this allows us to address a large project (say, elevators) if it becomes urgent, while deferring others.

Senate Bill 154 requires that buildings reserve for a new structural element **Plumbing**. In reviewing the condition of our sanitary drainage system we have learned that the lining installed several years ago has begun to peel away from the cast iron pipes, due to the method used by the contractor. This is a problem for many buildings in South Florida. We are preparing to remedy this, but it will be an extended and expensive project. We are consulting our legal counsel about how best to claim compensation from the contractor and the manufacturer of the lining material.

### Fire Pump

The pump has been installed and all the necessary plumbing adaptations have been accomplished. Our electrical engineer Michael Guida (MAG) prepared a design for powering the pump controller. An electrical contractor, Denis Brothers, has been consulting with our engineer and with Florida Power and Light, and will be submitting an application for a permit to do the work. We have kept the Fire Marshal “in the loop” so that he is aware of our good faith in trying to complete this critical safety project. The pump also must be connected to the fire alarm system, and we have contracted Genset Fire and Safety for this work. Genset has applied for a permit and should begin the work shortly.

### Electrical System

Michael Guida of MAG Engineers designed the **modernization of our electrical system**. CW Fischer, the contractor we engaged has obtained the necessary permits to proceed from the Town of Highland Beach and Florida Power and Light. We have advanced CW Fischer the funds to order the equipment needed so to “lock in” the price. Some of this equipment will not be delivered until May 2025. The main work on the project will take place in the summer of 2025, and the building

will be without power for five (or so) days. When we have a better idea of exactly when this work will start, we will let you know so you can book your cruises.

### **Parking Lots**

Our plans for the **east parking lot** have met resistance at the Town Building and Planning Departments. We went back to the drawing board with our engineer, sought input from a horticultural planner, and tried to find some wiggle room to accommodate the Town's demands. The Town has been inflexible. In particular, they will not approve removing the grass median between two rows, which is the only way to fix the "encroachment" on the FDOT right of way that caused us to make the change. We have asked our attorney whether we would be better served simply resurfacing and relining the east lot as it is and trying to negotiate a reasonable arrangement with the State Department of Transportation. We would save the spaces we would otherwise lose in the redesign.

### **Landscaping**

Greener Image, our new landscape maintenance company, has been diligent in protecting our plants, to the extent possible, from wind and salt water. The recent strong winds have taken a toll on some of the plants, but most have survived. Jose has continued our campaign to keep iguanas out of our yard and away from our plants; this is an ongoing battle, but we see less evidence of reptilian devastation. We rely on our neighborhood watch people to keep an eye out for these critters in the flower beds.

### **Fire Alarm System**

We are moving to replace the system. The cost of fixing ever more frequent failures and bad signals with refurbished and non-warranted parts (the originals are no longer manufactured) pushed us to this decision. The new system will be configured, like the Hotwire internet arrangement, to run through the utility closets in each stack, with wire molding to conceal the cable connecting the several additional detectors and alarms that the current fire code mandates.

### **Elevator Modernization**

We deferred this project to follow Lisa Magill's advice to obtain second and third opinions on what upgrades are truly needed. I asked one contractor about increasing the elevators speed. I learned that doing that involves structural testing and engineering that would be at a prohibitive cost. Given recent problems with both elevators, we will probably need to modernize them sooner rather than later.

### **Fire Department Inspection**

Last September the Highland Beach Fire Rescue Department conducted a **site inspection** of our building. This was an informational exercise, resulting in a 53 page report of a number of deficiencies. The Department is giving the association time to correct these before a formal inspection that could result in findings of violations of the fire code. Jose is dealing with many of the needed corrections, others will require hiring contractors.

One issue that individual shareholders can fix is a requirement that each unit have its apartment number clearly visible on or next to the front door in numbers at least 2” high. The purpose is to allow rescue personnel quickly to locate a particular unit when responding to an emergency. Most units have adequate identification. We will reach out to the one that don’t have numbers. Jose can provide ones that satisfy the requirement.

Similarly, we are requested to reposition the signs in each elevator lobby indicating the numbers of the apartments in each wing (e.g., 104 – 101, 105 – 107) at eye level directly opposite the elevator, rather than near the floor by the lobby doors. If the residents on a particular floor want to harmonize the signs with the décor, they are welcome to do so.

### **Renovations**

Although the last President’s Report said that the proposed fee to be levied in connection with renovations would be refundable, the proposal that passed was for a more modest “sliding scale” nonrefundable fee based on the extent of the renovation.

### **Thanks**

I thank everyone who has contributed to keeping our building operating, attractive and comfortable for all our shareholders.



# Highland Towers, Inc.

2921 South Ocean Boulevard, Highland Beach, Florida 33487

## Treasurer's Report

November 11, 2024

Attached is the financial report as of September 30, 2024.

Our Operating Budget shows a year to date deficit. See notes on page 2 of Profit & Loss Budget Performance; the deficit is due to higher than anticipated insurance premiums. In Profit & Loss Budget Performance the amounts of unbudgeted income categories (4002 Rental G2, 4006 Laundry) are in bold type. At the bottom of page 3 the net earnings from G2 rentals is given. Also attached is a spreadsheet showing where our reserve funds and Special Assessment funds not immediately required for projects are invested, together with the interest earned on those amounts. Shareholders have asked for an accounting of the \$1,532,200 that the association drew from the Valley Bank Loan, and of the surplus remaining in the Special Assessment account after completion of the Concrete Reconstruction Project.

### Special Assessment Account Summary 2024

\$ 1,532,200.00	Loan Proceeds
\$ (683,776.54)	Drawn on Valley Bank in 2023
\$ 530,142.91	SA Balance 12/31/23 (includes \$340,000 Concrete surplus)
\$ 848,423.46	Drawn on Valley Bank in January 2024
\$ 1,315.69	Interest earned in SA account January 2024
\$ 1,379,882.06	Balance in SA Account 1/31/2024
\$ 1,171,993.15	Balance in SA Account 3/31/2024
\$ 1,000,000.00	Withdrawn and invested April 2024

As of January 1, 2023, \$1,532,200 was available to the association. During 2023, we drew \$683,776.54 for capital projects including the roof. The special assessment account balance at December 31, 2023 was \$530,142.91, (including the \$340,000 surplus from the concrete reconstruction.)

In January 2024 shortly before the close of the 2 year draw window, we drew the remaining available funds from the loan account \$848,423.46, The full amount \$1,532,200 is being repaid over 8 years at 3.7% interest We were getting more than 5% annual interest on our reserve funds.

As of January 31, 2024, the balance in the Special Assessment (SA) account was \$1,379,882.06. We took \$1,000,000 from the SA account and invested it in accounts paying over 5%. Adding in Reserves of \$871,000 we have just under \$1,900,000 in accounts that pay more than 3.7%

Interest earned to September 30 is over \$50,000.



# Highland Towers Inc

## Balance Sheet

As of September 30, 2024

Accrual Basis

	Sep 30, 24
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1000 · CASH OPERATING	
1001 · Chase-Operating Ckg "6371"	10,668.29
1002 · Valley Nat'l-Operating Ckg 4196	176,125.61
1015 · Due to/from Operating	(130,005.24)
<b>Total 1000 · CASH OPERATING</b>	56,788.66
1100 · CASH RESERVE	
1102 · Valley Nat'l-Reserve Ckg 3682	152,276.23
1103 · First Horizon-CD 11.9.2024	262,606.89
1106 · NY Community Bank CD 1.13.25	250,000.00
1108 · JPMorgan US Treas Reserve	206,600.00
1115 · Due to/from Reserves	(309,528.71)
<b>Total 1100 · CASH RESERVE</b>	561,954.41
1150 · CASH SPECIAL ASSESSMENT	
1107 · PNC Checking "2082"	14.00
1152 · Valley Nat'l-Sp Assess Ckg 4218	14,785.20
1153 · V Nat'l-Sp Assess SWEEP "0670"	57.25
1154 · PNC Investments Account "5441"	18,075.32
1155 · PNC SA Federated Hermes Govt	499,990.00
1156 · T-Bills L-519-738-687	
1156a · T-Bill IAAAH 2/06/2025	48,811.94
1156b · T-Bill IAAAI 12/12/2024	49,381.33
1156c · T-Bill IAAAJ 1/23/2025	49,338.35
1156d · T-Bill IAAAK 10/29/2024	49,137.25
1156e · T-Bill IAAAE 12/26/2024	48,700.72
1156f · T-Bill IAAAN 1/23/2025	49,338.99
1156g · T-Bill IAAAG 1/09/2025	48,715.89
<b>Total 1156 · T-Bills L-519-738-687</b>	343,424.47
1157 · Goldman Sachs Bk CD	250,000.00
1158 · Morgan Stanley CD	250,000.00
1171 · Due to/from SA	439,533.95
<b>Total 1150 · CASH SPECIAL ASSESSMENT</b>	1,815,880.19
<b>Total Checking/Savings</b>	2,434,623.26
<b>Accounts Receivable</b>	
1200 · Accounts Receivable-NET	(132,460.78)
<b>Total Accounts Receivable</b>	(132,460.78)
<b>Other Current Assets</b>	
1250 · SPA \$1M Receivable UNBILLED	98,943.29
1255 · SPA \$2.5M Receivable UNBILLED	368,856.00
1260 · A/R Windows/Doors	169,671.60
1310 · Prepaid Insurance	95,566.80
1320 · Prepaid Expenses	2,679.12
1325 · AR/Exchange	(98.28)
<b>Total Other Current Assets</b>	735,618.53
<b>Total Current Assets</b>	3,037,781.01
<b>Fixed Assets</b>	
1400 · Furniture and Equipment-OFFICE	57,313.39
1420 · Buildings	2,059,520.20
1450 · Other Property	448,171.51
1510 · Accumulated Depreciation	(2,018,555.70)
<b>Total Fixed Assets</b>	546,449.40

# Highland Towers Inc

## Balance Sheet

As of September 30, 2024

Accrual Basis

	Sep 30, 24
<b>TOTAL ASSETS</b>	<b>3,584,230.41</b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	286,145.84
Total Accounts Payable	286,145.84
Other Current Liabilities	
DEFERRED SPEC ASSESSMENTS	
2500 · Loan-Valley National Bank-7385	1,873,542.15
Total DEFERRED SPEC ASSESSMENTS	1,873,542.15
2001 · Accrued Bills	6,912.50
2003 · Sales Tax Payable	(14.65)
Total Other Current Liabilities	1,880,440.00
Total Current Liabilities	2,166,585.84
Total Liabilities	2,166,585.84
Equity	
3000 · CAPITAL RESERVES	
3000.2 · Reserve-Accounts Payable	50.00
3002 · Reserve-Paving	21,396.00
3003 · Reserve-Fences / Gates	68,947.84
3005 · Reserve-Elevators	270,161.00
3006 · Reserve-Seawall	53,960.00
3007 · Reserve-Pool	66,685.00
3010 · Reserve-Contingency	37,783.31
3020 · Reserve-Interest	43,052.21
3021 · Reserve-Bank Fees	(80.95)
Total 3000 · CAPITAL RESERVES	561,954.41
3300 · Retained Earnings	(1,834,489.27)
3310 · Capital Stock	2,279,746.00
Net Income	410,433.43
Total Equity	1,417,644.57
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>3,584,230.41</b>

# Highland Towers Inc

## Profit & Loss Budget Performance

Accrual Basis

September 2024

	Sep 24	Budget	\$ Over Budget	Jan - Sep 24	YTD Budget	\$ Over Budget	Annual Budget
Ordinary Income/Expense							
Income							
4001 · Maintenance Income	48,681.17	48,681.17	0.00	462,132.07	438,130.50	24,001.57	584,174.00
4002 · Rental Income	(209.35)			1,294.38			
4006 · Laundry Income	0.00			1,690.05			
4007 · Gate / Pool Key Income	0.00			200.00			
Total Income	48,471.82	48,681.17	(209.35)	465,316.50	438,130.50	27,186.00	584,174.00
Gross Profit	48,471.82	48,681.17	(209.35)	465,316.50	438,130.50	27,186.00	584,174.00
Expense							
5000 · PROFESSIONAL EXPENSES							
5001 · Management Fees	4,830.00	3,556.25	1,273.75	37,643.25	32,006.25	5,637.00	42,675.00
5002 · Accounting Fees	1,587.50	1,587.50	0.00	13,187.50	14,287.50	(1,100.00)	19,050.00
5003 · Professional Fees	0.00	41.67	(41.67)	250.00	375.00	(125.00)	500.00
5004 · Legal Fees	0.00	416.67	(416.67)	2,682.50	3,750.00	(1,067.50)	5,000.00
5005 · License/Permits/Fees	0.00	150.00	(150.00)	800.00	1,350.00	(550.00)	1,800.00
5007 · Office Supplies / Postage	67.88	229.17	(161.29)	2,122.80	2,062.50	60.30	2,750.00
5008 · Board Events	0.00	166.67	(166.67)	2,234.43	1,500.00	734.43	2,000.00
5008.1 · House Committee	0.00	83.33	(83.33)	280.13	750.00	(469.87)	1,000.00
5009 · Bank Charges	95.00	95.00	0.00	665.04	855.00	(189.96)	1,140.00
5010 · Screening Expense	75.00			175.00			
5011 · Taxes-Other	0.00	8.33	(8.33)	0.00	75.00	(75.00)	100.00
Total 5000 · PROFESSIONAL EXPENSES	6,655.38	6,334.59	320.79	60,040.65	57,011.25	3,029.40	76,015.00
5100 · INSURANCE							
5101 · Insurance Expense	21,013.10	16,135.00	4,878.10	183,369.56	145,215.00	38,154.56	193,620.00
5102 · Insurance Workers Comp	96.16	166.67	(70.51)	879.15	1,500.00	(620.85)	2,000.00
Total 5100 · INSURANCE	21,109.26	16,301.67	4,807.59	184,248.71	146,715.00	37,533.71	195,620.00
5200 · REPAIRS & MAINTENANCE							
5201 · Building Repairs	0.00	666.67	(666.67)	1,559.46	6,000.00	(4,440.54)	8,000.00
5202 · Pest Control	178.72	150.00	28.72	1,310.12	1,350.00	(39.88)	1,800.00
5203 · Elevator Service	1,489.95	1,541.67	(51.72)	13,811.37	13,875.00	(63.63)	18,500.00
5204 · Lawn Maintenance	1,400.00	1,500.00	(100.00)	12,200.00	13,500.00	(1,300.00)	18,000.00
5205 · Landscaping Extras	500.00	66.67	433.33	500.00	600.00	(100.00)	800.00
5206 · Tree Trimming	0.00	133.33	(133.33)	2,860.00	1,200.00	1,660.00	1,600.00
5207 · Irrigation	0.00	8.33	(8.33)	1,685.00	75.00	1,610.00	100.00
5208 · Beach/Fountain/Pool Furniture	306.00	308.33	(2.33)	2,754.00	2,775.00	(21.00)	3,700.00
5209 · Pool Maintenance	997.75	458.33	539.42	4,564.89	4,125.00	439.89	5,500.00
5211 · Janitorial / Maintenance	2,280.00	2,283.33	(3.33)	20,413.00	20,550.00	(137.00)	27,400.00
5213 · Fire Alarm & Equipment	249.67	375.00	(125.33)	3,067.36	3,375.00	(307.64)	4,500.00
5214 · Building Maint Supplies	1,302.48	916.66	385.82	11,283.13	8,250.00	3,033.13	11,000.00
5215 · Electrical Repairs	350.00	250.00	100.00	1,926.50	2,250.00	(323.50)	3,000.00
5216 · Plumbing Repairs	0.00	291.67	(291.67)	1,039.93	2,625.00	(1,585.07)	3,500.00
Total 5200 · REPAIRS & MAINTENANCE	9,054.57	8,949.99	104.58	78,974.76	80,550.00	(1,575.24)	107,400.00
5300 · UTILITIES							
5301 · Electricity	788.19	916.67	(128.48)	7,603.17	8,250.00	(646.83)	11,000.00
5301.2 · Irrigation-FPL	36.56	41.67	(5.11)	340.82	375.00	(34.18)	500.00
5302 · Water	2,043.50	1,750.00	293.50	18,040.50	15,750.00	2,290.50	21,000.00
5302.1 · Water Irrigation	777.63	566.67	210.96	9,216.45	5,100.00	4,116.45	6,800.00
5303 · Telephone Expense	140.89	135.00	5.89	1,268.72	1,215.00	53.72	1,620.00
5304 · Gas	81.35	833.33	(751.98)	5,165.98	7,500.00	(2,334.02)	10,000.00
5305 · Cable / Internet	4,730.94	4,637.50	93.44	41,525.01	41,737.50	(212.49)	55,650.00
5306 · Trash	1,032.95	975.00	57.95	8,867.80	8,775.00	92.80	11,700.00
5307 · Sewer	1,839.74	1,500.00	339.74	16,064.17	13,500.00	2,564.17	18,000.00
Total 5300 · UTILITIES	11,471.75	11,355.84	115.91	108,092.62	102,202.50	5,890.12	136,270.00
5350 · G2 RENTAL EXPENSES							
5352 · G2-FPL Electricity Expense	43.24	75.00	(31.76)	499.13	675.00	(175.87)	900.00
5355 · G2 Cleaning Fees	85.00			1,040.00			
Total 5350 · G2 RENTAL EXPENSES	128.24	75.00	53.24	1,539.13	675.00	864.13	900.00
5400 · PAYROLL EXPENSES							
5401 · Gross Wages	5,185.00	5,208.33	(23.33)	49,657.50	46,875.00	2,782.50	62,500.00
5402 · FICA Expense	321.47	338.58	(17.11)	3,078.77	3,047.25	31.52	4,063.00
5403 · Medicare Expense	75.18	75.50	(0.32)	720.03	679.50	40.53	906.00
5404 · Unemployment Fed/State	0.00	25.00	(25.00)	49.00	225.00	(176.00)	300.00
5406 · Payroll Admin Fees	32.25	16.67	15.58	320.65	150.00	170.65	200.00
5407 · Employee-Phone Reimbursement	100.00			900.00			
Total 5400 · PAYROLL EXPENSES	5,713.90	5,664.08	49.82	54,725.95	50,976.75	3,749.20	67,969.00
Total Expense	54,133.10	48,681.17	5,451.93	487,621.82	438,130.50	49,491.32	584,174.00
Net Ordinary Income	(5,661.28)	0.00	(5,661.28)	(22,305.32)	0.00	(22,305.32)	0.00
Other Income/Expense							
Other Income							
4100 · RESERVE INCOME							
4101 · Reserve-Income	4,725.00	4,725.00	0.00	42,525.00	42,525.00	0.00	56,700.00
Total 4100 · RESERVE INCOME	4,725.00	4,725.00	0.00	42,525.00	42,525.00	0.00	56,700.00
4500 · SPECIAL ASSESSMENT INCOME							

Highland Towers Inc  
Profit & Loss Budget Performance

Accrual Basis

September 2024

	Sep 24	Budget	\$ Over Budget	Jan - Sep 24	YTD Budget	\$ Over Budget	Annual Budget
4501 · Special Assessment-Income	0.00			590,013.50			
4503 · Loan Fees SA Income	0.00			0.00			
4504 · Interest Income SA BANK	2,269.84			20,115.55			
Total 4500 · SPECIAL ASSESSMENT INCOME	2,269.84			610,129.05			
Total Other Income	6,994.84	4,725.00	2,269.84	652,654.05	42,525.00	610,129.05	56,700.00
Other Expense							
9100 · RESERVE FUNDING EXPENSE							
9102 · Reserve-Paving	250.00	250.00	0.00	2,250.00	2,250.00	0.00	3,000.00
9103 · Reserve-Fences / Gates	133.33	133.33	0.00	1,200.00	1,200.00	0.00	1,600.00
9105 · Reserve-Elevators	3,750.00	3,750.00	0.00	33,750.00	33,750.00	0.00	45,000.00
9106 · Reserve-Seawall	300.00	300.00	0.00	2,700.00	2,700.00	0.00	3,600.00
9107 · Reserve-Pool	291.67	291.67	0.00	2,625.00	2,625.00	0.00	3,500.00
Total 9100 · RESERVE FUNDING EXPENSE	4,725.00	4,725.00	0.00	42,525.00	42,525.00	0.00	56,700.00
9500 · SPECIAL ASSESSMENT EXPENSES							
9503 · Special Assessment \$2.5M	4,859.75			4,859.75			
9505 · "Post" Construction Expenses	(310,546.50)			118,389.28			
9506 · SA Bank Fees-Bank	0.00			9.90			
9510 · Interest Expense-VN Loan-7385	6,027.05			54,131.37			
Total 9500 · SPECIAL ASSESSMENT EXPENSES	(299,659.70)			177,390.30			
Total Other Expense	(294,934.70)	4,725.00	(299,659.70)	219,915.30	42,525.00	177,390.30	56,700.00
Net Other Income	301,929.54	0.00	301,929.54	432,738.75	0.00	432,738.75	0.00
Net Income	296,268.26	0.00	296,268.26	410,433.43	0.00	410,433.43	0.00

0DLWHDFHJERPH LVRYPHUEXGJHWGXHWRWKHDGGLWLRWRWKH4DVVHVVPHWKWHRYHJHLVUHGXFHGEHDFKVXFHHGLJ  
TXDUWHU\$WHDUHGWLWLOOEH  
0DDJHPHWHHSHVH LVERPSHVWDLRWR\$GUHVLWDVLEFUHDVHGGXULJWKH8DUHVVRUNHHNKDVEHHUHGXFHGWGRGV  
WKLVRYPHJHLDOOEHOHVVDWHDUHG  
DGTKHRYHJHLRDUGHYHWWLVSDUWLDOORIVHWEWKHXGHUVSHGLJLRXVH&RPPLWWHH  
XUDFHHNRWKDWKHSUHLPLXPVSDLGLEUXDUDG0DUFKEULJRXUDXDOHSHVHRYHUWVKHEXGJHWHGILJXUHWKHXPESHUVYKR  
DUHRDDFFUXDOEDVMDOHSVHSHUPRWKWUDSRDWLJWKH6HSWHPEHUPRWKVILJXUHLJYHVDXDOERFVWRI DGD  
HGRIBDURYHUUXMXVWRYHU WKRXWWKLVRYPHUXHXRXOGVKRDRWKHVLFRPHRI  
ZUHHZULPPLJRXUHODGVFDSDHVDRIODUHHHUJPDJHEKDUIJHG FRVLGHUDEOPRUHWKDKDGEXGJHWHGHLOOLNHOVLWFKWR  
DRWKHUSURYLGHUIRUWKLVRHVHUYLFH  
RWHKRYHUWWDW0DLWHDFHLVXGHUEXGJHW  
WULJDWLR LWDVHEFHVVDUWRUHSODFHVVRPHVSULNOHUKHDGVWKLVDVRWDWLFSDWHGKHWKHEXGJHWDVSUHSUHG  
KLOGLJPDLWHDFHVXSSOLHV WKLVRYPHJHLVPRUHWKDRIVHWEWKHVDVWLG 5HSDUV  
53\$,56\$1'0\$,171\$1&RYHUDOOFDPLXGHUEXGJHW  
DG6HHUDUHGHHUPLHGEWKH7RRILJKODGHDFKWKHUHLVOLWWOHHEFDGRWRUHGXFHRXUXVHRIWKHVHXLWLWLVH  
WULJDWLRDVRHWDUGLDULOKLJKL\$SULO0DGXHWREDOIXEWLRRWVKHVVHVRUVRUWLPWVWWDWOHGWREHVVODDWHULJHLOO  
PRLWRUWKLVLWXDWLREORVHQWVKHXWX  
DVVKRVDVXGHUEXGJHWGXHWRRXURXVHRIWKHSRROKHDWHUGXULJWKHVSULJGVXPPHUBDWLFSDWHKJKHUXVDJHDGERVHTXHW  
HSHVHL4  
URVVDJHVDUHEVDHGRKRXUVRUNHGE:RVH\$UDJRRRFFDVLKHKDKVDKDGWRRUNSDVWKLVB0TXLWWJWLPH  
6RVHHD6RXDLVRUNLJWRGDVSHUHHNLWKHRIILFHKRXUVHDFKGDVR4LOOVKRDLFUHDVHLWKHJURVVSUDUROODGLSDUROO  
WDERVWV  
1725',1\$5,1&20DW6HSWHPEHUDV

URVV,ERPH  
OHEWULF  
&OHDLJ  
6DOHV7D  
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# Highland Towers Inc Reserve Activity

As of September 30, 2024

Accrual Basis

Type	Date	Num	Name	Memo	Amount	Balance
<b>3000 · CAPITAL RESERVES</b>						820,328.95
<b>3000.2 · Reserve-Accounts Payable</b>						0.00
General Journal	07/17/2024	282		James Keefe-Loan to HT	25.00	25.00
General Journal	09/23/2024	284		James Keefe Loan to HT	25.00	50.00
Total 3000.2 · Reserve-Accounts Payable					50.00	50.00
<b>3001 · Reserve-Building</b>						30,813.00
General Journal	09/30/2024	316		Reimburse Sp Assess from Reserve for ...	(30,813.00)	0.00
Total 3001 · Reserve-Building					(30,813.00)	0.00
<b>3002 · Reserve-Paving</b>						19,146.00
General Journal	01/02/2024	242		Reserve Funding Qtrly	750.00	19,896.00
General Journal	04/02/2024	243		Reserve Funding Qtrly	750.00	20,646.00
General Journal	07/02/2024	244		Reserve Funding Qtrly	750.00	21,396.00
Total 3002 · Reserve-Paving					2,250.00	21,396.00
<b>3003 · Reserve-Fences / Gates</b>						67,747.84
General Journal	01/02/2024	242		Reserve Funding Qtrly	400.00	68,147.84
General Journal	04/02/2024	243		Reserve Funding Qtrly	400.00	68,547.84
General Journal	07/02/2024	244		Reserve Funding Qtrly	400.00	68,947.84
Total 3003 · Reserve-Fences / Gates					1,200.00	68,947.84
<b>3004 · Reserve-Roof</b>						97,884.00
General Journal	09/30/2024	317		Reimburse Sp Assess from Reserve for ...	(97,884.00)	0.00
Total 3004 · Reserve-Roof					(97,884.00)	0.00
<b>3005 · Reserve-Elevators</b>						236,411.00
General Journal	01/02/2024	242		Reserve Funding Qtrly	11,250.00	247,661.00
General Journal	04/02/2024	243		Reserve Funding Qtrly	11,250.00	258,911.00
General Journal	07/02/2024	244		Reserve Funding Qtrly	11,250.00	270,161.00
Total 3005 · Reserve-Elevators					33,750.00	270,161.00
<b>3006 · Reserve-Seawall</b>						51,260.00
General Journal	01/02/2024	242		Reserve Funding Qtrly	900.00	52,160.00
General Journal	04/02/2024	243		Reserve Funding Qtrly	900.00	53,060.00
General Journal	07/02/2024	244		Reserve Funding Qtrly	900.00	53,960.00
Total 3006 · Reserve-Seawall					2,700.00	53,960.00
<b>3007 · Reserve-Pool</b>						64,060.00
General Journal	01/02/2024	242		Reserve Funding Qtrly	875.00	64,935.00
General Journal	04/02/2024	243		Reserve Funding Qtrly	875.00	65,810.00
General Journal	07/02/2024	244		Reserve Funding Qtrly	875.00	66,685.00
Total 3007 · Reserve-Pool					2,625.00	66,685.00
<b>3008 · Reserve-Painting</b>						98,379.00
General Journal	09/30/2024	318		Reimburse Sp Assess from Reserve for P...	(98,379.00)	0.00
Total 3008 · Reserve-Painting					(98,379.00)	0.00
<b>3009 · Reserve-Electrical</b>						72,111.00
General Journal	09/30/2024	319		Reimburse Sp Assess from Reserve for E...	(72,111.00)	0.00
Total 3009 · Reserve-Electrical					(72,111.00)	0.00
<b>3010 · Reserve-Contingency</b>						37,783.31
Total 3010 · Reserve-Contingency						37,783.31
<b>3011 · Reserve-Concrete Restoration</b>						28,800.00
General Journal	09/30/2024	320		Reimburse Sp Assess from Reserve for ...	(28,800.00)	0.00
Total 3011 · Reserve-Concrete Restoration					(28,800.00)	0.00
<b>3020 · Reserve-Interest</b>						15,948.80
Deposit	01/31/2024			Interest	357.22	16,306.02
Deposit	02/29/2024			Interest	335.14	16,641.16
General Journal	03/07/2024	200		PNC CD Interest	6,631.26	23,272.42
Deposit	03/31/2024			Interest	397.29	23,669.71
Deposit	04/30/2024			Interest	389.54	24,059.25
General Journal	04/30/2024	288		JP Morgan Interest	0.84	24,060.09
General Journal	05/01/2024	291		JP Morgan Dividend	668.51	24,728.60
General Journal	05/06/2024	226		Rollover CD, Interest 6/7/23-5/6/24	12,606.89	37,335.49
Deposit	05/31/2024			Interest	403.69	37,739.18
General Journal	05/31/2024	292		May Interest	0.02	37,739.20
General Journal	05/31/2024	294		JP Morgan Divident Received	901.01	38,640.21
General Journal	05/31/2024	296		May Interest	0.21	38,640.42
Deposit	06/30/2024			Interest	405.38	39,045.80
General Journal	07/01/2024	299		JP Morgan Divident	872.15	39,917.95
Deposit	07/31/2024			Interest	448.18	40,366.13
General Journal	07/31/2024	301		July Interest	14.57	40,380.70
General Journal	08/01/2024	303		JP Morgan Dividend	901.12	41,281.82
General Journal	08/30/2024	305		Interest Aug	10.51	41,292.33
Deposit	08/31/2024			Interest	449.52	41,741.85
General Journal	09/01/2024	306		JP Morgan Dividend	898.33	42,640.18
Deposit	09/30/2024			Interest	411.32	43,051.50
General Journal	09/30/2024	308		Interest Sept	0.71	43,052.21

# Highland Towers Inc Reserve Activity

As of September 30, 2024

Accrual Basis

Type	Date	Num	Name	Memo	Amount	Balance
Total 3020 · Reserve-Interest					27,103.41	43,052.21
<b>3021 · Reserve-Bank Fees</b>						(15.00)
General Journal	04/08/2024	290		Bank Fees Purchase	(29.95)	(44.95)
General Journal	07/01/2024	281		Bank Fee	(12.00)	(56.95)
General Journal	08/01/2024	283		July Bank Fee	(12.00)	(68.95)
General Journal	09/03/2024	285		Aug Bank Fees	(12.00)	(80.95)
Total 3021 · Reserve-Bank Fees					(65.95)	(80.95)
Total 3000 · CAPITAL RESERVES					(258,374.54)	561,954.41
<b>TOTAL</b>					<b>(258,374.54)</b>	<b>561,954.41</b>

**Highland Towers Inc**  
**A/P Aging Summary**  
**As of September 30, 2024**

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Air-Ref Co., Inc	0.00	6,596.00	0.00	0.00	0.00	6,596.00
All County Paving	0.00	0.00	0.00	0.00	35,931.00	35,931.00
American Eagle Fire Protection Inc	0.00	0.00	0.00	0.00	4,999.00	4,999.00
Andres J Hernandez	0.00	1,000.50	0.00	0.00	0.00	1,000.50
Associated Credit Reporting Inc	75.00	0.00	0.00	0.00	0.00	75.00
Atlantic Pool Maintenance	0.00	5,337.50	0.00	0.00	13,560.00	18,897.50
CW Fischer Electric Inc	0.00	0.00	0.00	0.00	130,480.00	130,480.00
Florida Public Utilities-0124609-9	0.00	81.35	0.00	0.00	0.00	81.35
Greener Image Inc	0.00	1,900.00	0.00	0.00	0.00	1,900.00
Home Depot Credit Services	0.00	597.78	0.00	0.00	0.00	597.78
Kaye Bender Rembaum, P.L.	5,832.00	0.00	0.00	0.00	0.00	5,832.00
MAG Engineering Inc	0.00	0.00	0.00	0.00	15,500.00	15,500.00
Roo Services, Inc.	0.00	350.00	0.00	0.00	0.00	350.00
The Plumbing Experts Inc	0.00	0.00	1,257.00	0.00	0.00	1,257.00
Top Notch Personalized Services LLC	0.00	2,365.00	0.00	0.00	0.00	2,365.00
Town of Highland Beach	5,693.82	5,693.82	0.00	0.00	0.00	11,387.64
Universal Beach Service Corp	0.00	0.00	306.00	0.00	0.00	306.00
US Structures Inc	0.00	0.00	0.00	0.00	47,838.77	47,838.77
Valley National Bank-CCard	0.00	751.30	0.00	0.00	0.00	751.30
<b>TOTAL</b>	<b>11,600.82</b>	<b>24,673.25</b>	<b>1,563.00</b>	<b>0.00</b>	<b>248,308.77</b>	<b>286,145.84</b>