

Harbor Isles I Condominium Association

c/o: Prestige Property Management
PO Box 507 - Cape Canaveral, FL 32920
(321) 501-0654

Board of Directors
Meeting Minutes
held
Thursday, August 4, 2022

This Meeting was held in person at the Harbor Isles Clubhouse and by Zoom Video Conference at the link:

<https://us02web.zoom.us/j/87988672568>

This Meeting was called to order at 6:06 p.m.

A quorum was established with 4 of 4 Directors present. Julie Zink, Greg LiCalzi, Michael Branigin were present via Zoom. Stephanie Sherby was in person.

Proof of Notice: Notice was posted and sent to the membership at least 14 days prior to the meeting.

Julie Zink motioned to waive the reading of the minutes from the meeting held 7-20-22. Stephanie 2nd. All were in favor and the minutes were accepted as submitted.

Reports of Officers, Committees and Agents:

Julie reported that the website was fully updated with previous meeting minutes and forms. Harbor Isles 2 maintains the site and they have hired an outside webmaster to be sure the site was properly updated with not only content but its software updates. The site is very informative to both members and local area real estate agents.

Old Business:

Special Assessment for 2022 Budget Shortfall: Greg informed the members that all condo's, especially those in Florida, have been faced with many obstacles these past 2 years. First was inflation at or over 10% in Florida. Second was the insurance crisis in the state, with no immediate help from state legislators, as they seem to be currently focused on individual homeowners' policies not condominium ones. Harbor Isles faced 2 increases in 2022: the first was the increase in the insurance premium when it renewed in April of \$40 Thousand more than was budgeted for and second was the increase after the association has its insurance appraisal which increased the value of the property by approximately 9 million dollars, causing an increase in premium of \$56,000.00. Greg informed the members that most of the vendors for the property have also increased their monthly dues, some by 25%. Lori has gone out to bid but found that new vendors were charging much more than they were currently paying.

Greg then went on to explain that with the new laws being passed in Tallahassee concerning Association funding of reserves, Harbor Isles will be required to fund the reserves, in certain categories, fully beginning in January of 2025. He reminded the members that Harbor Isles has historically "partially" funded their reserves to keep the dues low but that option will not be available any longer and he would like to see the Association begin to fully fund the reserves with the 2023 budget so that they can better prepare for the requirements. He cautioned that he would not give an amount of what the dues might be for 2023 as the Board is waiting for the new full reserve study which would be a valuable tool for the budget committee to

work from. That reserve study is not to be available for another 4 to 5 weeks and Lori reminded the members that when the Budget committee did meet to prepare the proposed budget for 2023, there would be workshops that the members were welcome to attend but that their input would be limited to allow the committee to review, discuss and work on the reserves, working from the new study, as well as the operating budget.

As such, Greg motioned to levy a special assessment in the amount of \$486.00 per unit payable on or before October 1, 2022. Julie 2nd. Stephanie asked what period of insurance coverage this assessment would be for. Greg explained that this was for the policy term April 2022 to April 2023, but he could not estimate what the 2023 renewal premium would be. They would try their best estimate it as insurance companies do not provide quotes more than 30 days out from the renewal period but that they would be aggressively getting bids once that period came due. With no further discussion, a call for a vote was made. All were in favor and the motion passed unanimously.

New Business: None

Member comments and their input on the Agenda Items:

There were general questions about the due date of the assessment and Lori assured everyone that as with any special assessment, consideration would be given to those with any hardships, and the Board is open to working with them on a payment plan. Other questions included when the membership would know what the dues would be for 2023 and it was explained that they would not know that until after review of the new reserve study and the committee has a chance to meet, which would likely be in late September. Lori also reminded the members that historically, the budget was adopted at the annual meeting, which is held on the 3rd Monday of November – that and the Florida Statutes mandate that any budget must be approved at least 14 days prior to when it becomes due, or January 1. There were questions regarding what this new reserve study would include, and Julie explained that she and Greg have attended many meetings concerning the new laws (laws that everyone in the industry said will change somewhat) and that the study would most likely include items that currently were not accounted for in the reserve schedule being used now. It was reiterated that once the study was available the Board and committee would be sure to have all the line items the new statute required to be included in their new budget.

Next Board Meeting: TBD

With no further business to come before the board, Julie motioned to adjourn the meeting at 6:37 p.m.