

Minutes of the Everglades Club 2023 Budget Adoption Meeting

At 11:00 AM on December 8, 2022

Note: This meeting was held via tel-conference call-in.

1. **Call to order:** Nekko Gikas called the meeting to order at 11:00 AM the officers present were: President Duane Bloomquist, Treasurer Jon Christenson, 2nd Vice President Mitch Rothenberg, Director Eric Baumeister, Secretary Dave Camire and Nekko Gikas of Moore Property Management (MPM).

Also on the the call, were owners from the following units: # 603, 607, 625, 627,629, 635, 639, 641,651, 655, 665 671, 673, 675, 683.

2. **Establishment of Quorum:** A quorum was established with the required number of Board of Directors in attendance.
3. **Confirmation of Proof of Notice:** Notice of the meeting was posted by Nekko Gikas (MPM) in accordance of Florida State Statutes.
4. **Motion to waive reading of the Minutes:** A motion to waive the reading of the minutes from the previous board meeting of directors and place the adopted approved minutes on file was made. The motion to approve the minutes was moved by Mitch Rothenberg and seconded by Dave Camire. The motion passed.
5. **Treasurer's Report:** Treasurer Jon Christenson reported that we have:
 - \$143,000 in our Reserves Account
 - \$14,000 in our Laundry Account
 - \$24,000 in our Operating Account

Our October reserves were lower than the previous month due to transferring \$100,000 from our Reserves Account to our Operating Account. The \$100,000 will be transferred back to the reserves account following the insurance settlement. The transfer was necessary to pay the cost associated with the Hurricane Ian clean-up. We also secured a \$500,000 line of credit from Cogent Bank to provide funding for costs incurred prior to the insurance settlement.

For the period ending on October 31, we are below our projected operating budget if we exclude the \$26,000 clean-up charges due to Hurricane Ian. Excluding the \$26,000, we were 4% below our budget. With that said, we were on/under budget on some of our accounts and over budget in others. The accounts that were over budget were relatively small and reflect the impact of one-time fees.

6. **New Business:**

a. **Status of Hurricane Ian Reconstruction:** Rusty Moore (General Contractor) summarized our current status for the 19 units he is in charge of rebuilding. He reported that permits have been submitted to the City of Naples. However, the city came back with two corrections:

1. Provide details on our fire separations.
2. FEMA worksheets need to be submitted for each unit along with detailed proposals including dollar estimates for cabinets, electrical, plumbing, etc. Because of the uniqueness of each unit, this will be a unit-by-unit process. The owner will need to sign the FEMA form and have it notarized then return it to either Rusty Moore and/or Christa Carrera.

Christa Carrera (Consultant) is a former City of Naples Permit/FEMA employee. She spoke about the importance of informing Rusty Moore of any changes or upgrades planned for units. This is important because of the 50-percent rule. Currently, our building is valued at 6-million-dollars by our insurer. This provides us with a 3-million-dollar allowance for repairs or upgrades spread out over five buildings. We are not allowed to go over that amount. If we do, the building would have to be demolished and rebuilt to current Florida building codes.

The City of Naples defines the Everglades as five separate buildings. So, the 50-percent rule would apply to each separate building. Each building has already been privately appraised. Once the permits are pulled, any repairs to a building are accumulated over 12 months. Renovation permits for upgrades/renovations may be denied based on the possibility the accumulation of costs may exceed the 50% rule. However, the City of Naples is in the process of reviewing and possibly amending the one-year rule.

After Rusty's and Krista's reports, there was a general question and answer session, here are the highlights:

- Rusty Moore will contact each owner separately to develop unit contracts.
- Major reconfiguration of units is not recommended due to the increased cost towards our 50-percent rule and the charge to each building's allowance. However, Rusty is willing to work with owners on smaller changes (for example, replacing an old tub with a shower).
- For the two units using an independent contractor, they must submit to Christa a detailed plan of the work (including dollar amount), and a signed and notarized FEMA form.
- Upgrades will be at the owner's expense.

- Repair of the cast iron pipes (7 units) is included in the rebuild since it will provide savings to the Everglades Club in the long run.
- We need to secure the permits before work can continue on our mold remediation. Once the permits are issued, the AC units will be reinstalled and a dehumidifier will be placed in each unit to dry it out. Once completed, each unit will be retested and if successful, documentation will be supplied to the owners indicating the unit is mold free.

b. **2023 Budget Proposal** - For 2023, Jon is recommending a 7.4% increase in the budget. We are relying on our vendors for the expected cost increases and will negotiate better pricing when possible. Our largest increase is in Flood and Hazard insurance at 12-percent. This will necessitate an increase in dues of \$100 per quarter. Dues will go from \$1350 per quarter to \$1450 per quarter.

c. **Vote to approve 2023 Proposed Budget:** Mitch Rothenberg made the motion to approve the 2023 proposed budget. Dave Camire seconded the motion. The motion passed unanimously.

d. **Review needs for Special Assessment:** The state of Florida allows up to a \$2000 assessment per year. If you have an Ho6 clause in your condominium insurance policy, part or all of the assessment may be covered. Your carrier will require the following documentation: the agenda for this meeting, a copy of the meeting minutes, and a copy of the statement justifying the reimbursement of the \$2000. This information will be provided to you by MPM before the end of the year.

e. **Vote to Approve Special Assessment for \$2000:** Vote to Approve Special Assessment for \$2,000. The \$2,000 Special Assessment will be paid in 4 equal installments of \$500.00 Duane Bloomquest made the motion to approve the Special Assessment for \$2000. Jon Christenson seconded the motion. The motion passed unanimously.

Adjournment

Nekko Gikas motioned to adjourn the meeting. The motion was moved by Mitch Rothenberg and second by Eric Baumeister. The motion passed unanimously. The meeting was adjourned at 12:15 PM.

Respectively Submitted,
Dave Camire
Secretary

