

Minutes of the Everglades Club 2023 Annual Meeting

At 11:00 AM on June 21, 2023

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

- 1 Call to order:** Nekko Gikas called the meeting to order at 11:01 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).
- 2 Establish a Quorum:** All five board members were in attendance, so a quorum was reached. Additionally a roll call was taken to determine what units were represented. Twenty-five units were represented (# 605, 607, 617, 619, 621, 623, 625, 635, 629, 631, 633, 639, 641, 651, 657, 659, 661, 665, 667, 671, 673, 675, 677, 683, 685).
- 3 Confirmation of Proof of Notice:** Notice of the meeting was posted by Nikko Gikas (MPM) in accordance of Florida State Statutes.
- 4 Motion to waive the reading to the Minutes:** from the previous Annual Membership meeting and place the adopted minutes on file. The motion to approve the minutes was moved by Mitch Rothenberg and seconded by Dave Camire. The motion passed.
- 5 Old Business:**

- (a) **Status of Line of Credit:** Duane Bloomquist has informed us that we have secured two lines of credit. We obtained a sum of \$500,000 at an interest rate of 7.1 percent approximately 3-4 months ago. Additionally, we received \$250,000 at an interest rate of 8 percent about 1 month ago. With the availability of these credit lines, Duane is confident in our ability to manage our expenses and maintain sufficient cash flow.

Furthermore, we are actively pursuing a third-party estimate, which may result in arbitration if a pre-settlement agreement is not reached with Hartford Insurance. We anticipate receiving a comprehensive report within the next 2-3 weeks, providing us with the most accurate estimation of the reimbursement we should expect by the conclusion of this project.

- (b) **Update Status of Hurricane Ian Reconstruction:** Duane provided an update on the project's progress: plumbing and electrical work has been completed, and the mold inspection is finished. The drywall installation has commenced, starting with the completion of Louise Murphy's unit. However, before we can proceed further, we need to schedule a final inspection with the fire inspector. We anticipate this inspection to be conducted promptly. Our objective is to achieve completion of the entire building project by October, and our contractor has expressed confidence in meeting this target. As Duane wisely noted, only time will reveal the accuracy of our expectations.

6 New Business:

- (a) **Review the need for tenting the buildings:** Mitch Rothenberg led the discussion on building tenting. He emphasized the prevalence of misinformation regarding termites, highlighting two primary types: subterranean termites and dry-wood termites. Subterranean termites are voracious eaters and can inflict catastrophic damage, while dry-wood termites consume at a slower pace and cause minimal harm.

Initially, we believed that undertaking the project while half the building was open would be opportune. However, tenting at this juncture poses several challenges. Firstly, it would cause significant disruptions as all residents would need to prepare their units accordingly. Secondly, the tenting process could potentially destroy the plants near the building unless they are removed, which contradicts the recent significant investment made in replanting. Lastly, the associated expenses would be substantial, ranging from \$30,000 to \$80,000 based on our estimates. As Mitch has conducted a structural inspection and determined that the building is in good condition, it is recommended that we proceed with spot treatments for now and reconsider tenting at a later date.

- (b) **Vote to approve tenting the buildings:** Duane made a motion to tent the building. The motion failed 5-0.
- (c) **Review the need for a \$5000 special assessment:** We initiated the hurricane recovery process with a \$2,000 assessment, payable quarterly. This provided us with \$21,000 per quarter as initial funding. For many residents, this amount was covered by their homeowners' insurance policy. Currently, we have incurred \$300,000 in expenses that are not covered by the association's insurance policy. It is possible that some of these expenses will be covered by the insurance company once the final settlement is reached, although this is not confirmed. At present, we are paying a 7.1% interest rate on our \$500,000 line of credit, which we have utilized. Additionally, we are paying an 8% interest rate on our \$250,000 loan, which we have not yet accessed, and hopefully won't need to. Due to the interest we are incurring on our loan and the shortfall in reconstruction expenses, we recommend an additional assessment of \$5,000. This assessment would be paid in a lump sum by August 1, 2023.
- (d) **Vote to approve a \$5000 special assessment:** Duane made a motion to vote to approve a special assessment in the amount of \$210,000 divided by 42 owners equating to \$5000 per unit owner due by August 1, 2023. The motion was moved by Mitch Rothenberg and seconded by Dave Camire. The motion passed unanimously.

Adjournment

Dave Camire motioned to adjourn the meeting. The motion was second by Mitch Rothenberg. The motion passed unanimously. The meeting was adjourned at 11:45 AM.

Respectively Submitted,
Dave Camire
Secretary