

MINUTES OF TAMARIND BOARD OF DIRECTORS MEETING

ANNUAL BUDGET MEETING MINUTES

November 15, 2019

The Annual Budget meeting of the Board to consider the adoption of the year 2020 Association Budget was called to order by President & Treasurer Don Martin at 9:00 A.M. on November 15, 2019 in the Tamarind Clubhouse.

1. **ROLL CALL:** Board Members present in person were President & Treasurer Don Martin, Secretary Gerald Meiler, Assistant Secretary Sally Hetzel and Directors Dave Laven and Bud Tishkowski. Director John Hebda was present via telephone. Director Dwight Heitman was excused. Manager Ron Zion was also present.
2. **DECLARATION OF QUORUM:** President Martin declared per our Bylaws and in compliance with Florida Statutes that a quorum was present and the meeting could proceed.
3. **PROOF OF NOTICE:** President Martin called for and received an affirmation from Secretary Meiler that the Notice of Budget Meeting and a copy of the proposed Budget were mailed to each owner and posted on the premises on October 27, 2019, which was at least 14 days in advance of the scheduled meeting in compliance with our Bylaws and Florida Statutes and confirmed the existence of a notarized affidavit to that effect.
4. **READING OF MINUTES:** President & Treasurer Martin called for a motion and a vote to accept the minutes of the previous meeting as written. Director Bud Tishkowski formally made the motion to accept the minutes of the previous meeting as written and was seconded by Secretary Meiler and was passed by unanimous vote of the Board members present.
- 5 & 7. **PRESIDENT'S/TREASURER'S REPORT & PRESENTATION OF THE 2020 BUDGET:** President and Treasurer Don Martin requested and with no objection received combined the president's and treasurer's report with the presentation of the 2020 proposed budget.

President/Treasurer Martin stated that the 2020 budget reflects an 8% revenue increase of 87,000 or \$50.00 per month per unit, \$150.00 per quarter, a total of \$600.00 per year combined with rental and laundry income for a total annual revenue of \$1,323,207.00. Controllable costs have remained virtually flat for the last five years which is an indication of the effort to control costs. Windstorm/property insurance increases is the driving factor of the fee increase. It is becoming very difficult to find windstorm coverage for properties on a barrier island in Florida, as a result it has been necessary to tier the coverage among three companies to entice companies by reducing their respective financial exposure. With the exception of flood coverage all other coverage is renewed July 1 annually thereby impacting two fiscal periods. The \$67,000.00 increase budgeted for 2020 reflects the 2019 budget shortfall and 10% planned increase over 2019/2020 premium actuals for half of fiscal 2020.

Our 2019 year-end estimated reserve balance of \$275,000.00 is significantly less than prior years and has dropped each year as an example 2016 year-end balance was \$660,000.00. Over the last

four years we had reserve expenditures of \$1,269,000.00 in capital improvements on the property and have only contributed \$866,000.00 a difference of \$432,000.00. The 2019 planned reserve expenditure of approximately \$300,000.00 expanded to \$503,000.00 due to unplanned emergency reconstruction of a portion of the E building, clubhouse rafter repairs and total roof replacement and a sectional roof replacement on the A-1 and A-3 buildings.

The bump out project continued this year with the completion of builds A3 and B5. Buildings B4 and B3 are slated for 2020 as well as the power washing of all buildings. Factoring issues that typically occur our goal is to cap 2020 reserve expenditures at \$200,000.00 resulting in \$146,000.00 contribution over expenditures raising our 2020 year-end reserve balance to \$421,000.00 closer to our \$500,000.00 annual balance goal.

Martin stated the it is never pleasant to write a letter that fees are increasing, however our fees remain in the median compared to other communities on the island, some who are significantly higher and yet some found it necessary to also have special assessments.

Over all the property looks very good with continuous improvements to landscaping as evidenced at the bayside entrances which was recently completed.

6. COMMITTEE REPORTS:

LANDSCAPE COMMITTEE: Director Tishkowski who is chairman of the Landscape Committee restated the revamping of the bayside entrances landscaping and indicated that the tired landscaping present at the beachfront buildings will be addressed at the completion of the exterior work on those buildings. The long- standing Cuban Laurel tree at the south entrance of the bayside had to be removed because it was compromised because of rot.

ARCHITECTURAL COMMITTEE: Secretary Gerald Meiler chairman of the committee stated at this time there were no new requests or pending issues.

COMMUNICATION COMMITTEE: This committee co-chaired by Joyce Meiler and Diane Emo presented a display on recyclables with Joyce Meiler speaking on the subject closing by indicating that information would be available on the Facebook page. A round of applause was received.

8. RESIDENT FORUM: President Martin fielded questions from the Membership.

A question was raised about the viability of providing cable TV. Martin stated that the Board has previously discussed this, however it would require a vote of the membership as it is considered as part of the amenities. We will discuss the process with our attorney and solicit the view of the Membership prior to the 2021 budgeting process.

A comment was made that the landscaping is 1000 per cent improved with the new grounds company.

A question concerning insurance was raised and manager Zion explained the broker process and the very limited players in the marketplace for our property due to its location and significant replacement cost.

9. **BOARD ADOPTION OF THE 2020 BUDGET:** President & Treasurer Martin called for a motion to adopt the 2020 Budget as presented. Director Bud Tishkowski made the motion to adopt the 2020 Budget as presented and was seconded by Director Dave Laven. The Budget was adopted by unanimous vote of the Directors present.
10. **SURPLUS ROLL OVER.** Secretary Gerry Meiler made a motion to roll over any surplus funds from 2019 in accordance with Revenue Ruling 70-604 and the filing of Revenue Tax Form 1020H which constructively returns any excess funds and therefore is not taxable. Director Bud Tishkowski seconded the motion and was carried by a unanimous vote of the Directors.
11. **ADJOURNMENT:** Having complied with all items on the agenda President Martin called for a motion to adjourn. Director Bud Tishkowski formally made the motion to adjourn was seconded by Assistant Secretary Sally Hetzel and approved by unanimous vote of agreement from the Directors. President Martin adjourned the meeting at 10:35 A.M.

Tamarind Gulf & Bay Condominium Association, Inc.

By: _____
Gerald Meiler, Secretary