

THE CASTLE COUNCIL SPECIAL ASSESSMENT MEETING MINUTES

August 08,2023

Call to order

The special assessment meeting of the Board of Directors was called to order at 6:31 P.M. on Aug. 08, 2023 in the Castle Council Meeting area by Anita Reich, President/Chairperson and Jody Pavlak, Secretary recorded the minutes. A quorum of directors was present and the meeting, having been duly convened, was ready to proceed with business.

Roll call

Anita, President/Chairman conducted a roll call. The following people were present.

- Anita Reich – President
- Jon Snyder - Vice President (via Zoom)
- Jody Pavlak – Secretary (via Zoom)
- Christine Mailloux – Treasurer
- Ken Anderson – Director at large (via Zoom)

Approval of minutes from last meeting

A motion was made by Jon Snyder and seconded by Jody Pavlak to waive the minutes from the previous board meeting. Unanimous

Reports

a) A brief Treasurer report was given by Anita as the financial report package .

1. Bank account balances as of 07/31/2023

Operating funds	\$ 94,948.42
Reserve funds	<u>\$ 537,674.69</u>
Total funds	\$ 632,623.11

2. Delinquencies as of 7/31/2023

Maintenance Fees	\$ 4,036.63
11/30/22 Special Assessment	<u>\$ 28,455.44</u>
Total delinquencies	\$ 32,492.07

Our attorney is addressing delinquent payment of 5 owners .

Please note : From our rules & regulations page 7

17. Maintenance payments

Monthly maintenance fees are due and payable on the first of the month. Delinquent fees will incur a late fee and interest in the amount of 10% per year, after 10 days past due. Failure to pay assessments within 30 days of the due date will result in legal action as provided in the Governing Documents and the State Law.

3. YTD as of 7/31/23 Actual vs Budget

Revenue (excluding 2023 Special Assessment)	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
	\$ 490,935.33	\$ 466,193.63	\$ 24,741.70
Expenses			
Operating Expenses	\$ 444,509.45	\$ 438,401.11	\$ (6,108.34)
Non-Operating Expenses	\$ 27,792.31	\$ 27,792.31	\$ 0.00

A motion was made by Jody Pavlak and seconded by Jon Snyder to accept the report as read.
Unanimous

b) Dock Committee

A Dock Owner meeting was held 7/7/23. Those present voted to proceed with dock repairs at a cost of \$18,975.00. To cover continued maintenance and reserve for new docks , the annual dock fee will be increased to \$ 500.00. The 2024 annual payment will be due no later than 3/01/24.

c) Events Committee

Wed. 8/2/23 a game night was held in the lobby. There was a nice turnout with positive feedback.
Wed. 8/16/23 Card night is scheduled in the lobby at 6:30
Fri. 8/25/23 4th Friday Festivities is scheduled poolside at 6:30

d) Grounds and Maintenance Committee

1. Big thanks to our volunteer's , Eric & Rachel (914), Mike (901), Craig (803), Helen (601) & Becca (505) for an amazing job grinding the old paint and glue off the floors in front of each elevator.
2. Craig (803) has donated a new flag, added weights to trash shoot doors and is attempting to unclog the drains by the car ports.
3. Becca (505) and Anita (507) repainted the 2nd floor east light fixtures prior to putting them back up.

Old Business

Old business information was given by Anita, President/Chairman.

- Sea Castle 3rd floor concrete walkway replacement.

Finishing touches are in process to complete the east side walkway reconstruction. The railing is being reset 8/7 – 8/8. The walkway should be open for use Thurs 8/10/23.

The balance of the rigging will be taken down and the work area cleaned Mon 8/14 – Tues 8/15. Rigging and Construction on the west side is scheduled to start Wed 8/16/23. Anticipated completion date mid-October.

Five units on the west side need relocation. To date we have secured alternative residence for four of the five. If anyone is interested in allowing us to use their unit, please advise.

Parking restriction for phase II – to be sent via email blast 8/9/23

- The exterior paint project is approximately 80% complete. Upon completion of the 3rd floor walkway project, the rest of the paint job will be complete. This includes the 1st & 2nd floor walls, floors & doors as well as touch ups needed on the entire building.
- The contract for a new roof has been completed. Final inspection by Duro-Last Systems and Pasco County are complete. The final payment of \$58,747 is being held until walkways to the west side antennas and light sensors are installed and water pooling is addressed.
- Socotec has been retained to file a report the county re roof construction materials
- The financial audit is under way and should be complete by the end of third quarter
- Horizontal pipes above the covered car parks have been replaced.
- Welcome new owners and residents : Robert, Sonya and Loretta Tobeck unit 309.

New Business

- The annual parking spot # 19 & # 21 lottery is scheduled for 8/23/23 at 10AM in the lobby. A signup sheet is on the office door. The current fee is \$750.00 for the 12 month period 9/1/23 – 8/31/24. Note: Per Rules and Regulations 27(A). Unit owners or renters currently owning or leasing a covered parking space will not be eligible.
- A pipe in the pool room broke and Pool Medic has fixed it.
- Scheduled maintenance of the potable water pump will take place 8/18/23. The water will be shut off between 10 AM and 2 PM.
- Stucco on the 2nd floor ceiling will be needed once the construction is complete. Andrew is getting pricing for the job. A ballpark figure is \$10,000
- As discussed in the 6/15/23 board meeting the insurance increased from \$322,637 to \$510,891 (plus over \$18,000 loan interest). Not only does it cost more, but Citizen policies also do not include Collapse or Water damage from accidental discharge of Plumbing, AC device or any other device that hold steam or water. We have investigated getting this coverage. Water damage coverage would cost \$35,000 with a \$20,000 deductible. We were told we would not be eligible for collapse insurance until the 3rd floor construction is complete. At that time the building would have to be revalued.

To date we have had no luck finding another carrier to insure the Sea Castle. When the 2023 budget was set we anticipated a decrease rather than this huge increase.

The 2023 budget for Insurance & D/O is \$265,000.00

YTD expenses as of 7/31/23 -\$216,941.85

Balance \$ 48,058.15

Projected expense 8/1/23 – 12/31/23 -\$224,733.45 (48,058.15 x 5)

Shortage of funds \$176,675.30

The assessment that has been proposed will cover the negative variance between the 2023 budget and our actual expenses in 2023. The increase we will experience 1/1/24 – 6/08/24 as well as a projected increase for the next renewal, will be in the 2024 budget and will have an impact on the maintenance fee starting 1/1/24.

I idea of Self-insuring the Sea Castle was discussed.

A motion was made by Jody Pavlak to accept the special assessment totaling \$175,000.00 to be paid in a maximum of three payments starting September 1, 2023. The motion was seconded by Jon Snyder.

Adjournment

There being no further business to come before the meeting, a motion to adjourn was made by Christine Mailloux, seconded by Jon Snyder. Unanimously approved . Anita, President/Chairman adjourned the meeting at 7:32.

Minutes submitted by: Jody Pavlak