

Tangerine Bay Club Association Inc.,

A Not-For-Profit Corporation

Minutes of The Meeting of The Board of Directors – **BUDGET** Meeting Wednesday, November 16, 2022

A scheduled Budget Meeting of the Board of Directors was held via the Zoom online platform on November 16, 2022.

The meeting was called to order at 2:03pm by the President, Clare Villari.

A quorum was established. All Board Members were present along with General Manager Michael Canacari.

Proof of notice was posted per Association Bylaws and Florida Statutes 718.

Board Actions:

Review budget in advance of approval – The Proposed 2023 Budget was distributed to owners on Oct 27 for their review and comment prior to final Board approval on Nov 16. During that owner review period, the Guard Service annual expense of \$88K (\$244/Unit/quarter) was questioned due to the poor service. Guard service quality is an issue across LBK. TBC has made an investment in technology over the last several years that has allowed us to reduce coverage and cost and eliminated security incidents.

A recommendation was made to further reduce coverage hours at the Gatehouse to 40 hours/week from the current 72 hours/week. A note was sent to all owners to gather opinions on that recommendation. 36 owners responded: 34 supported the change to 40 hours/week and supported further research into an all-technology gatehouse. The Gatehouse will be attended from 7:30AM to 3:30PM Mon – Fri and we will explore an all-virtual solution in 2023.

Approval of 2023 Budget - A revised Proposed 2023 budget was put forward for approval that includes Guard Service at \$45,300 (\$126/Unit/quarter) for 40/hours a week, which is a 45% reduction from the proposed \$88K for 72/hours a week.

The proposed reduction in Guard Service expense reduces the proposed 2023 quarterly fee from \$6900/Unit/quarter to \$6800/Unit/quarter.

The variance of the Proposed 2023 Budget vs the Projected 2022 Actual are as follows:

Operating less insurance: increased by only 5%; and without the new expense for mandatory Building Safety Act Compliance (\$30K) the increase is 3%. Insurance: increased by 15% (an estimate which may be low). The Reserve Assessment: increased by 5% and Total Quarterly Fee by 8%.

Motion – To approve the Proposed 2023 Budget with the reduction in Guard Service to 40 hours/week with a bottom line of \$6800/Unit/quarter. Moved by Dave and seconded by Mike. **Approved unanimously.**

Motion to adjourn – moved by Karen, seconded by Dave. All approved.

Jeff Spalter, Secretary, Tangerine Bay Club Association Inc. Board of Directors