



Verandah Community Association, Inc.

Budget Meeting Minutes | Oct. 30, 2018 | 2:23 pm

12201 River Village Way, Fort Myers, FL 33905

(239) 694-6358

Approved on 10/15/2019

- Meeting Call to Order – 2:23 pm by Paul Martin, Board President
- Quorum – Cameron Gardiner, General Manager, verified quorum with board members Paul Martin, Jim Harvey, David Langhout and Gary Dittman all in attendance.
- Proof of Notice – Cameron Gardiner provided proof of notice with affidavit of mailing to all owners.
- Paul then provided a review of the 2019 Budget noting:
 - There is a 4% increase.
 - A new five-year Comcast agreement was signed.
 - This is based on 1210 owner lots.
 - 80 new members anticipated through sales in 2019.
 - The mow contract and all expense numbers are based on 100% build out.
 - There was no bad debt budgeted in 2019.
 - Currently there is approximately \$88,000 in receivables from 2018.
 - Employee pay increase is based on 3%, but each employee's amount is based on an evaluation which allows them up to a 3% raise, doesn't guarantee all employees will receive 3%.
 - Based on build out in 2023.
 - Reserve resale was increased from \$500 per sale to \$1,000 per sale. This goes into the reserve account and is based on the reserve study. This amount could change year to year based on the reserve study.
 - The budget assumes purchase of sales center with \$127,000 in loan payments and \$40,000 in operating expenses. * Jim noted that he will be making a motion to approve the budget as is with a provision that if the association does not decide to

purchase the sales center, then the board will amend the budget, do a true up in the second quarter, then provide a credit back to owners. Paul agreed he would support that.

- Paul reviewed the totals for Single family home assessments, Multi-Family assessments and shared cost.
- He noted the Comcast credit back to the association - \$121,000 which is included in revenue for the association.
- He reviewed the total income versus total expenses and explained the difference is in the holiday decorations.
- Paul explained they did revise the budget to include \$5k for a reserve study.
- He reviewed the reserves.
- Paul reviewed the capital items the Board is considering this year which total \$322k, the majority is landscaping at \$101k, guardhouses, etc. Paul explained they do work on some of the walls each year to extend the life of the walls; roads/nature trails \$11,024 which is a true estimate for work on these; mowing equipment for the areas we mow; guardhouse roof soffits and trim (not tile) \$17k for both; and sales center repairs. *Jim noted that all Capital items are paid from the reserves.

- Paul asked for any questions:

An owner asked why the interest is so low on the reserve money. Paul explained that the board keeps these in a 100% guaranteed account. They put it in CDAR's so that all the money is FDIC insured and they will not put any of this money at risk while the developer is in control. When the community turns over the resident board may decide to do something different, but this board will not.

No other questions.

- **Jim Harvey made a motion to approve the budget as is with the caveat that if the purchase of the sales center does not move forward, the board will revise the budget to remove these expenses, do a true up of the accounts in the second quarter and provide a credit to owners. Gary Dittman seconded the motion. Motion carried 4/0. Budget approved.**
- **David Langhout made a motion to adjourn the meeting at 2:51 pm. Gary Dittman seconded. Meeting adjourned.**