



**Verandah Community Association, Inc.**

Budget Meeting Minutes | Oct. 15, 2019 | 1:40 pm

12201 River Village Way, Fort Myers, FL 33905

(239) 694-6358

**Approved on 10/27/2020**

- Meeting Call to Order – 1:40 pm by Paul Martin, Board President
- Quorum – Cameron Gardiner, General Manager, verified quorum with board members Paul Martin, Jim Harvey, David Truxton and Gary Dittman all in attendance.
- Proof of Notice – Cameron Gardiner provided proof of notice with affidavit of mailing to all owners.
- The board then reviewed the Budget Meeting minutes for Oct. 30, 2018. **Gary Dittman made a motion to approve the Budget Meeting minutes dated Oct. 30, 2018 as written. Paul Martin seconded. All were in favor. Minutes approved 4/0.**
- Paul then provided a review of the 2020 Budget noting:
  - Assessments for 2020 will be increased by 4%. The money that was not spent from the 2019 Sales Center budget will be reimbursed to all homeowners in January 2020 at \$111.10 per home. This will be applied as a one-time credit to each homeowners Verandah Community Association account.
  - The VCA bulk cable and internet agreement with Comcast was signed on October 26, 2018 and expires in October of 2023. This contract allows for a maximum percentage increase of 4% per year. The new rate for 2020 is \$68.64 including taxes and fees. Budgeted expense for 2019 is \$1,067,750. This includes the implementation of 65 new homes.
  - Increase in mowing areas due to land development in Winding River, Magnolia and future parcels of Edgewater Trace and Heritage Preserve. The common area increases will start in the second quarter of 2020.
  - We did not budget for any bad debt in 2020 as we currently have a reasonable bad debt allowance. This is due to recovering some bad debt in 2019.

- Pay increases were entered for 3% for non-exempt employees and 4% for exempt employees starting in January 2020, however we recommend that these be given after we have evaluated each employee for increases be based on performance and evaluations. These increases will take place once each employee is evaluated.
  - Build out assumptions: Estimated retail closings are budgeted at 65 new home sales in 2020 and 75 new home sales per year from 2021-2025 to show completion date of 2025. Turnover is expected to take place by 2023 when 90% buildout is achieved. Currently there are 1246 units closed in Verandah with projected build out of 1637 units.
  - Capital contribution and resale reserve fees will remain at \$1,000 per sale. However, if the Sales Center is purchased that amount will increase to \$2,000 per sale, but only if the Sales Center is purchased.
  - Results from the buildout forecast show that we are charging an assessment that is not over inflated and does not produce an excess in revenues.
  - Cottonwood Bend assessments will not increase in 2020, 2021, and 2022 to bring them into alignment with other MF units in Verandah. These are the only townhome products in Verandah. The Master Association agreed to not increase their rates for the next three years to give them the opportunity to true up the amount of their dues.
  - Woodhaven, Fairway Cove, Willow Bend, and Willow Ridge will have their quarterly lawn maintenance assessments increase from \$312.00 to \$321.50 as tree trimming will now be included. As neighborhoods mature will have to add more trimming into the budget.
- Jim Harvey noted that if the VCA decides to move forward with the purchase of the Sales Center, the Board will have to adjust the 2020 budget at that time.
  - Paul went over the 2020 Capital Expenditures. He explained this includes Gatehouse repairs and renovations, monument sign replacements, misc. landscaping, dog park pavers and gate system replacement. This also includes the pressure washing of bridges and boardwalks as well as the reinforcing of the decking and tightening of handrails of the bridges and boardwalks. The 2020 VCA Capital Expenditures total \$171,583.00.
  - Any deficit is covered by the Developer. The Developer has and will continue to pay any deficit until the Verandah Community Association turns over.
  - **Gary Dittman made a motion to approve the budget as written. Jim Harvey seconded the motion. All were in favor. Motion carried 4/0. 2020 VCA Budget has been approved.**
  - Old Business – There was no old business.
  - New Business – There was no new business.
  - **Paul Martin made a motion to adjourn the meeting at 1:58 pm. Jim Harvey seconded. All were in favor 4/0. Meeting adjourned.**