



# Board of Directors

## Budget Meeting

November 29, 2022

### Minutes

- Meeting called to Order at 9:32 am
- Roll Call: (P =Present, C = Conference Call, A = Absent, Z= ZOOM)  
President Tony Bedalov = Z, Vice President Karen Smith = Z, Secretary Fred Booth = Z,  
Director Germaine Fritz = Z, Director Al Wargo = P, Director Peter Mellow = A, Director Julie Amato = Z
- With seven members present, a quorum was confirmed.
- Manager Ron Ditch was present along with owners that were either present or via zoom.
- Manager Ron Ditch confirmed that a proper meeting notice was posted for the Budget meeting.
- **President Report – Director Bedalov**
  - Chairman Bedalov stated that today’s meeting was to adopt the 2023 budget for both the operating and reserve budget. Chairman Bedalov stated that we had a community work shop on October 26<sup>th</sup> to develop the budget and go over the increases in insurances, building supplies, pool heat as some of the larger budget items.
- Reserve Budget
  - Treasure Wargo stated that the proposed reserve funding carry over will be \$222,914 and therefore we will have a projected yearend balance of \$242,000. Director Wargo stated that projecting out to 2026 we would be close to \$500,000 in built up reserves. Chairman Bedalov explained that we thought that more funds would have come out of the reserves



for 2022, however, because of hurricane Ian, the work on the a/c decks will not occur this year and thus the funds will carry over to 2023.

Chairman Bedalov went over some of the large expense items coming next year including the roof which will be included in a special assessment. Director Wargo further stated that the yearend balance would be \$427,700. There was much discussion about the spreadsheet presented in that the numbers don't add up to the \$427,700

Director Fritz recommended that we not report this as final and just mark it as updated and that we can mark it as final at the next meeting.

The session recording is available on the web site. It is recommended that owners listen to the audio recording to better understand the spread sheet.

### **Operating Budget**

Chairman Bedalov stated that not much has changed since the workshop. In summary we talked about the fee increase which is 13.67 %. One item of discussion which has been clarified is account 7865 is now labeled "Past deficit Reimbursement and is \$70,000, this covers past budget overspend and is not a 2023 slush fund. The only other item is the funding of reserves is set at \$150,000 vs \$210,000. This was reduced because at some point there will be a special assessment and that is the reason for the reduction in reserves.

Director Fritz asked for clarification of the 7865 account and asked if the \$70K will be paid in 2023 and asked if that is why it is in that column. Chairman Bedalov responded yes and Manager Ditch stated that it would be transferred on a monthly bases into the operating account.

### **Motion: Director Wargo made a motion to accept the operating budget as presented, 2<sup>nd</sup> by Director Smith. Motion passed 7/0**

Chairman Bedalov stated the operating budget is passed as presented and moved onto Special Assessment Surplus. This item is just an FYI subject for the community to be informed on. The window project being complete we have an overpayment of approximately \$60,000. Over the next several weeks, we will be doing a check of our records to insure that the surplus does exist and then come back to decide what to do with the surplus. So there is no action at this time, this is just an FYI item.

Chairman Bedalov opened the floor for any questions or comments.



Director Fritz inquired regarding the assessment surplus and stated that even though many units are alike, the credits are all different. Chairman Bedalov stated that the amounts are different because owners picked different options for the windows even though the foot print was the same. An example he used was a unit who ordered white windows vs another which ordered bronze or one unit ordered a storm door and the other unit did not. This is why the credits are mostly all different.

Dave Patterson inquired what made up the \$60K surplus. Manager Ditch stated that he believed the surplus was from under billing by Absolute Window and therefore we have the surplus. Ron stated that Absolute has issued a release of lien and before taking action with the surplus we are seeking advise from our Attorney.

Dave Patterson further asked if there was going to be a single special assessment or multiple assessments? Chairman Bedalov explained that the goal would be to have one special assessment and the question remaining is will it be a lump sum or spread over multiple payments. This will be answered in the future.

Doug Smith present some background information on the status of the roof replacement and explain how some unknown roof damage was discovered after hurricane Ian and changed the scope of the replacement to cover other unexpected repairs and that those areas are being included in the roof bid so that the bids will be inclusive of everything.

There was also some discussion on warranty work by Absolute Window who was reportedly not responding to warranty work which was caused by an owner who contracted directly with Absolute and not through the Tortuga contract and that the owner was not paying Absolute and that Absolute has stopped Tortuga warranty work. Chairman Bedalov stated that he has met with Absolute and explained that the contract is with the owner who is not paying and not Tortuga. Absolute agreed and according to Manage Ditch they have resumed warranty repairs.

**Motion to Adjourn made by Director Smith, 2<sup>nd</sup> by Director Mello.**

**Meeting adjourned at 10:37**



Further Owner question? = none

Next Board meeting December 9, 2023 at 0930 hours

There are 3 opening on the board for next year and Ron will put out the information soon

There was no motion to adjourn as this was not a board meeting.

Respectfully submitted;

Frederick Booth, Secretary

Note: These Minutes are summary in nature and provide a quick reference of the topics discussed at the meeting. A full voice recording of the meeting is available on the website at [Tortugabeach.org](http://Tortugabeach.org) and can be down loaded for your listening pleasure by referencing the meeting by date.