

# Finance Budget Committee Meeting

Sep 29, 2026

The board reviewed budgets and reserves via contract evaluations and insurance projections.

## **Painting contract and reserve pricing**

- The 5-year painting contract totals \$793,473 and is scheduled to start in 2026.
- Sherwin Williams agreed to perform annual inspections to verify paint quality and specifications.
- Patricia Stabler recommended budgeting \$672,000 for painting in the 2025 reserve study.
- The RFP mandated monthly work draws and mandatory punch lists before releasing contractor payments.
- Munian declined the RFP, asserting that the association requested excessively demanding contract terms.
- Jennifer Royer acknowledged that using previous contract estimates instead of Stabler's study was an error.

## **Insurance and reserves budget calculations**

- Community insurance premiums increased from \$944,455 last year to \$1,625,765 for 2026.
- Florida State Statute 718.112F mandates condominium associations to fund maintenance items exceeding \$25,000.
- Patricia Stabler recommended conducting reserve studies every 3 years to prevent Association funding gaps.
- Seawall repairs are estimated to cost \$500,000, exceeding previous repair expenses from 2017.
- Road and parking lot repairs are budgeted at \$1,000,000, targeting execution in 2027.
- The annual reserve requirement totals \$963,517.16, resulting in a monthly charge of \$239 per unit.

## **Community security and access control evaluation**

- Security footage documented multiple after-hours trespassing, vandalism, and theft incidents across the property.
- Historical board minutes from 1974 onward highlight recurring community concerns regarding public thoroughfares.

- Installing security gates was proposed to enhance property values and mitigate unauthorized public access.
- Top-sliding double security gates are estimated to cost \$40,000 per entrance.
- Closing the primary entryway for 1 day can legally terminate the existing easement by use.

### **Budget assessments and revenue projections**

- Monthly assessments increased to \$750, representing a 3.7% inflation adjustment.
- Creek House rental income projected at \$27,600 annually following a monthly rate increase to \$2,700.
- Marina slip fees increased by 4% to reach \$117 monthly.
- Jennifer Royer recommended transferring the \$400,000 operational surplus to reserves for capital projects.

### **Operational and administrative expenses**

- Extermination expenses increased to \$8,500 to support expanded pest control activities.
- Legal expense budget established at \$42,000 to cover rising community legal costs.
- Insurance premiums projected at \$1,625,765 based on historical increases, pending actual figures.
- Water and sewer budgets maintained at previous levels due to anticipated watering restrictions.

### **Auditing firm replacement**

- Jennifer Royer reported that the previous auditor failed to deliver statutory financial statements.
- The board approved switching the annual audit provider to Tyak for \$10,000.

### **Reserve funding and GSC lending requirements**

- Fannie Mae and Freddie Mac require a minimum 15% reserve funding allocation.
- Jennifer Royer confirmed the 18.3% actual reserve contribution successfully meets GSC lending criteria.

### **Community security and infrastructure**

- Jennifer Royer clarified the community retains the designation of a surveilled gated community.
- Proposed gate operational hours span from 9:00 PM to 7:00 AM.
- Marcia Drake-Lawson noted that outdated electrical boxes with double taps increase insurance costs.

## Next steps

- ☒ [Sarah] Send Insurance Details: Distribute the insurance premium breakdown and increase details to all residents.
- ☐ [The group] Discuss Gate Study: Review the proposal for conducting a feasibility study on installing security gates at the community entrances. Determine if this should be added to the operations budget as a study project.
- ☐ [The group] Organize Town Hall: Plan a meeting to discuss budget details with owners before the December vote.
- ☒ [Sarah Daley] Distribute Budget Documents: Email the latest budget draft and related materials to the community for review before Friday.
- ☐ [The group] Negotiate Electrical Discount: Secure a deal with an electrician to inspect and repair electrical boxes in residential units.
- ☐ [The group] Hold Follow-up Meeting: Convene this Friday at 4:00 PM to review budget changes and additions.
- ☒ [Sarah Daley] Distribute Meeting Notes: Transcribe and email the record of today's meeting for dissemination.
- ☒ [Sarah Daley] Sign Audit Agreement: Meet with the new auditing firm, Tyak, to finalize and sign the contract.