



January 2023

You have recently received multiple communications from your respective Condo Associations regarding the breakdown of meetings to create a joint resolution.

From the start and as far back as January 2022, the Recreation Association has been in agreement to establish a Joint Resolution with the Condo Associations and under legal advice to establish the parameters that protects its reserved assets.

While we all want to protect this money and discuss this openly, Condo I and Condo II boards insisted on a meeting consisting of only the President and Vice Presidents, and all other officers were excluded. We objected since all board members should have the right to be present. The Recreation Board had been requesting that all directors of the 3 boards be present since October. We want total transparency; not a resolution made by an elite few. We believe there should be no meetings excluding officers behind closed doors.

Whether they continue to use scare tactics and threats to encourage our residents to write demands to us, we will not be threatened or concede what we feel is the best way to protect the money. The Recreation Association board has written consent and unanimously, voted, and signed a resolution which states; "Once the Temporary Management of the new clubhouse occurs, the reserves at that point become excess and can be dispersed for the betterment of the residents."

We have a fiduciary responsibility that we maintain, fix and repair any existing structure. By giving up this reserve, it forces the Recreation Board to have to "request" permission to withdraw funds in the event of need for operations. This would clearly inhibit timely Recreation Association responses to equipment failures or emergencies.

This board has been diligent in negotiating with new vendors, keeping costs down while making repairs and improvements to our old facilities that need to last us until we have a new clubhouse. We are still at least 2 years away from that regardless of what you were told. (Construction has not started).

For the past 7 years, the Recreation Association has not raised the assessment for the Condos and due to our financial diligence; we have that excess money in reserve to use for unforeseen expenses. As you are all aware, costs have gone up everywhere. Our insurance premium alone went up this year by 52% and is forecasted to go up another 30% for 2024. Rather than create additional new assessments made by the Condo's, we are allowed to use our reserve funds (as indicated in our Bylaws)

Please note, this current board intends to maintain the current \$59.00 assessment, using our reserve to cover additional and unforeseen expenses. We never know what hurricane season will bring. When the timing is right, this board will sign a resolution and make sure any leftover reserve is protected.

Sincerely,

Your 2022 Board of Directors