

# TWIN TOWERS HOMEOWNERS' ASSOCIATION

## Special Assessment Meeting Minutes

August 14, 2023

### 1. **Call to Order**

Meeting was called to order by Richard Dunlap at 3:01pm.

### 2. **Pledge**

All in attendance stood for the pledge.

### 3. **Proof of Notice**

Notice was posted on the website, bulletin board, emailed and mailed USPS.

### 4. **Quorum**

Richard Dunlap President and Donald Nanny Director at Large were present in person. Thomas Bowe Treasurer, Cynthia Parsons Secretary, and Michael Delay Vice President were present via speaker phone. Kristy McDonald was present from MGMT.

### 5. **Special Assessment**

**a. Review of Projects** – Richard Dunlap addressed the owners and advised that Mike Delay has worked diligently to put together a plan to address all outstanding Reserve Projects and upcoming reserve projects. This was tough job and the Board of Directors takes all projects and their costs very seriously. In order to put to this together, estimates were gathered to get a good idea of how much each project will cost; this was done to ensure that accurate amounts were established for the special assessment costs. Unfortunately, this has been a long time coming and the Board of Directors acknowledges that this cost will be difficult for some owners and has not gone un-noticed. It was suggested that the Association wait another year to put this program in place however, that would mean higher costs for all, over a shorter period of time. It was also explained that if the Association does not impose the special assessments now, and projects are scheduled without sufficient funds, a construction lien will be placed on the Association and owners will not be able to buy or sell their units. This plan is a dynamic plan, not a static one and the 2022 Reserve Study was embedded into it. As estimates are gathered, they will be posted to the website for owner review prior to any meeting for Board decision.

**b. Review of Options:** To make sure the Board of Directors is making the best decision for the Association, they have established two options.

- a. **Option 1:** Option 1 does not require insurance prepayments in years 2023 – 2025 and will require 50% payment in 2026 and the next 50% in 2027.
- b. **Option 2:** Option 2 includes insurance prepayments and will allow the Association to pay the insurance premiums, on time, in 2027.
- c. Both options are approximately the same amount however option 2 requires a higher monthly special assessment for the first 4 years and option 1 requires a higher monthly special assessment for the first 5 years.
- d. Richard Dunlap made motion to go with Option 2 and Mike Delay seconded that motion. All Board Members voted unanimously for Option 2. **MSC**

## 6. Owner Comments

**Q:** Is the special assessment in either option for 2023 in addition to the special assessment that was issued in January 2023?

**A:** Yes, this is in addition to the previous special assessment.

**Q:** If I am able to find an insurance company who is cheaper, can I present that to you?

**A:** Yes, absolutely. If you are able to find someone cheaper, we would love to speak with them.

**Q:** I own a 1 bedroom condo and I'm very concerned. I paid the first assessment already. What are my choices if this special assessment goes through?

**A:** You have the option to pay all at once or to break it up over 3-months. You can check with your insurance for your condo as some policies have a "Special Assessment" clause that could help with the cost.

**Q:** We already pay monthly for HOA fees. Where does that money go?

**A:** Your monthly payments go towards paying common property expenses like electric, water, internet, etc. Each year the HOA has voted not to fully fund the reserves and that is now catching up with us.

**Q:** We've been told that if we sell our unit, it cannot be sold via a conventional mortgage. Have other people hear something similar?

**A:** This is not something we would know. You would have to speak with the mortgage lender about this.

**Q:** The \$427,996 that is listed under "underfunded reserves", do we have to include that amount now, couldn't we wait to fund that amount to make it an easier payment for the homeowners?

**A:** We don't want to push this further down the road. That's been the common choice in the past and it's put us in a very tight position, financially speaking.

**Q:** Will a new board be required to continue whatever plan is approved?

**A:** No, if a new board is voted in, they can hold a meeting to cancel or defer the special assessment payments. However, I would not recommend doing that as Florida has new statutes in place requiring reserve accounts be fully funded by Jan. 1 2025. It will also continue to keep the buildings in disrepair as there is not enough funds available to fix things.

**Q:** South balcony special assessment and the \$35,000 that was supposed to go towards the completion of the North building, was that put into the reserve account and has that been accounted for in your calculations?

**A:** We will have to check the bank statements to make sure the funds were deposited into the reserve account.

**Q:** The 3-month minimum rental may have to change to shorter terms with a fee to the HOA. This will assist everyone with these additional costs since not all owners rent their units.

**A:** In order to make this change, it would require an amendment to the Declaration of the community docs. That would require additional legal fees and a vote of majority of the homeowners. It may be a long-term solution but won't happen fast enough to assist owners with this assessment.

**Q:** We made a payment of \$90,000 towards the insurance, can you tell us how much that saved us?

**A:** We will get a print out of insurance payments and provide that information to owners.

**Q:** How many insurance claims have we had in recent years, and for what amount have we been reimbursed? Would it be an option to self-insure and take the money everyone pays for insurance towards the items on the list?

**A:** Being self-insured would not be the best option for Twin Towers. Many buyers would have a difficult time getting a mortgage and it would require everyone's fees to increase to fund the self insurance.

**Q:** I never received an email about what was found out when speaking to the insurance company.

**A:** We will send out an email with an explanation regarding insurance to all homeowners.

**Q:** Since we can't talk about short-term rentals during this meeting, can we take an action to have a future meeting about it?

**A:** Yes, I will add it to the agenda for the next meeting to discuss.

**Q:** If we pay the assessment and then sell our unit, how do we know who has to pay and what amount?

**A:** All assessment payments are recorded so they will show up in the history of the unit. If you pay the full assessment, it will be on the ledger and would not be charged to the new

owner.

**Q:** The average increase properties were seeing in their insurance was 43% across the state, ours went up 400%. Was there any follow up on this since last year? Why is our community so unique that the increase so high?

**A:** We went to the Insurance Advocate Commissioner, files a complaint with the state, the local ombudsman and our local insurance advocate. They were all apologetic but essentially advised that nothing was going to be done about it because over the past year, it has become common. Many insurance companies left the state of Florida and the one remaining had increased premiums. Additionally, the insurance rates are largely based on the appraisal of the community. The appraised cost of the community increased significantly and therefore added to the increased premiums. We are actively working on getting information for a better insurance agency.

**Q:** Are we funding the Reserves?

**A:** Yes, every month funds are transferred over to reserves.

**Q:** What about change orders? Are we covered if things change during this balcony project?

**A:** No we aren't. The 1/3 to cover underfunded reserve projects will cover this though.

## **7. Adjourn**

There being no further business, Richard Dunlap adjourned the meeting at 5:25pm.