

COA 2024 Board Meeting Minutes

Caribe Owner's Association, Inc annual board meeting held at 28103 Perdido Beach Blvd B100 Orange Beach, Al 36561, at 10:00am on March 16,2024.

Larry Wireman: Call meeting to order and turn it over to Rick.

Rick Legendre: Jennifer please do roll call.

Jennifer Cotton: Roll Call

Larry Wireman Board Member

Daniel Craven: Attorney for COA

Lester Boihem board Member

Judy Wireman

Jennifer Cotton

Rick Legendre Board Member

Stan Szapiel

John Lockard B Building Owner

Richard Buckley GST Insurance Agent

Rick Legendre: We currently are 35 proxies short of having a quorum; Dan, how do we move forward?

Daniel Craven: Owners are present to meet. If no quorum, move to have an informational meeting only. No new members will be elected. Call for a Budget Meeting in 14-30 days; send out a notice and proxies.

Rick Legendre: What about the insurance?

Stan Szapiel: Insurance is renewed on April 1,2024. Pay in lump sum or make monthly payments. The money is not in the reserve.

Richard Buckley: If monthly payments are made, you could pay off early.

10:36am John Evans arrives to the meeting.

Rick Legendre: Catches John up on what has been discussed up to this point.

Judy Wireman: We will use the assessment to pay the insurance premium.

Daniel Craven: Can not bill the assessment until the budget is approved.

Lester Boihem: What is the premium for the insurance? If a loan is needed to pay the premium, I am willing to loan the money to the association at 5%.

Rick Legendre: How much is in the reserve account?

Stan Szapiel: 1.6 million.

Richard Buckley: You have 30 days to pay from the date of the bind order; so, you have some flexibility. Most lenders are giving a 6-7% rate at this time; that would enable you to pay the premium in one lump sum.

Insurance discussion: rates compared to last year, deductibles compared to last year.

10:48am Lynn Perry with Craven & Perry joins the meeting.

Stan Szapiel: The proposed assessment will bring in 3 million to 3.6 million dollars.

Rick Legendre: I would like to see the difference from the assessment and the premiums saved and earmarked for escrow for insurance next year. Makes a motion.

Larry Wireman: Seconds that motion

Judy Wireman: This option goes away if we borrow money to pay this year's premium; interest will eat up the difference.

Rick Legendre: Let's finish with the insurance guy and let him go and we will vote on this.

11:07am Richard Buckley leaves the meeting.

Rick Legendre: A motion is on the floor and has been seconded. 3 million 648 thousand in assessments; after all insurance is paid, any leftover is earmarked for next year's insurance premiums.

Stan Szapiel: The assessment covers insurance and other operating expenses; are we changing that description?

Rick Legendre: So, we have nothing to prepare for next year?

Stan Szapiel: We operate on a zero-based budget.

Rick Legendre: I understand, but we need to prepare for the future.

John Evans: I'm not opposed. Owners have not been very engaged in the past and now they are; they want to know where the rest will go. I agree with Rick to establish a fund for insurance. Make sure the rest of the expenses are covered by dues. Make owners fully aware.

Lester Boihem: All for special place for money. Not only for insurance but special issues that come up throughout the year.

Rick Legendre: Dan, if approved can we unapproved and amend?

Stan Szapiel: We need to finish the Lazy River Deck; that's where the difference between the assessment and insurance will go.

Larry Wireman: The way normal operations works is that the dues cover expenses, and the assessments cover the insurance.

Stan Szapiel: Once the money goes into the reserve, it is locked into the reserves. Insurance money is operational.

Larry Wireman: We are over budget because of the storm and work on the Lazy River Deck; that work enhanced everyone's value.

Rick Legendre: I'm just trying to prepare for the future.

Judy Wireman: The way to do that is to do an assessment next year and put that money up. This is the way to build money.

Vote was taken by the board to put the difference from the assessment and the insurance premiums into a reserve account.

Larry Wireman: No

Rick Legendre: Yes

John Evans: Yes

Lester Boihem: No

Vote ends in a tie; motion dies.

Lester Boihem: Money should not be locked into allocating insurance only.

John Evans: I'm not opposed to an insurance escrow account.

Stan Szapiel: Presents the budget; board has already approved the budget.

Rick Legendre: Please insert line-item numbers into the budget sheet next year so that it is easier to follow.

11:29am Larry Wireman steps out of the meeting

11:35am Larry Wireman steps back into the meeting.

11:36am Daniel Craven steps out of the meeting.

11:39am John Lockard leaves the meeting.

Rick Legendre: Asks for a motion to adopt the budget.

John Evans: Makes a motion to adopt the budget.

Larry Wireman: Seconds

Rick Legendre: Budget is adopted.

11:41am Daniel Craven returns to the meeting.

Daniel Craven: Discussion on Condo Docs. The steps that will be taken. A first draft will be sent to the board members for review, once they are comfortable with them a second draft will then be sent to the owners. A zoom call will take place with the owners to discuss and answer any questions. Then a final draft will be sent and voted on by proxy.

Rick Legendre: we will need 2/3 of all owners to approve an amendment to the condo docs.

Rick Legendre: How do we handle a discussion of the lawsuit in the meeting today?

Daniel Craven: Give an overview under old business.

Stan Szapiel: We are changing elevator companies; we are not happy with Kone. We will save 25K. I need a motion to change.

Rick Legendre: I make a motion to change.

John Evans: Second

Larry Wireman: Third.

Larry Wireman: make a motion that the board eats first.

Lester Boihem: Makes that motion.

Larry Wireman: Seconds

11:52am Meeting Ends

