

SOUTHEASTER, INC.
BOARD OF DIRECTOR'S SPECIAL ASSESSMENT MEETING MINUTES
FEBRUARY 12, 2022

The Southeaster, Inc. held a Board of Director's Special Assessment meeting on Saturday, February 12, 2022 in the recreation room of the Southeaster Condominium, 4841 Saxon Drive, New Smyrna Beach, Florida. Notice of the meeting was duly posted on the Association property at least 14 days in advance. A quorum of the board was established and Linda Breum, Vice-President called the meeting to order at 9:00 a.m. Directors present were Linda Breum, Vice-President; Diane Vinson, Secretary and Tom Smith, Director. Mark Chase, Treasurer; Skip Jewett, President; Frank Melton, Director; Blake Thomas, Director; Keith Ellis, Director and Steve Howard, Director were present via conference call.

Tom Smith moved to approve the November 6, 2021 Board of Director's Budget Meeting Minutes and Board of Directors Organization Meeting Minutes which motion was seconded and unanimously approved.

Skip Jewett, President: Skip Jewett wanted to thank the entire Board for their service and participation. It continues to be an honor to be your Board President. He also wanted to thank Luann Fanelli, Manager and Ray Halas and Allen Ebaugh, Maintenance for doing a great job maintaining our buildings and grounds. We recently had an engineering firm, architectural firm and two roofing companies evaluate our roofs. It was unanimous by all that our roofs are in good shape considering the age and we could possibly have 2 – 3 years before they need to be replaced (excluding A building – A building roof is scheduled to be replaced this year). We will need about a year for planning so we will see how our roofs do this year and start the planning process in 2023 with possible replacement in 2024. They all stated that the roofs have been very well maintained. Ray Halas has done an excellent job managing the maintenance of our roofs. Only licensed and insured roofing vendors will be allowed on the roofs and only if escorted by maintenance. It would be a liability to allow others on the roof.

Tom Smith asked for more details regarding the evaluations by the engineer, architect and three roofers, as it relates to the condition of our roofs. Specifically, why the A Building roof needed to be replaced sooner than the roofs of the other five buildings? It was explained that there were a number of reasons for the premature deterioration of the A Building roof, including the fact that several contractors remodeling units in the A Building drilled numerous holes in the ceiling/roof while renovating the second floor bedrooms. Due to this negligence, the roof had to be patched, with the cost of the repairs being incurred by the Association, and the roof was severely compromised.

Mark Chase, Treasurer: Treasurer's Report attached.

Mark Chase, Budget Committee Chairman, would like to add two owners to the Budget Committee. Linda Breum moved to appoint Jim Crebase and Bob Lane to the Budget Committee which motion was seconded and unanimously approved. The Budget Committee will be working throughout the year to see where we can find cost savings.

Skip Jewett moved to approve a special assessment in the amount of \$1800 due from all owners of record for the purpose of covering budget shortfalls which motion was seconded and unanimously approved. The Special Assessment is due April 1, 2022 with a late fee of \$25 if received after April 15, 2022.

The next regular Board of Director's meeting is scheduled for May 28, 2022 at 9:00 am in the recreation room.

Tom Smith moved to adjourn which motion was seconded and unanimously approved. The meeting was adjourned at 9:47a.m.

Diane Vinson
Secretary, Southeaster, Inc.

All,

Southeaster BOD Meeting 2/12/22
Treasurer's Report

2021 FINANCIAL PERFORMANCE THROUGH 12/31/21:

Year-to-date (YTD) association income through Dec 31, 2021 was \$577,724.17; \$57,043.17 over budget — (\$46,200.00 of which was a special assessment to make up the 2020 operating shortfall and there was \$11,571.40 in additional rental income from Unit C-202.)

2021 expenses totaled \$542,511.71; \$21,830.71 over budget.

2021 net income was \$35,212.46 (including the special assessment.)

INCOME VARIANCES:

Special Assessment to make up for 2020 operating deficit — +\$46,200.00 (over budget)

Rental income from assn owned unit C202 — +\$11,571.40 (over budget)

Laundry income — <\$2210.22> (under budget)

EXPENSE VARIANCES:

BUILDING OPERATING EXPENSES: <\$14,053.98> (over budget)

Maint & Repairs: <\$11,830.38> (over budget) aging buildings?
Cable TV: <\$1459.86> (over budget) increase in 2021.

GROUNDS OPERATING EXPENSES: <\$2534.15> (over budget)

Lights & Sign Maint: <\$1726.45> (over budget) deck and turtle lights.
Sprinkler Repair/Parts: <\$840.83> (over budget) sprinkler and timer repairs.

UNITC-202: <\$5971.80> (over budget) mostly Maint & Repairs (\$5124.67 over budget) for new AC and misc. repairs and appliances.

PAYROLL EXPENSES: +\$10,298.28 (under budget) — Mostly savings in Maintenance Salary. (Ray part time)

POOL/DECK: <\$7698.22> (over budget)

Chemicals: <\$2741.32> (over budget) inventory building because of supply shortages and anticipated price increases.

Deck & Furniture: <\$4838.84> (over budget) mostly new umbrellas.

RECREATION: <\$2533.56> (over budget)
(repairs tennis courts - \$2609.96)

CASH POSITION: (as of 12/31/20) — \$479,213.30 CASH POSITION: (as of 12/31/21) — \$509,817.26

2021 OPERATING ACCOUNT BALANCE:

December 31, 2020: \$43,070.89

Dec 31, 2021 balance: \$8532.98

2021 RESERVE ACCOUNT BALANCE:

December 31, 2020 balance: \$436,142.41

ADDITIONS:

\$112,651.12 (insurance premium repayments from operating account.)

\$83,160.00 (from assn dues.)

SUBTRACTIONS:

Check# 1132 - \$86,366.60 (1/8/21) (wind and property insurance premium to be reimbursed from operating account)

Check# 1133 - \$3029.87 (2/10/21) (Ace Enterprises - concrete repair/replacement exterior window sill C-205)

Check# 1134 - \$3006.50 (3/22/21) (Proserve Pools - new pool pump feeder)

Check# 1135 - \$3000.00 (5/26/22) (Ace Enterprises - concrete repair/replacement exterior window sill D-103)

Check# 1136 - \$26,428.00 (6/1/21) (flood insurance premium to be reimbursed from operating account)

Check# 1137 - \$2301.47 (6/28/21) (Proserve Pools - new pool pump)

Check# 1138 - \$4005.94 (8/16/21) (Ace Enterprises - concrete repairs E207 balcony)

Check# 1139 - \$1881.50 (8/16/21) (Terra Scape - tennis court gate replacement)

Check# 1140 - \$700.00 (12/16/21) (United Engineering - engineering for B Building walkway concrete repairs)

Dec 31, 2021 balance: \$501,284.28*

*\$6211.41 due from operating account for insurance premiums paid in advance.

ACCOUNTS RECEIVABLE: \$195.00 (maint fees 1-30days overdue)

PREPAID MAINTENANCE FEES: \$7391.00

PREPAID INSURANCE: \$15,044.61

PREPAID TERMITE BOND: \$1530.41