

**CRECIENTE CONDOMINIUM ASSOCIATION, INC.  
7150 Estero Boulevard, Fort Myers Beach, FL 33931**

**BUDGET & FINANCE COMMITTEE  
MEETING MINUTES  
November 9, 2009**

Having a quorum of the committee members present, the meeting was called to order by Chairman Bob Papierniak at 1 P.M.

**Members Present**

Tena Courcoulas  
John Dalton  
Gene Kelley  
Dick Werner  
Bob Papierniak

**Members Absent**

Ed. O'Brien  
Jay Weiner

**Others Present**

Owners present included our Manager, Mary Beth Marino and approximately 14 other owners.

**Minutes from the meeting of January 20, 2009**

The committee unanimously voted to accept the minutes as presented, with no corrections, deletions or insertions being required.

**2010 Proposed Budget**

Bob Papierniak started the discussion by identifying key elements of the 2010 budget that have substantial increases year over year. These include:

Utilities, especially water,

Insurance, especially wind (Citizens) and flood,

Changing the cost responsibility for replacing damaged dry wall,

Increased cost for maintaining our aging elevators.

These critical nondiscretionary items and their associated line items in the proposed 2010 budget represent approximately 95% of the proposed increase.

Bob Papierniak read the e-mails from absentee members Ed O'Brien and Jay Weiner. All issues were answered except the issue raised by Jay regarding exploring the creation of a legislative initiative to explore the enormous escalation of insurance costs. No one present remembers doing anything like this before, but was willing to consider it in the future.

Rick LaMacchio raised the possibility of saving costs by going back to insuring the property for 85% of value instead of the current 100%. Apparently we were instructed by our attorney to raise the amount insured from 85% to 100%. Rick was asked to bring this up at the Insurance Committee meeting on Friday to see if it is something we should re-consider. A number of Board members present felt that returning to the old figure after instructed by attorney to change it, would result in an undue amount of personal risk for the Association and board members.

### **Motion**

The motion to forward the 2010 proposed budget as presented to the Board of Directors for approval at their December 1, 2009 meeting was approved 5-0. The committee also agreed that if the proposed water increase was not approved by the city on November 16th, the budget will be adjusted accordingly before presented to the full Board.

### **Facilities Plan**

The Master Facilities Plan, or reserve study, is a living document and is subject to change as new projects are approved or implementation dates changed. It is anticipated that if everything goes as planned, the reserves should end the year at approximately \$500,000.

With planned projects for 2010 and paying off the remaining balance of the interest free loan from R.L. James, the reserves should end the year 2010, pending no unplanned items, at about \$380,000.

2011 looks ok at this time, but an infusion of cash will be needed in 2012 to accomplish planned projects.

### **Motion**

The committee voted 5-0 to forward the Master Facility plan to the full Board for their approval at the December 1<sup>st</sup> meeting.

Respectfully submitted

Robert F. Papierniak, Chairman