

**PERDIDO SUN CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
[April 22, 2023]**

1. CALL TO ORDER/DETERMINATION OF QUORUM:

On Saturday, April 22, 2023, a Board of Directors Meeting was called to order by Tammy Mercer at 9:00 AM. Present were John Moore via zoom, Nicole Hallmark, and Deborah Moffa via zoom. Eddie Zarahn and Curtis Davis were absent. Tammy Mercer, Association Manager was also present. Owners present were: Randy Ortega, Patrick Green, Judy Rutkowski, Brad Byrd, Tom Gutzwiller, and Mr. & Mrs. Delatore. Tammy Mercer acknowledged for the minutes a quorum was present to conduct Association business.

2. READING/APPROVAL OF MINUTES [January 28, 2023]:

Tammy Mercer requested a motion to approve the meeting minutes from January 28, 2023.

MOTION #1: John Moore made the motion to approve the meeting minutes from January 28, 2023. Motion was seconded by Nicole Hallmark. Motion passed 3-0.

3. AUDIT READING BY COLLENA MATZ, GRUENLOH ACCOUNTING

Ms. Collena Matz presented the Perdido Sun's 2022 financial audit. There are no significant findings, difficulties or mistakes. It is a great audit and clean report. Ms. Matz stated that as of December 31, 2022 the Perdido Sun's cash flow is in conformity with accounting principles of the USA. The balance sheet looks good for operations and reserve funds. Biggest expense is insurance and wind buy back insurance coverage. Resort fees brought revenue. Owners can find the report on the Perdido Sun website.

4. REPORTS:

A. PRESIDENTS REPORT:

John Moore stated why the Board was having private executive meetings to discuss insurance coverage, doors and windows situation. Minutes are being taken and will be posted when legally can be. Jay Fraiser, our condominium association attorney wrote that Florida Condominium Association's are governed by a number of statutes including the Florida Condominium Act (Chapter 720 Florida Statutes). FS 718.112(2)(c) provides that all meetings of the Board of Directors at which a quorum is present are open to all members with two exceptions: (1) meetings between the Board and the association's attorney pertaining to potential or pending litigation and the meeting is held for the purpose of seeking or rendering legal advice; or (2) Board meetings held to discuss personnel matters.

As the membership is likely aware, there remains a dispute between Perdido Sun and its insurance carrier related to damage caused by Hurricane Sally. The Board, CAM, public adjuster and the association's counsel has met on a number of occasions recently to discuss the pending legal dispute with Perdido Sun's insurance carrier. The dispute between Perdido Sun and its insurance carrier remains intense and complex. The matters discussed in all meetings associated with this legal

dispute are intended for the sole purpose of seeking and rendering legal advice. Discussions of legal strategy are commonplace and all information discussed is subject to an attorney client privilege and is extremely confidential.

The Board understands that the members are anxious to obtain information regarding the matters subject to the Board's executive session meetings. On the advice of counsel, the Board and the CAM have been asked to not discuss the details of the ongoing dispute until it is resolved. There Board will share updates on matters related to the ongoing dispute when there are matters that can be shared without destroying attorney client privilege. The Board greatly appreciates your patience and will continue to work tirelessly on behalf of all members of Perdido Sun,

B. TREASURERS REPORT:

Nicole Hallmark stated that 2022 financials are on the Perdido Sun website. First quarter 2023 financials will be posted soon.

C. FACILITIES REPORT:

Tammy Mercer stated that merchandise sales are going strong at the Perdido Sun Pink Flamingo Beach Boutique. We have new plants on the beach side. The irrigation system pump had to be replaced. Our pool drain covers have been replaced. Our service elevator has had some repairs to keep it running. All lobby and restroom tiles have been deep cleaned. We have over twenty percent increase in guest rentals. Front desk is doing great as well as housekeeping. Owner assistance is needed to get guests to arrive before 5:00 pm so overtime can be prevented. Too many packages are being delivered to front desk. Need to pick up and deliveries are not done by front desk staff. If owners are at PS please introduce yourself to staff. Reminder to owners to not disrespect staff. If having something negative, please address to Tammy Mercer and not the PS staff.

D. EMERGENCY PREPAREDNESS (CURTIS DAVIS, TAMMY MERCER, EDDIE ZARAHN, PAT GREEN AND STEVE BRANDON)

Tammy Mercer mentioned that we are keeping the same plan as last year and are currently in the process of completing our updated inventory of the property and taking updated photos.

5. ACTION ITEMS:

A. RIGHT OF FIRST REFUSAL FOR: UNIT # 802 FOR \$420,000 and UNIT # 1006 FOR \$415,000

Tammy Mercer requested a motion to reaffirm the RIGHT OF FIRST REFUSAL for the following units: UNIT #802 for \$420,000 and Unit #1006 for \$415,000.

MOTION # 2: Deborah Moffa made the motion to reaffirm the RIGHT OF FIRST REFUSAL for UNIT #802 for \$420,000 and UNIT #1006 for \$415,000. Motion was seconded by Nicole Hallmark. Motion passed 3-0.

B. PROPOSALS:

* POOL DECK REPAIR

This is a safety issue. The concrete is sinking around the outdoor pool. It needs to be repaired. The money will come out of the reserves.

MOTION #3: John Moore made the motion to repair the pool deck and all areas involved for \$11,000. Motion was seconded by Deborah Moffa. Motion passed 3-0.

***WINDOW TEMPORARY REPAIRS**

This has already been approved by the Board. We have a tight schedule because water leaks are occurring now in the 00, 06 and 08 stacks. Windows that have been recognized by owners will be replaced. Owners have the list. Three elevator windows will be replaced as well.

*** GATE ON EAST BOARDWALK**

The scope for the gate added to the East boardwalk is so we can put the mechanical locks on both it and the one going to the pool to prevent unauthorized people coming from the beach. Also, a handrail will be added for compliance with the American Disabilities Act.

Motion #4: Deborah Moffa made the motion to approve the gate. Motion was seconded by Nicole Hallmark. Motion passed 3-0.

***SCOPES OF WORK FOR WINDOWS**

Tammy Mercer recommended we talk to Jay Fraiser or Key Claims about the scope of work. This will be driven by our insurance company.

MOTION #5: John Moore made the motion to table the windows for now. Motion was seconded by Nicole Hallmark. Motion passed 3-0.

6.DISCUSSION ITEMS:

A. LEGISLATIVE UPDATE

Tammy Mercer stated that the Florida House of Representatives and the Senate are in disagreement about the structural study. Waiting to see if amendments will be made. Also, waiting to see if alternate funding will be available. Perdido Sun is in better shape than other condominiums on the Key. Open legislation ends June 8, 2023.

7.OWNERS TIME TO BE HEARD:

Randy Ortega suggested adding concrete benches along the east walk way and adding more concrete pavers. This will be referred to the beautification committee. After listening to the audit report, Randy suggested we use two banks. We move some of the cash access to a major bank. Also, he questioned an update on the insurance estimate for the PS. We are all still waiting to hear what the increase will be. Judy Rutkowski asked whether the window replacement looks good. We do not know at this point. Our insurance carrier says the damage was due to Hurricane Sally and another report says it did not. It is still not known if it will be an owners expense vs association expense or amount of coverage.

8.COMMENTS FROM BOARD MEMBERS:

Nicole Hallmark inquired about the window at the pool that was damaged.. Two glass repair companies have been called. First one available will do the work.

9.ADJOURNMENT:

Tammy Mercer requested a motion to adjourn the meeting at 10:24 AM.

MOTION #6: John Moore made the motion to adjourn the meeting at 10:24 AM. Motion was seconded by Nicole Hallmark. Motion passed 3-0.

NEXT BOARD OF DIRECTORS MEETING WILL BE HELD ON SATURDAY, AUGUST AT 9:00 AM.

John Moore
President

Deborah Moffa
Secretary