

BERMUDA BRIEF

Topical information from the recent board meeting and other relevant information

- ◆ Elevator Replacement Project: The latest proposed start date for the Elevator Replacement Project is May 2023. Delays have been reportedly caused by labor and material issues. Work will take place at the Curacao building March - April, with Bermuda following.
- ◆ Roof Replacement Project: This is projected to begin in April 2023 with the Antiqua building first; Bermuda second. All materials will most likely be delivered for both buildings at one time and the parking lots will be used for storage. Concern has been expressed about limiting parking and suggested consideration of partial use of the 'butterfly' lot. Keep in mind that the electric charging parking stations located there must remain available for use. Concurrent with the reroofing, the roofing contractor will be asked to assist with inaccessible damaged/missing soffits as the nature of their equipment will allow these repairs to be made. Based on the Osprey experience, the reroofing process should run in the neighborhood of 6 weeks long.
 - ▶ Financing - The current cost of the roof replacement project has increased approximately \$70,000 over what was expected and identified in the breakdown of the special assessment, approved October 2022. The roofing company will make accommodation to the Association for the timing of final payment until after the 2nd installment of the assessment is collected, which could help. However, this will not make up the resulting negative impact on the remaining assessment funds identified for carpeting and painting. Another special meeting of the Board will take place in the very near future to reallocate the special assessment breakdown amongst the projects, review and plan for countering the resulting shortfall for carpeting and painting, including a possible future additional assessment.
 - ▶ A/C Testing - The results of the very recent A/C testing conducted by Climate Design will be made available to owners. These reports should provide information on the condition of your condo's A/C unit. Specific communication with owners during building-wide events such as the timing information for sounder installation and A/C testing will be made so that residents could better anticipate and accommodate their participation. Please watch for email updates!
 - ▶ A/C Condenser Unit Stands - These stands will be replaced before the actual reroofing begins. The process will be by stack. Excluding Fridays and weekends, condo air conditioning will have to be turned off for about 36 hours. Residents will be given advance notice so that living arrangements can be adjusted as needed.
 - ▶ A/C Discussion - A question arose whether current A/C issues should be repaired before the stands are updated. If the individual situation is such that the resident can wait, it might be the best approach to wait; however if the situation calls for immediate attention, get the repairs done now. Anyone deciding that they will need total A/C replacement during this process should be aware that Climate Design will be offering a discounted replacement package for resident consideration, information to follow.
- ◆ Insurance Renewals: On January 31st, we were informed that American Coastal, Bermuda's property & liability insurance carrier, had decided not to renew our coverage; the reason: exposure management. Bermuda has changed its insurance agency to Great Florida Insurance, which serves all other associations in Dolphin Cay. Insurance renewals are anticipated to increase substantially, which is included in the current budget. However, the true cost for our insurance coverages will not be known until June 20. Our insurance renewals occur June 20 each year, preparation and application occurs from March - May.

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◆ Financials

- ▶ Fiscal 2023 Results - Will be available by the next Board meeting.
- ▶ Fiscal 2024 Budget & Fiscal 2025 - Budgeted total expense are up 1.3%. Operating expenses will increase due to higher master fees, newly required milestone engineering inspection, utility increases, landscaping, lighting, and increased general building maintenance. The anticipated insurance increase is 40% or more. There is no fiscal 2024 reserve funding for roof, elevators, carpeting, painting; projected to be completed in fiscal year 2024. Fiscal 2025 begins reserve funding for these projects anew most likely requiring an increase of monthly association fees or in the alternative, a special assessment. Additional legislative condo building requirements may impact future years' reserves.
- ▶ Investing funds - Reserve funds will eventually be deposited into FDIC insured Money Markets and/or CDs for better interest income, while taking into consideration fund liquidity.

◆ General & Miscellaneous:

- ▶ Bids - Bermuda tries to obtain at least 3 bids for major projects.
- ▶ Communication system - The need for a more effective communication system in the Casino communication system was raised and a referral will be passed on to the Master Board
- ▶ Building Housekeeping - There has been general concern about the condition of our building's common areas. This will be addressed directly with housekeeping. The President announced he would like to formally create a few committees, such as Housekeeping Committee, Social/ Welcoming Committee and/or Landscape Committee, to be announced at a future meeting. The Board needs as much community involvement as possible in order to achieve Association goals. Attendees, who believe they can help, were encouraged to identify their areas of interest and expertise on a sign out sheet before leaving the Annual meeting. Any help to the Association that can be given would be greatly appreciated. A survey of interests, expertise and talents will be forwarded to all owners in the hope that Bermuda can capitalize on all our strengths.
- ▶ Ponds - The buffer zone of indigenous plants and grass at the edge of the ponds are to help prevent bank erosion and algae blooms.
- ▶ Proxies - In order to assist with making an informed decision regarding the standard resolutions in the annual Proxy, next year we will be working with management to help provide an explanation of the subject matter, including pros and cons of your votes. Management requested that the owners be diligent in returning the annual Proxy in advance of the annual meeting so that a determination of a quorum & pre-count of votes on resolutions can be made.
- ▶ Cigarette/Cigar Odor & Debris - Several residents have complained about the smell of cigarette/cigar smoke emanating from another condo or balcony and also smoking debris landing on waterside patios. Residents are asked to give due consideration for their neighbors' quiet enjoyment of their premises in light of this situation.
- ▶ You will soon be receiving a Special Board Meeting notice, along with an informational questionnaire. Please complete the questionnaire and return it in the self-addressed envelope.