

SEA EDGE, INC.  
2076 SOUTH OCEAN DRIVE  
HALLANDALE BEACH, FL 33009

1. The meeting was called to order by President Martinez at 2:20 pm on October 6, 2024. Mr. Martinez confirmed that the Affidavit of Notification was on file with the board secretary.
2. A roll call of the board was taken with Mr. Paquin, Mr. Lamperelli, Ms. Lirio and Mr. Martinez being present. Mr. Fischer, Mr. Commodari and Mr. Fazio were absent.

The board had a quorum and the meeting could be held.

3. This is a special meeting for the purpose of discussing the budget for 2025 and only items related to that subject could be discussed.

## **2. Officer's report**

- A. Mr. Martinez explained that starting with a budget for 2025 shareholders may not be given the option of waiving the state requirement for a budget with reserves unless the budget is voted and accepted by December 1, 2024.
- B. Mr. Martinez made it clear that the board plans on approving the 2025 budget at a special meeting scheduled for November 10, 2024 so that our shareholders will have the option to waive the requirement one last time.
- C. A motion will be made to send out the 2 proposed budgets, one without reserves and one one Reserves and the ballots necessary for a vote on whether the shareholders wish to waive that requirement for the 2025 budget.

## **3. Old Business**

- A. Mr. Paquin, the board treasurer, was called upon to comment on the two budgets has prepared for 2025, one without reserves, one with reserves.

Mr. Paquin stated that \$22,500 has been allocated to budget item labeled Miscellaneous based on unexpected expenses. In 2022 we had an increase of \$32,500 for insurance. In 2023 we have an unforeseen expense of \$16,740 to repair the elevators, \$14,638 for the water pump in the cooling tower for a total of \$31,378 in unforeseen expenses in last year.

In 2024 we had to replace the power distribution head of the cooling tower at a cost of \$7,775 and we also replaced the door opening system on the 5<sup>th</sup> floor for an additional \$7,696 to replace the exterior lights to comply with the lighting code for the turtles for a total of \$19,913 in unforeseen expenses.

I believe it is reasonable to allocate \$22,500 for unforeseen expenses in 2025.

Mr. Paquin also reported that \$6,000 was added to the pool service, repair and supplies account. The pool heater is completely replaced now instead of in 2025 as planned because in October the supplier offered a \$1,000 rebate on pool heaters. We decided to take advantage of this offer and replace the pool heater immediately. If this expense creates a financial shortfall in funds to meet our 2024 financial obligations we will borrow \$6,000 from our reserve account and repay it in January 2025.

Water & Sewer Expenses have increased significantly since 2023. In that year we paid \$83,000 and for 2024 the cost will be approximately \$92,000 (almost 11% more) so I believe a 5% increase in the 2025 budget is justified and very conservative.

Because of these increases the maintenance fee will have to be adjusted accordingly. If the budget without reserve is adopted the maintenance fee will increase by about 5.25%.

If a budget with reserves is adopted, the maintenance fee will increase by another \$3.92 per share per month.

The fees by shares for both the budget with reserves and the budget without reserves are listed under "New Business" in the minutes.

Mr. Paquin also stated, later in the meeting, that at the annual meeting he will ask the residents to vote on applying the money that will be left in the Assessment Account after the building project is completed to the reserves in the 2026 Budget. This will lessen the impact of having to have a budget with reserves.

Mr. Paquin also responded to a question asked by a shareholder regarding if everyone is current in their payments to Sea Edge, Inc. He stated that all of the maintenance fees for the first 3 quarters of 2024 have been completely paid. The only payments missing are for the fourth quarter and they are not considered late before October 10<sup>th</sup>.

- B. Mr. Martinez called for a motion to provide shareholders an opportunity to vote whether or not to waive the state requirement for a budget with reserves.
- C. Mr. Lamperelli made a motion to send the shareholders the proxy ballots they need to voice their choice of whether or not to waive the requirement to have a budget with reserves for 2025. Ms. Lirio seconded the motion. Mr. Martinez called for discussion there was none and so he called the motion to a vote. Mr. Paquin, Mr. Lamperelli, Ms. Lirio and Mr. Martinez voted in favor of the motion.

The motion to submit the question of waiving the requirement of a budget with reserves to the shareholders passed unanimously.

D. Mr. Lamperelli stated that the packet of information and the proxy voting ballot will be sent to all shareholders by Tuesday, October 8<sup>th</sup> at the latest.

Shareholders will have until 2:00 pm on Sunday, November 10, 2024 to return their ballots to the office.

#### 4. New Business

A. The 2025 budget will go into effect with the January, February and March Quarterly payment.

B. Payments under a new **budget with reserves** would be as follows:

27 shares = \$1,295

29 shares = \$1,380

43 shares = \$1,977

48 shares = \$2,190

C. Payments under a new **budget without reserves** would be as follows:

27 shares = \$978

29 shares = \$1,039

43 shares = \$1,471

48 shares = \$1,625

A question was raised by a shareholder regarding what the 2026 budget would cost each of the shareholders. Mr. Martinez responded that he couldn't answer that question because he has been informed by the city that the structural engineer must submit a report regarding the life expectancy of major items like the pool, the roof, painting and other capital renovations/improvements that will be needed.

That report would include estimated amounts for the cost of each item and then divided by the years left in the life expectancy which would then become the reserve portion of the budget. It will be the structural engineer who will determine those figures.

A 2<sup>nd</sup> question was raised as to whether or not all shareholders are up to date on payments to the Sea Edge, Inc. Mr. Martinez responded that as of right now there were 15 shareholders who had not yet paid their October, November and December maintenance payments.

He also stated that these payments would not be considered late unless they were not received by October 10<sup>th</sup>. Mr. Martinez stated that there is no backlog of payments owed to the Sea Edge, Inc. and he did not expect there to be any left for this quarter. He expected perhaps 4 or 5 shareholders who would need to be contacted after the October 10<sup>th</sup> deadline and he believed that all of the maintenance would be paid within a short time after those notifications.

## 5. Adjournment

A. Mr. Martinez asked for a motion to adjourn.

B. Mr. Lamperelli made a motion to adjourn, Ms. Lirio seconded the motion and a vote was taken. Mr. Paquin, Mr. Lamperelli, Ms. Lirio and Mr. Martinez voted in favor of the motion and the meeting was adjourned.

Respectfully Submitted:

Robert Lamperelli  
Secretary  
Sea Edge, Inc. Board of Directors