

Minutes

Board of Director's Meeting

Insurance Policy Renewal Review

April 15,2021

Meeting started at 7:15pm

Roll Call Board Member's in attendance President Erick Alonso, Erika Pflucker and Jose. Property Manager Fernando Garrote, Insurance Agent Jackie Pena.

President Erick Alonso explained the reason for the meeting, which was to discuss the association's insurance policy renewal increase. The policy increase was that of 84% compared to last years policy. He went on to say that with the sudden increase the board will not be able to use money out of the pool reserves because pooled reserves can only be used for deferred maintenance / replacement items. Therefore payment of an unexpected insurance increase would not fit that category. As a result the option is to set a special assessment in order to cover this increase in the insurance premium. Last year the Association paid \$131,902.78, this year the association will have to pay a total of \$241,966.76 which is an additional increase of \$110,068.84 in insurance coverage over last year. The special assessment would be set at a total of \$295.78 per unit, the community having 373 units. Each resident would have an option of paying six payments of \$49.18 for the length of six months.

Jackie Pena, insurance agent explained the Premium summary of the various Insurance Companies. She went on to explain the problem we face this year is that of the industry not warning any of the Condominiums of major increases. She went on to add that one major problem we face this year is that of the general liability policy, which has a cost of \$39,198.60 covered by Northfield Ins Co. Jackie also explained how insurance markets are at a cyclical curve, they fluctuate between Hard and Soft Markets, and unfortunately we find ourselves through the Hard Market at this point in time.

Property Manager Fernando Garrote pointed out the fact that the Association has an open claim, also adding to the insurance policy to go up. The Association has had a number of roof repairs since Hurricane Irma. He mentioned that within the claim submitted there were invoices, pictures, board meeting minutes, etc. all claims have been well documented.

Towards the end of the meeting, it was mentioned that there would be a Special Assessment meeting will follow within 15 days.

The meeting was adjourned at 8:00pm



**Century Park Condominium No. 2
Association, Inc.**

Board of Director's Meeting

**Meeting Will Take Place:
Thursday, April 15, 2021 7:00 PM
Place: Clubhouse**

Meeting Called By: Board of Directors

Property Manager: Fernando Garrote, C.A.M.

- Agenda:**
- 1. Roll call.**
 - 2. Establish quorum.**
 - 3. Association insurance policy renewal review.**
 - 4. Adjournment.**

Management Co.: Gables Professional Management Co.

CENTURY PARK CONDOMINIUM NO. 2 ASSOCIATION, INC.
(MEETING MINUTES)

Meeting Date: June 23, 2021

Meeting Time: 6:00 p.m. Meeting

Location: Community Clubhouse—8950 W. Flagler Street, Miami, Florida 33174

Purpose: 2021 –regular board meeting to discuss insurance

Meeting Called to Order at approximately 6:15p.m.

Presiding Officer of the Meeting: Erick Alonso

Calling of Role/Quorum: Directors/Officers Present: Erick Alonso, Ramon German, Erika Pflucker, Jose G. Almonte Sanchez

Directors Not Present: Lidia Perez Rosado

Also Present: Fernando Garrote, Gables Management (property manager) Matthew Estevez, Association Attorney, Jackie Pena (insurance agent)

Approximate Number of Members Present: 25

Prior to commencing the meeting, Mr. Garrote arranged the seating to ensure that those present at the meeting were properly distanced. Most attendees were wearing masks. Mr. Garrote called the meeting to order and the Board unanimously approved the meeting minutes from the prior meeting. Mr. Estevez volunteered to take the meeting minutes herein reflected. A quorum was established and Mr. Alonso asked Jackie Pena, Vice President of Acentria Insurance, to give a slide presentation on the sudden and significant increase in liability insurance rates, causing a financial strain on the Association. Ms. Pena spoke for approximately 20-30 minutes regarding the market conditions that have caused the increase across South Florida and in particular the Association. The main cause of the increase in rates, according to Ms. Pena, was the building value appraisal increase, which had not occurred for several years. Because the replacement value of the buildings in the Association has increased significantly over the years, the amount required to insure the increased value increased exponentially. Additionally, Ms. Pena discussed the impact of the Association's current insurance claim on the rates she was able to obtain. Ms. Pena advised the audience that she has access to all companies able to provide quotes and that she did everything within her realm of possibilities to obtain the most competitive rate. She also explained that condominium policies require certain types of coverage and that her experience with condominium coverage was an important factor in ensuring that the Association is properly covered against the most likely events of casualty. She expressed regret that she was not able to do a better job but stated that she is certain that no other agent could have done a better job and she obtained the best possible coverage for the price available in the marketplace. Ms. Pena challenged anyone to prove otherwise and provided her phone number to several members in the audience after opening the floor for discussion and questions from residents. Some residents expressed concern that the insurance choices were not discussed prior to binding the current policy. However, it was explained that not having insurance is not an option under Florida law and that the insurance issue had been a topic over several previous meetings. Ms. Pena also explained that her role was to provide the best possible coverage at the lowest possible price and to act in the Association's best interests as a professional.

After Ms. Pena's presentation, Matthew Estevez gave a short presentation on the legal options available to the Association in raising funds, including Section 8.2 of the Declaration, which requires a membership vote from the community with at least 30% participation (quorum). That would be 112 out of the 373 units. In the event the Association is unable to obtain the special assessment, Section 9.3 of the Bylaws states that the budget and assessment may be amended at any time "in the event the annual assessments prove to be insufficient." Finally, Mr. Estevez discussed the possibility of exploring the use of a community wide vote to use reserves for the insurance, however, this option was strongly discouraged by Mr. Estevez and by all Board members. The residents in attendance also unanimously agreed that the reserves should not be in play for funding of the insurance.

Fernando Garrote, Manager, discussed the specifics of amounts needed to cover the shortfall caused by the increased insurance. In the 2020 budget, the projected premium for the Association's insurance was \$112,500.00. The 2021 budget estimated an increase of 13.3% to a total of \$127,450.00. However, a few months into the 2021 year, the annual premium has increased to \$248,061.48, or 94.6%. As such, a special assessment Total special assessment in the approximate amount \$80,000.00 was needed. divided by 373 units. Alternatively, the budget would need to be amended and assessments would increase to cover the shortfall.

Most unit owners in attendance voiced support for the special assessment as a means for solving the problem of the shortfall without raising regular assessments or amending the budget. It was made clear by Mr. Estevez that significant participation would be required to obtain sufficient quorum to hold a vote in favor of the special assessment. Several unit owners stated they would help obtain support for the measure. A special assessment meeting was proposed and Mr. Garrote agreed to work with the attorney to set a date within the next 45 days to seek passage of the special assessment.

Mr. German motioned adjourn the meeting, which was passed unanimously. The meeting was thereafter adjourned at 8:45pm

CENTURY PARK CONDOMINIUM NO. 2 ASSOCIATION, INC.

**c/o GABLES PROFESSIONAL MANAGEMENT CO.
3934 SW 8th Street Suite 303 CORAL GABLES, FL 33134
TEL. (305) 441-0904 FAX (305) 441-7982**

Dear Community:

Please find enclosed a Notice of Board of Directors Meeting for Wednesday, June 23, 2021 at 6:00pm. The topic of this board meeting will be to discuss the unprecedented increase of property insurance premiums in South Florida. The increase in premiums has forced the Association to consider extraordinary measures for raising additional revenue, including amending the budget or passing a special assessment. Here are the numbers. In the 2020 budget, the projected premium for the Association's insurance was \$112,500.00. The 2021 budget estimated an increase of 13.3% to a total of \$127,450.00. However, a few months into the 2021 year, the annual premium has increased to \$248,061.48, or 94.6%. This unprecedented and unexpected increase will inevitably affect all unit owners in the form of higher assessments.

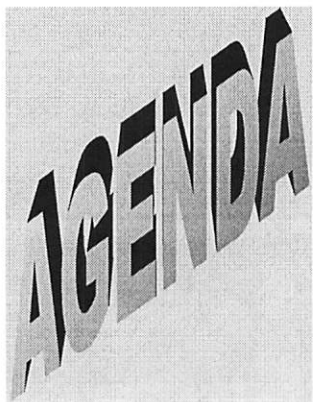
Although no immediate decision will take place at the next meeting, all options will be discussed. Given that our community is just recovering from the harsh realities of the global pandemic, the Board of Directors has requested our insurance agent, Jackie Pena, Vice President of Acentria Insurance, attend the Meeting to address the measures she has taken to protect the Association from this increase. Ms. Pena will also answer questions regarding the current market conditions that have led to this sudden and widespread rise in insurance premiums. She will discuss the building value appraisal increase, the withdrawal of insurance carriers from Florida, the increase of claims, the effect of the pandemic on premiums, among other topics. Our attorney, Matthew Estevez, Esq. will discuss the legal options available to the Association for raising revenue under the circumstances. I will also be available to take questions and discuss ideas from all those in attendance.

Thank you for your attention to this important matter and your attendance at the meeting is greatly appreciated.

Sincerely,

Fernando Garrote, L.C.A.M

On behalf of the Association



**Century Park Condominium No. 2
Association, Inc.**

Board of Director's Meeting

**Meeting Will Take Place:
Wednesday, June 23, 2021 at 6:00 PM
Place: Community Clubhouse**

Meeting Called By: Board of Directors

Property Manager: Fernando Garrote, L.C.A.M.

Agenda:

- 1. Call to Order**
- 2. Roll call**
- 3. Establish Quorum**
- 4. Budget Workshop for 2022 Budget**
- 5. Open forum for questions and comments**
- 6. Adjournment**

Management Co.: Gables Professional Management Co.

CENTURY PARK CONDOMINIUM NO. 2 ASSOCIATION, INC.
(MEETING MINUTES)

Meeting Date: July 27, 2021

Meeting Time: 6:30 p.m. Meeting

Location: Community Clubhouse—8950 W. Flagler Street, Miami, Florida 33174

Purpose: Special members meeting to pass special assessment.

Meeting Called to Order at approximately 6:50p.m.

Presiding Officer of the Meeting: Erick Alonso

Calling of Role/Quorum: Directors/Officers Present: Erick Alonso, Ramon German, Erika Pflucker, Jose G. Almonte Sanchez

Directors Not Present: Lidia Perez Rosado

Also Present: Fernando Garrote, Gables Management (property manager) Matthew Estevez, Association Attorney,

Approximate Number of Members Present: 25

Due to the heavy rain, the commencement of the meeting was delayed. Mr. Alonso called the meeting to order at approximately 6:50pm and the Board unanimously approved the meeting minutes from the prior meeting. Mr. Estevez volunteered to take the meeting minutes herein reflected. Mr. Alonso asked Matthew Estevez to review the proxies gathered to determine if the Association had a quorum of at least 30% of membership required to vote on a special assessment. Prior to conducting a review, Mr. Estevez asked for the table to be moved to the middle of the room so that the members could watch him conduct the review in plain sight. Mr. Garrote, Association manager, agreed to take an official count of the proxies needed to establish quorum and the votes reflected therein.

Prior to beginning the count, Mr. Estevez gave a recap on the legal options available to the Association in raising funds, including Section 8.2 of the Declaration, which requires a membership vote from the community with at least 30% participation (quorum), or 112 out of the 373 units. In the event the Association had been unable to obtain the special assessment, Section 9.3 of the Bylaws states that the budget and assessment may be amended at any time "in the event the annual assessments prove to be insufficient." Finally, Mr. Estevez reiterated the unanimous rejection by all members and board members of the possibility of exploring the use of reserves to pay for the insurance increase.

Mr. Estevez proceeded with the proxy count, which resulted in 147 total proxies, which was more than sufficient for establishing quorum. Of those proxies, 131 voted in favor of the special assessment with 12 voting against. 4 proxies were discarded because they could not be identified with any particular unit. The special assessment passed with an overwhelming majority. Thereafter, the board members were asked to double check the proxy tally, after which the special assessment passed unchanged.

Mr. German motioned to adjourn the meeting, which was passed unanimously. The meeting was thereafter adjourned at 8:34pm.

**NOTICE¹ OF MEMBERS MEETING TO PASS SPECIAL ASSESSMENTS FOR
CENTURY PARK CONDOMINIUM NO. 2 ASSOCIATIONS, INC. ("ASSOCIATION")**

Dear Unit Owner:

This letter serves as Notice of a special members meeting for the Association to pass a special assessment needed to fund the 94.6% increase in insurance premiums.

Date: **July 27, 2021**
Time: 6:30 PM
Place: Community Clubhouse, 8950 W. Flagler Street, Miami, FL 33174
Agenda: 1. Roll Call
 2. Proof of Notice Meeting
 3. Quorum²
 4. Vote on Special assessment³
 5. Adjournment

THIS NOTICE specifically states that a special assessment in the amount of \$80,408.00 will be considered at the July 27, 2021 meeting and the estimated cost and description of the purposes for the special assessment is listed below, for which back-up documentation outlining additional detail is available upon request, and incorporated herein by reference. Funds collected pursuant to a special assessment shall be used only for the specific purpose set forth in this notice.

Breakdown of Special Assessment

- **Total special assessment amount \$80,408.00 divided by 373 units.**
- **One-time special assessment payment per unit is \$216.00 due on September 1st, 2021. Late fees will apply if payment is received after September 10th, 2021.**

Sincerely,

*Board of Directors
Century Park Condominium Association 2, Inc.*

¹ Per Section 3.4 of the By-Laws of the Association, this notice shall be hand-delivered or mailed to each member at least 14 days prior to the special meeting. The notice shall also be posted at a conspicuous place on the condominium property 14 continuous days prior to the meeting.

² Per Section 3.5 of the By-Laws of the Association, a quorum at members' meetings shall be attained by the presence, either in person or by proxy, of persons entitled to cast thirty percent (30%) of the votes of members.

³ Per Section 8.2 of the Declaration, a majority vote of those members in attendance (in person or by proxy) shall be required to pass the special assessment. Per Section 3.6 of the By-laws of the Association, a majority vote shall be binding on the entire community.

LIMITED PROXY FORM

The undersigned, owner(s) or designated voter of unit No. _____ in Century Park Condominium No. 2 Association, Inc. "Association", appoints:

(PRINT NAME OF PROXYHOLDER)

as my proxyholder to attend the meeting of the members of the Association to be held on Tuesday, July 27, 2021 at 6:30pm, at the Community Clubhouse, 8950 W. Flagler Street, Miami, FL 33174. The proxyholder named above has the authority to vote and act for me to the same extent that I would if personally present, with power of substitution, except that my proxyholder's authority is limited as indicated below:

LIMITED POWERS (FOR YOUR VOTE TO BE COUNTED ON THE FOLLOWING ISSUES YOU MUST INDICATE YOUR PREFERENCE IN THE BLANK(S) PROVIDED BELOW). I SPECIFICALLY AUTHORIZE AND INSTRUCT MY PROXYHOLDER TO CAST MY VOTE IN REFERENCE TO THE FOLLOWING MATTERS AS INDICATED BELOW:

Special Assessment

Do you approve the passage of a special assessment in accordance with Section 8.3 of the Declaration to fund increased insurance premium? If you vote "yes," a one-time special assessment in the amount of \$216.00 will be approved. If you vote "no," the Board will be forced to raise monthly assessments from \$287.00 per month to \$395.00 per month in November 1st, 2021 and December 1st, 2021.

_____ YES, I approve of a one-time special assessment in the amount of \$216.00. My monthly assessments during 2021 will not be raised.

_____ NO, I do not approve of the one-time special assessment, but I understand my monthly assessments will increase to \$395.00 per month for November 2021 and December 2021.

DATE: _____
SIGNATURE(S) of OWNER(S) OR DESIGNATED VOTER

SUBSTITUTION OF
PROXYHOLDER

The undersigned, appointed as proxyholder above, designates _____ to substitute for me in voting the proxy as set forth above. (print name)

Signature of proxyholder Date: _____

THIS PROXY IS REVOCABLE BY THE UNIT OWNER AND IS VALID ONLY FOR THE MEETING FOR WHICH IT IS GIVEN AND ANY LAWFUL ADJOURNMENT. IN NO EVENT IS THE PROXY VALID FOR MORE THAN NINETY (90) DAYS FROM THE DATE OF THE ORIGINAL MEETING FOR WHICH IT WAS GIVEN. Proxies may be delivered via e-mail fgarrote@gablesprofessional.com or via fax at 305-441-7982, with an original to be delivered via US mail or hand-delivery to Gables Professional Management, Co., 3934 SW 8th Street, Suite 303, Coral Gables, Florida 33134.

CENTURY PARK CONDOMINIUM NO. 2 ASSOCIATION, INC.
(MEETING MINUTES)

Meeting Date: December 8, 2021

Meeting Time: 7:00 p.m. Meeting

Location: Community Clubhouse—8950 W. Flagler Street, Miami, Florida 33174

Purpose: Annual Budget Meeting

Meeting Called to Order at approximately 7:08p.m.

Presiding Officer of the Meeting: Erick Alonso

Calling of Role/Quorum: Directors/Officers Present: Erick Alonso, Ramon German, Erika Pflucker

Directors Not Present: Jose G. Almonte Sanchez and Lidia Perez Rosado

Also Present: Fernando Garrote, Gables Management (property manager) Matthew Estevez, Association Attorney,

Approximate Number of Members Present: 4

Minutes taken by Matthew Estevez

The meeting began by establishing a quorum through roll call. Fernando Garrote presented meeting minutes from the November 17, 2021 budget workshop meeting with unit owners. Board Member Mr. German motioned to approve the minutes from the November 17 meeting, which unanimously passed. President Erick Alonso asked Manager Fernando Garrote to present the 2022 budget and to focus on the changes from the 2021 Budget.

Mr. Garrote advised that the final budget was in line with what had been agreed upon after lengthy discussions and input from unit owners and discussion held at the November 17th meeting. Mr. Garrote advised that the budget increased primarily due to corresponding increases in insurance premiums, security services and trash. As such, the monthly amount for 2022 would be increased from \$287 per unit to \$312 per unit. Mr. Garrote went through the entire budget, answering questions from unit owners and from board members alike on a variety of items, including reserve requirements, landscaping costs, insurance premiums, common area budget requirements, insurance claims, roof claims, among other topics. Mr. Garrote demonstrated a firm command of the budgetary requirements in relation to the maintenance needs of the community. Mr. Garrote fielded various questions from members for the remaining time of the meeting. One unit owner expressed a desire to increase maintenance for the purpose of bolstering reserves. Another unit owner expressed his discomfort with the increased maintenance, expressing that further increases would not be sustainable for the community members

Mr. German motioned to approve the 2021 budget, which passed unanimously. He then motioned to adjourn the meeting, which was thereafter adjourned at approximately 8:00pm

Agenda

**CENTURY PARK CONDOMINIUM NO. 2
ASSOCIATION, INC.**

Budget Meeting

**Meeting Shall Take Place:
Wednesday, December 8, 2021 at 7:00 PM
Place: Community Clubhouse**

Meeting Called By: Board of Directors

Property Manager: Fernando Garrote, L.C.A.M

- Agenda:**
- 1. Call to Order**
 - 2. Roll Call**
 - 3. Quorum**
 - 4. Review and Approval of the proposed 2022 Budget**
 - 5. Adjournment**

Management Co.: Gables Professional Management