

The Privateer of Fort Myers Beach Board Meeting

January 12, 2023

(Unapproved)

Call to Order and Roll Call – All board members present 9:32

Quorum established

Proof of Notice of meeting was provided via email

Approve January 4, 2023, Minutes – moved to waive and approved

Breach of Fiduciary Duty Claim Notice by Building E Unit Owners

Owners of building E retained lawyer to protect their interest. Last week the Board received a letter from owners of building E's legal counsel advising of a Breach of Fiduciary Responsibility. It is now in the office of the Privateers attorney. Our attorney will be responding directly to Building E's attorney.

Service Master Update

– Both Matt and Sheila have resigned from Service Master. Mike has been in touch with Candi (owner) and Candi stated that she is in the process of taking care of all individual invoice and those should be out to owners by tomorrow. Candi also indicated that invoices going to FEMA and other insurers should be out next week.

Mike will follow up with SM on MICA reports and photos of units to ensure that what they have, are delivered to appropriate owners. We will work with the vendor, to finish cleaning out 2 units in F Building that were not fully completed back in November.

We are withholding a significant portion of the invoice from SM until we get all materials they committed to provide.

GeoWorld Update – The Privateer hired an expert appraiser by the name of Patricia Staebler. She is hired by the Privateer but reporting to GeoWorld.

Patricia and George from GeoWorld met onsite at the Privateer yesterday. They reviewed the facility and Mike sent them videos of all units. George also met with Reconstructions Experts while onsite at the Privateer yesterday. Reconstructions Experts will be putting an estimate together for the rebuild. George will also be getting several others for comparison before presenting to the Board.

Staebler Appraisal and Consulting Update – Stephanie has provided Patricia Staebler estimated appraisals of what owners have provided for upgrades / enhancements done to their individual unit. Patricia has also asked for pictures of interiors to be provided, that show improvements / remodels, etc. The goal is to accurately reflect the value of each unit and to assist in getting to the maximum assessment for every unit. As we have previously discussed, the 50% Rule is the first step to confirm if we can move forward with rebuilding.

The objective of both GeoWorld and Staebler is to have enough information to get plans drawn up to address deficiencies in each building to obtain realistic scope of work to repair buildings. We will then meet with our insurance companies to determine if we have enough money to rebuild. We anticipate having an answer as to whether we can rebuild in the next two to three months.

Mike noted that If we cannot rebuild, we would look to divvy insurance money and then sell the land and divide proceeds up 48 ways. It is hoped it does not come to this, but we have to be prepared.

We already have one bid from a General Contractor for \$3.3 million.

Finance

Current Operating/Reserves • January HOA Dues and Special Assessment

As of today, January 12, 2023

Operating Budget is \$539, 896

Reserves \$278,126

Hurricane Bills PTD (excluding SM) \$104,935

Advances to SM \$300,000

Balance Outstanding to SM \$741,3529

We have not received any billing for generator costs from SM

To date, we have only received \$250k advance from FEMA, and so far nothing from Sedgwick. We have not spent any of this money as of yet as we have been using Special Assessment money.

Additional Business

Temporary power has been looked into but there were so many factors associated with it and the cost was upwards of \$250k. The Board made the decision that as soon as we figure out if we can afford to rebuild, we will immediately move forward with getting full, permanent power to all units.

There is information on property tax relief that we will send out to all owners. You have until April to file for a tax reduction. We encourage all owners to take advantage of this.

Meeting was adjourned at 10:42 EST.

Thank you,

Scott Pelletier

Scott Pelletier, Secretary

The Privateer of Fort Myers Beach, Inc.