



November 21, 2023

Budget Announcement and Special Membership meeting

Dear associations members:

Attached please find proposed budgets for the Fairway Preserve at Olde Cypress Condominium Association for 2024.

Proposed budget (ii) had been distributed to members as part of the 'polling' of members regarding the necessity to begin paying back the loan that was required to replace the roofs.

As further explained below, the regular quarterly assessments under proposed budget (i) are several hundred dollars lower than the regular quarterly assessments under proposed budget (ii). The reason for this difference is because proposed budget (i) does not take into account the roof loan repayment, as proposed budget (i) is reliant on the proposed special assessment being approved by the members at the upcoming December 6 special membership meeting. In other words, under proposed budget (i) the roof loan repayment is not included because this expense will (if approved by the members) be paid for via a special assessment and not be paid for via the 2024 budget.

The proposed budget (ii) contains a line item for the 2024 repayment of the 5-year roof loan, however in year 1 (the 2024 payment) the amount of repayment has been reduced. The reason for this year 1 reduction in the roof loan repayment in the 2024 budget is to account for a separate special assessment to pay for the refurbishment of the pool and pool deck, which the Board will consider at the December 6 Board Meeting (which will immediately follow the Special Membership Meeting). Unlike the special assessment for the roof loan repayment, the Board does not need member approval to adopt the 2024 budget and/or the pool special assessment (since under the Bylaws the Board has the authority to adopt a special assessment up to a certain monetary threshold). If proposed budget (ii) is adopted by the Board at the December 6 Board Meeting, and the pool special assessment is also adopted at this same Board Meeting, the total dues for 2024 (including the quarterly regular assessments and the pool special assessment) will be \$7,428 per year or \$1,857 per quarter, an increase of 11.5% over the 2023 budget.

Many of you expressed a wish to pay your portion of this loan as a 1-time special assessment. The board wishes to make this option available to members by implementing a special assessment that can be paid in full by those that wish to do so. Therefore, attached to this notice is also an agenda for a special membership meeting that shall take place before the budget meeting.

The bylaws of the association state '*The total of all special assessments coming due in any fiscal year shall not exceed fifteen percent (15%) of the total annual budget for that year, including reserves, unless a majority of the voting interests first consent*'.

A majority of voting interests amounts to 133 units. If 133 votes are received for implementing the special assessment then proposed budget (i) shall be adopted with the operating and reserves funding only, at a rate of \$5,688 per year or \$1,422 per quarter a reduction of 15% over 2023's budget. Separate to the operating budget members shall receive the special assessment notice allowing payment of the assessment in full without incurring the interest costs of financing over 5 years. Those that wish to finance shall pay the assessment inclusive of the financing cost over the next 5 years.

The board understands that some members do not have the financial resources to pay the assessment in full and/or would just rather make payments over a lump sum, however given so many members wish to pay the amount in full the board considers it best for the association and its financial wellbeing to allow this payment and for the association to carry a smaller loan with the bank.

The board also feels a lower quarterly dues amount with a separate special assessment that some will have already paid in full will be better for maintaining property values, should the amount of the loan payback remain as part of the operating budget and total quarterly dues remain over \$1800 a quarter for all it could adversely affect re-sales with many potential buyers perhaps not looking at Fairway Preserve due to this quarterly dues amount.

While you may have no intention of selling your unit, situations change and perhaps because of job change, investment opportunities elsewhere, looking to move from a condo to a single-family home or even a refinance would all be affected by the current value of your unit. The board feels it is in everyone's best interest to maintain property values and have a robust resale market in what is already a slower market than previous years.

To implement the special assessment it is **imperative** to receive 133 votes. The board requests you return your vote as soon as possible that they can look to secure the 133 votes necessary.

Per the condominium documents and Florida statute the Board is giving 14-day notice of the special membership meeting (to vote on the proposed special assessment) and board meeting to consider the adoption of the budget. At which we will look to have enough votes to implement the special assessment thereafter adopt the proposed budget without the roof loan being in the operational budget.

Members may attend and will have an opportunity to discuss the budget with the Board.

Thank you.

Your Board of Directors.

Frank Steinhauser, Pres
Lowell Dunn, Vice-Pres
Patricia Moore, Secy/Treas
Alexsandra Effimova
Sean Huffman

Encl:

Notice/agenda Special Members Meeting
Resolution
Proxy
Notice/agenda Board Meeting

NOTICE OF SPECIAL MEMBERSHIP MEETING

FAIRWAY PRESERVE AT OLDE CYPRESS CONDOMINIUM ASSOCIATION, INC.

TO ALL MEMBERS:

On *December 6, 2023 at 5:00 P.M.* at the *Club House* located at *7995 Preserve Circle, Naples, FL 34119* a Special Membership Meeting will be held for the purpose set forth below and such other business as will lawfully be conducted.

The agenda for the meeting will be the following:

- (1) Proof of notice of the meeting or waiver of notice
- (2) New Business
 - (a) Vote on Membership Resolution (copy enclosed) regarding proposed special assessment to fund the roof loan repayment
- (3) Adjournment

A quorum must be present, in person or by proxy, at the meeting, in order for the business to be conducted. It is therefore **VERY IMPORTANT** that you either **attend or provide a proxy**.

Please note the following information about PROXIES:

A **proxy** is for the purpose of appointing **another person** to vote for you in the event that you might not be able to attend the meeting. It must be signed by all owners of the unit or the owner voting on behalf of the unit upon the concurrence of the other owners.

The proxy must be submitted to the Association Secretary prior to the scheduled time of the meeting. Proxies may be hand-delivered to the Association: 7995 Preserve Circle, Naples, FL 34119. Florida law does permit the use of facsimile or electronic transmission for proxies. If you prefer to scan your proxy, attach it in PDF® or other readily utilized format, you can e-mail it to manager@fairwaynaples.org.

Again, please be sure to either attend the Special Membership Meeting or submit a proxy. Thank you for your assistance in conducting the business of your Association.

Dated November 21, 2023

BY ORDER OF THE BOARD OF DIRECTORS

Patricia Moore, Secretary

This notice has been mailed to all unit owners at least fourteen (14) days in advance of the meeting referred to above and has been posted for fourteen (14) continuous days in advance of such meeting at the designated posting place and in compliance with Chapters 718 and 468 Florida Statutes and the Association Documents

MEMBERSHIP RESOLUTION
FAIRWAY PRESERVE AT OLDE CYPRESS CONDOMINIUM ASSOCIATION, INC.
(THE “ASSOCIATION”)

WHEREAS, the Board of Directors is seeking membership approval of a proposed special assessment to fund the repayment of a loan secured by the Association to fund the recent replacement of the roof (hereinafter the “Roof Loan Repayment”);

WHEREAS, the estimated expense to fund the Roof Loan Repayment (including approximately \$30,000 to cover the carrying costs through the first quarter of 2024) is as follows:

Purpose	Estimated Expense
Roof Loan Repayment	\$1,780,000

WHEREAS, there are insufficient available funds to cover the expense to fund the Roof Loan Repayment;

WHEREAS, Section 6.6 of the Bylaws states the following regarding the authority to adopt a special assessments:

6.6 Special Assessments. Special assessments may be levied by the Board of Directors when necessary to meet unusual, unexpected, unbudgeted, or non-recurring expenses. Special assessments are due on the day specified in the resolution of the Board approving such assessments. The total of all special assessments coming due in any fiscal year shall not exceed fifteen percent (15%) of the total annual budget for that year, including reserves, unless a majority of the voting interests first consent. The notice of any Board meeting at which a special assessment will be considered, discussed or proposed shall be given as provided in Section 4.8 above. The notice of the assessment shall contain a statement of the purpose(s) of the assessment. The funds collected shall be spent for the stated purpose(s) or returned to the members as provided by law.

WHEREAS, the Board of Directors has approved having the members vote on this Membership Resolution at a Special Membership Meeting to be held on December 6, 2023, and shall seek the required approval of the members of the Association for the special assessment; and

WHEREAS, the Board of Directors will notice and hold a Board Meeting after the above-referenced Special Membership Meeting to ratify and approve the special assessment, if membership approval is obtained.

NOW THEREFORE, in consideration of the foregoing premises, the members have adopted and approved the following resolution.

1. The above recitations are true and correct.
2. Confirmation of the affirmative vote of a majority of the voting interests of the Association, pursuant to the requirements contained within the Bylaws. As a result, the membership does ratify and approve the special assessment.

3. The total amount of the special assessment is \$1,780,000.00. Each member shall have the following options regarding the payment of this special assessment:

OPTION A: Make one lump sum payment in the amount of \$6,724.42 (per Unit) due on April 1, 2024.

OPTION B: Make an initial four payments in the amount of \$245.31 due on the following dates:

January 1, 2024, April 1, 2024, July 1, 2024, October 1, 2024

Thereafter, make the remaining sixteen payments in the amount of \$435.00 due on the following dates:

January 1, 2025, April 1, 2025, July 1, 2025, October 1, 2025

January 1, 2026, April 1, 2026, July 1, 2026, October 1, 2026

January 1, 2027, April 1, 2027, July 1, 2027, October 1, 2027

January 1, 2028, April 1, 2028, July 1, 2028, October 1, 2028

The total amount due under OPTION B is \$7,941.24.

4. Any member who opts for the **OPTION B** payment plan acknowledges that the aggregate amount paid will be higher than **OPTION A** due to the application of interest. If the lump sum **OPTION A** payment referenced above is not paid in full by the April 1, 2024 deadline, the member will be defaulted to the **OPTION B** payment plan and will be required to make the respective **OPTION B** payments by the subject deadlines and pay the full \$7,941.24 (regardless of whether the payments are made early). The balance of the special assessment payment plan contemplated by the **OPTION B** shall be paid in full at closing upon the voluntary sale of a Unit. A lender's foreclosure or a deed in lieu of foreclosure given to a lender or a tax deed sale does not constitute a voluntary sale.

This Resolution was adopted at a meeting of the Association held December 6, 2023. There were ____ votes in favor and ____ opposed.

VOTING BY PROXY

If you are unable to attend the Special Membership Meeting and wish to vote by proxy, please note the following information about **PROXIES**:

1. A **proxy is** for the purpose of appointing **another person** to vote for you as you specifically direct (except for non-substantive items) in the event that you might not be able to attend the meeting. It must be signed by all owners of the unit or designated voter.
2. The proxy should be submitted to the Association Secretary **prior to the scheduled time of the meeting**. It can be mailed to the Association or hand-delivered, either by you or your proxy. It is encouraged that the proxy be submitted as long before the meeting as possible, in order to avoid delay in registration.
3. If you appoint a proxy and later decide you will be able to attend the meeting in person, you may **withdraw** your proxy when you register at the meeting.
4. A proxy may be **revoked** in writing or **superseded** by a later proxy to another person. It may also be **assigned** (substituted) by the person designated on the proxy to a third person if the person you designate as proxy decides that he or she will be unable to attend the meeting.
5. In the case of this meeting, because there is no single item to be voted upon a Limited Proxy form is provided only to assist in meeting the quorum requirement in order to have an official annual meeting that meets statutory requirements.

When completing your Limited Proxy please be sure to follow the following steps:

1. Fill in your unit number
2. If you wish to appoint a proxy holder other than the secretary of the association, fill in the name of your designated proxy holder in the space provided. (Please make sure your proxy holder will attend the Annual Meeting).
3. Date the Limited Proxy
4. The Limited Proxy must be signed by the designated Voting Member or by the owners of the unit.
5. Mail, fax or e-mail the Limited Proxy to the Association, Attn: Arthur Moore, Property Manager, 7995 Preserve Circle, Naples, FL 34119, fax it to (239) 596-5381 or e-mail to manager@fairwaynaples.org by the Meeting time and date or have your Proxy Holder bring such Limited Proxy with him or her to the Meeting.

To the extent the owner of a unit is not a natural person, the vote of that unit shall be cast by the unit's primary occupant.

If you should have any questions regarding these procedures, please contact the Property Manager, Arthur Moore at (239) 596-5380.

THANK YOU FOR YOUR ASSISTANCE IN CONDUCTING THE BUSINESS OF THE ASSOCIATION.

THE BOARD OF DIRECTORS

DATED this 21st day of November, 2023

Fairway Preserve at Olde Cypress Condominium Association, Inc.
LIMITED PROXY/MEETING BALLOT

The undersigned, owner(s) or designated voter of Unit No. _____ in *Fairway Preserve at Olde Cypress, A Condominium* appoints (Check one)

_____ (a) **Patricia Moore**, Secretary of the Association, on behalf of the board of Directors, or

_____ (b) _____ (if you check (b), write in the name of your proxy)

as my proxyholder* to attend the meeting of the members of **Fairway Preserve at Olde Cypress Condominium Association, Inc.**, to be held **December 6th, 2023** at 5:00 pm at **7995 Preserve Circle, Naples, Florida 34119**, and any adjournment/recess thereof. In the event I attend the meeting in person, this will act as my meeting ballot.

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:

GENERAL POWERS By signing this proxy, your proxyholder automatically has general power to vote on other issues that might come up at the meeting for which a limited proxy is not required. You can choose not to grant such general powers by checking the box below:

_____ I **do not** grant general powers to my proxyholder

LIMITED POWERS (FOR YOUR VOTE TO BE COUNTED ON THE FOLLOWING ISSUE, YOU MUST PERSONALLY VOTE BY CHECKING THE BLANK(S) PROVIDED BELOW). I HEREBY VOTE AND INSTRUCT MY PROXYHOLDER TO CAST MY VOTE IN REFERENCE TO THE FOLLOWING MATTERS AS INDICATED BELOW:

1. Do you approve the Membership Resolution (copy enclosed) regarding the proposed special assessment to fund the roof loan repayment?

_____ YES, IN FAVOR OF MEMBERSHIP RESOLUTION /
IN FAVOR OF SPECIAL ASSESSMENT

_____ NO, OPPOSED TO MEMBERSHIP RESOLUTION /
OPPOSED TO SPECIAL ASSESSMENT

By: _____ By: _____

Print Name: _____ Print Name: _____

Date: _____ Date: _____

*Failure to check either (a) or (b), or, if (b) is checked, failure to write in the name of the proxy, shall be deemed an appointment of the Secretary of the Association as your proxyholder

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.

OWNER: DO NOT COMPLETE THIS SECTION. This section is to be filled in by the person to whom you have given your proxy (i.e., your proxyholder), in the event that he/she can not attend the meeting or otherwise wishes to substitute another person to vote your proxy.

SUBSTITUTION OF PROXY

The undersigned, appointed as proxy above, does hereby designate _____ to substitute for me in the proxy set forth above.

Dated: _____ 2023. _____
PROXYHOLDER

Proxies may be mailed, faxed or e-mailed to association office

7995 Preserve Circle
Naples, FL 34119

Fax (239) 596-5381

e-mail manager@fairwaynaples.org

FAIRWAY PRESERVE AT OLDE CYPRESS CONDOMINIUM ASSOCIATION, INC.

Corporation Not For Profit

Notice is hereby given that a Meeting of the Board of Directors of Fairway Preserve at Olde Cypress Condominium Association, Inc. will be held at the following date, time, and place:

Date: Wednesday, December 6th, 2023
Time: 5:10 or immediately following special membership meeting
Place: Club House – 7995 Preserve Cir, Naples, FL 34119

A G E N D A

The Meeting agenda is included with this notice and listed below. Only those items on the agenda may be discussed during the meeting.

- 1. Call to Order**
- 2. Establish Quorum**
- 3. Proof of Notice of Meeting**
- 4. Approve minutes of September 20th meeting**
- 5. Open meeting to members to discuss budget.**
- 6. Ratification of proposed special assessment (if approved by the members) in the amount of \$1,780,000 to fund the roof loan repayment. Confirm due dates and payment plan (and amounts due under payment plan). See Membership Resolution enclosed to the Special Membership Meeting notice package for additional details regarding the proposed special assessment.**
- 7. Consideration of a proposed special assessment in the total amount of \$200,000 (\$757.58 per Unit) to fund the refurbishment of the pool and pool deck. Confirm due dates.**
- 8. Approval of 2024 budget**
- 9. Adjournment**

This notice has been posted by order of the Board of Directors at least forty-eight (48) hours in advance at the designated posting place and in compliance with Chapters 718 and 468 Florida Statutes and the Association Documents