

Dear Tuscany Homeowners and Neighbors,

We are approaching holiday season and wish all of you good ones.

We hope you have had the opportunity to enjoy our Tuscany by the Sea looking refreshed and grand again!! The building and trim have been cleaned and painted, the stone cleaned and coated with sealant. Normal cracks have been repaired with clear calking and rusted grates replaced with new. The scuppers were extended to minimize water drip onto the building. Exposed windows were cleaned. The beach stairwell will be painted once repairs around the windows are made and all balcony doors and door trim are replaced including new handles. We will be maintained as we should as well as being Fire Inspection compliant.

A couple of you have mentioned the need to replace our exterior lighting. We felt it was prudent to wait until after this big building project and stabilization of budget expenses. The lighting and lobby are on the 2024 projects list.

It is now 2024 Budget season. We have been working this past year on “righting the ship” with the many building repair issues we encountered. We believe we are almost there with fixes.

As we wrote to you on September 13, we were waiting for our insurance policy to be renewed. **We received the expense today.** Our current provider, Cypress, was the only company to offer a renewal premium at \$144,853. Many insurance companies suspended any new business or stopped insuring in Florida. Citizen’s offered an unacceptable \$388,000 wind only premium. **It is short notice as our renewed premium begins December 11, 2023, thus the urgency in this budget approval/assessment.**

With a more than doubling of the insurance premium to \$144,853 (the insured appraisal value of our building alone increased 27.7%), we have been challenged on how to incorporate it in the 2024 Budget. We have already made the payment of \$6,402 for flood insurance.

The insurance is what the insurance will be and the premium needs to be paid when we receive the policy. We want you to review the Operating and Reserves Budget. Your Board has created this budget as a result of all of the detailed involvement we have had overseeing the management and maintenance of our building since February.

As you examine the Proposed 2024 Budget A it includes paying upfront for insurance and a Best Practices Operating Reserve payment in the amount of \$17,140. Please note the Budget Line Total Operating/Reserve line. The 2024 Total Operating and Reserve is \$329,700 or **per Unit \$2,206.** This is less than a 10% increase from the 2023 monthly assessment payments.

The Board of Directors is recommending Budget Option A with insurance and a three-month best practice operating reserve paid upfront in the amount of \$17,140 and a \$2,206 monthly assessment. Option B adds \$4,675 interest payment on carrying a loan to the monthly assessment payments equaling \$3,245 plus an upfront 3-month Operating Budget assessment of \$5,069.

A 3-month Budget Operating Reserve Best Practice of \$5,069 per unit will be assessed in both cases. All assessment amounts will be due December 15, 2023.

You can also review the Reserve Study online. You helped us by voting to use the pooled reserve budget vs the previous component reserve method. We can now fully fund the Reserve Budget at the state of Florida recommended levels for a lesser amount than we would have paid in 2023.

We have been proactive in getting the SIRS, Structural Integrity Reserve Study initiated this month. It is mandated for completion by the end of 2024. This will facilitate funding the 2025 Reserve Budget to remain compliant with new state regulations.

Our work thus far has been reactive rather than proactive and preventative. We will begin anew in 2024 with the Board and WCM planning work for today and into the future. We are pleased after five months with our new Maintenance Company, Total Community Maintenance (TCM).

Please join us on December 4, 2023 via video conference for the Board of Director Budget Review/Approval and a special assessment approval by the BOD for the 2024 insurance premium and operational budget reserve. The agenda has time for any discussion or questions you may have.

For sure, upon receiving your preference input form, please return it asap. We want to give you a voice due to the large insurance payment. Again, the Board recommends Budget A. If a majority of Homeowners desire Budget B, we will accommodate that request. You can email your preference input to royenal@wcmmanagement.info.

Also enclosed is the Meeting Notice for the Annual Meeting January 17, 2024. If you want to take on responsibilities as a Board member, the intent to be a candidate form is included.

Thank you for your confidence and support of your Board of Directors,

Bonnie Reitz, Dick McIlhattan, Brad Gable, Larry Stauffer, and Pat Chetcuti