

SECOND NOTICE OF ANNUAL MEETING

VENTANAS I AT TIBURON CONDOMINIUM ASSOCIATION, INC.

TO ALL MEMBERS:

On Wednesday, February 20, 2019, 3:00 p.m. at the North Collier Government Services Center, Town Hall Meeting Room, 2335 Orange Blossom Drive, Naples, Florida, the Annual Meeting of the Association will be held for the purpose of conducting the lawful business of the Association. An identification of agenda items is as follows:

1. Certifying Quorum - Call to Order
2. Proof of Notice of Meeting
3. Reading of the Minutes of the last Annual Meeting
4. Announcement of Board of Directors
5. Reports of Officers
6. Reports of Committees
7. Unfinished Business
8. New Business:
 - a) Vote to rollover excess Association funds
 - b) Vote to waive CPA Review and/or Compilation of December 31, 2019 Financial Statement
 - c) Vote to temporarily borrow from reserves to pay insurance premiums
 - d) Vote to move all existing reserves collected via the component methodology into one pool of funds to facilitate the conversion to the pooling methodology
 - e) Other New Business
9. Adjournment

If a majority of the Directors so elect, an organizational meeting of the Board of Directors will be held immediately upon the adjournment of the Annual Meeting for the purpose of electing officers and such other business as may lawfully be conducted. The Directors present at the Annual Meeting may decide to defer the organizational meeting to a later time, in which case notice will be given through further posting.

A quorum of Association Members, as described in the Association Bylaws, must be present, in person or by proxy, at the meeting, in order for the business to be conducted. It is **VERY IMPORTANT** that you either **attend** or **provide a limited proxy** in order to conduct business at this Annual Meeting. We ask that you please complete the enclosed proxy and return it according to the enclosed instructions prior to the Annual Meeting. Proxy tabulations may be done in advance, which will reduce sign-in efforts and aid in expediting meeting time. However, you may also bring your completed proxy if you plan to attend the Annual Meeting.

The following unit owners have notified the Association of their desire to run for the Board of Directors: Murray Patterson and Kathleen Schoeffler. Since there are three (3) openings for the Board of Directors and two (2) candidates, no actual balloting is required to take place and these owners, as well as one appointed member, will serve on your Board of Directors along with Judy Cramer and John Wise.

BY ORDER OF THE BOARD OF DIRECTORS
VENTANAS I AT TIBURON
CONDOMINIUM ASSOCIATION, INC.

February 6, 2019

ITEMS TO BE VOTED ON AT 2019 ANNUAL MEETING

Item #1 **Vote to Rollover Excess 2019 year-end funds, if any, into next year's budget:**

Explanation: All condominium associations are incorporated as not-for-profit corporations. If an association's income exceeds its expense in any given year, that excess is considered taxable income unless the members approve rolling the excess into next year's budget.

The Board of Directors recommends voting "In Favor".

Item #2 **Vote to waive the legal requirement to schedule a reviewed and/or compiled financial statement by an independent CPA for fiscal year end December 31, 2019:**

Explanation: All associations that have an annual budget between \$150,000 and \$300,000 are required to have an independent CPA prepare a compiled financial statement. If the annual budget is between \$300,000 and \$500,000 then the Association is required to have an independent CPA prepare a reviewed financial statement. If the annual budget is in excess of \$500,000 then an audit is required.

The 2019 Budget for Ventanas I is approximately \$468,000. Therefore, the State statutes require the Association hire an independent CPA to prepare a reviewed and/or compiled financial statement for the fiscal year ending December 31, 2019. The cost to have an independent CPA review is approximately \$4,000.

The State Statutes declare that a majority of the owners who vote at a duly called members meeting may waive this requirement every year. The Board does not feel it is necessary to hire an independent CPA in the coming year and that there are adequate safeguards already in place. If you vote "Opposed to Waiver", then the Association MUST have an independent CPA review the 2019 financial records in early 2020.

The Board of Directors recommends voting "In Favor".

Item #3 **Vote to allow Board to temporarily borrow from the Reserve Fund to meet the cash flow requirement to pay the insurance premiums.**

Explanation: The association's property policy is due to be renewed in December 2019. To avoid costly finance and interest charges, the board could borrow the funds from the association reserve fund to pay for these insurance premiums.

If the association does not have the cash, the brokers can arrange financing at rates that have ranged from 4-6%. Our current reserve assets are yielding around 1.0-2.0%. It makes more sense to temporarily borrow from the available reserves than to finance from a third party.

The Board is asking the members to give the Board permission to temporarily borrow the funds from the association reserve fund if any cash flow problems arise when the insurance policies are to be renewed in December 2019.

The Board of Directors recommends voting "In Favor".

Item #4

Vote to move all existing reserves collected via the component methodology into one pool of funds to facilitate the conversion to the pooling methodology.

Explanation: Our current reserves are funded on a “line item” or component basis. Many community associations are converting reserves to a cash pooling method to facilitate flexibility in the expenditure of reserves. In the cash pooling method, each reserve item is still funded separately, but the money is put into one pooled account. The pooling method addresses the pending replacement needs of all reserve components.

Due to costs we have expended as a result of Hurricane Irma, a partial settlement received from our insurance company and the expected final settlement, the funding of reserves on a “line Item” basis has become cumbersome as we will not be able to segregate our insurance proceeds to specific reserve line items.

Therefore, your Board of Directors, after consulting with our accountant, respectfully request a “yes” vote that would allow moving all of the existing reserves that were collected via the component methodology into one pool to facilitate the conversion to the pooling method and simplify the replenishment of our reserves.

The Board of Directors recommends voting “In Favor”.

LIMITED PROXY

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The undersigned, owner(s) or designated voter of Unit _____ in XXXXX CONDOMINIUM, INC., appoints _____ (PRINT NAME OF PROXY HOLDER) or if I have not appointed a proxy above, I hereby appoint XXXXX XXXXX, President of the Association as my proxy holder, to attend the Meeting of the members of XXXXX Condominium, Inc. to be held on day, month XX, 20XX, 0:00 p.m. at the Clubhouse of XXXXX Condominium, XXX Place, Naples, Florida. The proxy holder 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 proxy holder'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 BLANKS PROVIDED BELOW. SPECIFICALLY AUTHORIZE AND INSTRUCT MY PROXY HOLDER TO CAST MY VOTE IN REFERENCE TO THE FOLLOWING MATTERS AS INDICATED BELOW:

1. Vote to ... specific language regarding vote.
(Board recommends voting "In Favor")
_____ IN FAVOR _____ OPPOSED

2. Vote to ... specific language regarding vote.
(Board recommends voting "In Favor")
_____ IN FAVOR _____ OPPOSED

3. Vote to ... specific language regarding vote.
(Board recommends voting "In Favor")
_____ IN FAVOR _____ OPPOSED

Date: _____
Signature of Owner (s) or Designated Voter

Print Name (s)

The undersigned, appointed as proxy holder, proxy, designate, _____ or substitute for me in voting the proxy on each issue.
Signature of proxy holder(s) must be witnessed by the UNIT OWNER AND BY THE SECRETARY OF THE ASSOCIATION FOR PROXIES TO BE ORDER AND ANY AUTHORITY. SIGNATURE OF THIS ENVELOPE VALID FOR MORE THAN ONE MEETING FROM THE DATE OF THE ORIGINAL MEETING FOR WHICH IT WAS GIVEN.

Enter your Unit No. - may also appear as a combination of letters and numbers above your name on the address label of this mailing.

Enter 'YOUR' vote for each specific item. YOU must complete this section.

(Proxyholder does **not** complete this section of the proxy.)

Date, Sign & Print Name

Name of Association
c/o Collier Financial, Inc.
4985 Tamiami Trail East
Naples, FL 34113

PROXY

PROXY PROCEDURES

If you are unable to attend the Annual Members 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. All owners of the unit or the designated voter must sign it.
2. The proxy should be submitted to the Association **prior to the scheduled time of the meeting**. It can be mailed to the Association in the envelope provided, faxed to our accountant's office at (239) 774-1512, or emailed to: support@collierfinancial.net. It is encouraged that the proxy be submitted as long before the meeting as possible, in order to avoid delays in the registration at the Members meeting.
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** ("SUBSTITUTION OF PROXYHOLDER") 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. A **proxy form** is enclosed with the notice for your use.
6. **Please fill in your Unit Number, which may appear as a combination of letters and numbers above your name on the address label of this mailing.**
7. Please print the name of the person you are appointing as your proxyholder. Please be certain that the person you appoint as your proxy will be attending the Meeting. **If you will not be attending the meeting, do not name yourself as the proxyholder.**
8. Please be sure to make specific selections on each of the votes.
9. Please sign and print your name, and date the proxy.
10. Do not complete the "Substitution of Proxyholder" section on the bottom of the form. The person you named as your Proxy should only complete this section if he/she cannot attend the meeting.
11. Mail the Proxy Form in the enclosed pre-addressed envelope, fax it to (239) 774-1512, or email to: support@collierfinancial.net.

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

