

# Berkshire Beach Club Notice of Meeting

## Special Assessment

Greetings to our valued owners,

We hope your summer is going well and that vacationing at Berkshire Beach Club is a highlight of your year.

This notice is to address a financial hardship we are currently facing, based on two factors:

As you may know, Florida businesses and residents are currently experiencing severely increased insurance premiums. The insurance renewal of Berkshire Beach Club for the term of June 2023 to June 2024 was far more than we budgeted and could have imagined. The statewide damages from hurricanes and other disasters requiring payouts by insurance companies have resulted in unprecedented increases in premiums. Our long-time insurance broker worked tirelessly to secure coverage. There were numerous carriers that simply stopped providing coverage in Florida.

In addition, the 2022 audit has confirmed a 2022 year-end operating fund deficit of \$50,449. The deficit is a result of inflationary pressures unanticipated when preparing the 2022 budget.

With an insurance bill exceeding \$104,000, representing an increase of 71%, your Board of Directors and management company quickly evaluated the cash flow and the direct effect on overall operations. We explored all options for covering the cash shortfall. Per Florida law, Reserve Funds cannot be used for operational expenses including insurance payments.

Ultimately, it was determined that a Special Assessment would be needed. The Special Assessment will be for the insurance increases and to mitigate the 2022 year-end deficit. It will not affect ongoing operations or scheduled property improvements.

At the special meeting on July 28, 2023, (click on the link below for the Notice of Meeting) the Board of Directors will consider levying a Special Assessment of approximately \$200 per owned interval. Like the Annual Assessment, the Special Assessment must be paid before occupancy is granted. Please submit payment as listed on the statement you will be receiving under separate cover.

We realize this may not be a popular decision, but it is an action that must be taken for the protection of our assets and the continuance of providing a memorable vacation at Berkshire Beach Club.

Respectfully,

The Board of Directors

Berkshire Beach Club of Deerfield Beach Condominium Association, Inc.