

The Meadows at World Golf Village HOA

Official Board Meeting Minutes

September 28, 2022

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Date of Meeting: *September 28, 2022* **Time:** 7PM **Location:** VIRTUAL

Minutes Prepared by: *Mike Krugman*

BOARD MEETING

- I. Meeting Called to Order:** Meeting was called to order at 7:08 PM.
Quorum was present and confirmed notices of meeting given.

Roll Call:

President/Treasurer: Mike Krugman	Present
Vice President: Bob Ostefeld	Present
Secretary: Whitney Purvis	Excused
Treasurer: Mike Krugman	Present
Director: Lynda Harris	Present
Director: Scott Clay	Excused

Other attendees: Rhonda, Pat Krugman, and other via phone. (Total attendees totaled about 6.)

- II. Opening Remarks:** Mike Krugman welcomed all participants and provided the evening's agenda. The purpose of this special board meeting was to review and vote on the contract proposal from Priority Community Management of St. Augustine.
- III. Review and Acceptance of Minutes:** September 6, 2022 and September 8, 2022 minutes are under review and acceptance is deferred.



IV. Special Order:

i. Presentation of the Proposed Contract from Priority Community Management:

Mike Krugman reported information on the final contract proposal (PDF) received from Priority Management today, September 28, 2022. A copy of the final proposal was provided to all board members prior to the meeting for their review. In his presentation, Mike Krugman covered the following content areas:

1. The key dates and events in the selection process and the contract proposal process.
2. The key points in Priority's final contract proposal.
 - i. Priority's Fee
 - \$5.50 per home/month
 - \$2,200.00/month
 - \$26,400.00/year.
 - ii. Manager attending:
 - Annual Membership Meeting
 - Board Meetings (4 meetings yearly at no extra cost)
 - All other meetings (Special Membership or Board) at \$75.00/hour
 - iii. Community surveys – Twice monthly – about two (2) weeks apart.
3. The key points in the previous contract with G.L. Thompson.
 - i. Priority's Fee
 - \$6.00per home/month
 - \$2,400.00/month
 - \$28,800.00/year.
 - ii. Manager attending:
 - Annual Membership Meeting
 - Board Meetings (12 meetings yearly at no extra cost)
 - All other meetings (Special Membership or Board) at \$75.00/hour
 - iii. Community surveys – Once or twice monthly when done
 - Contract stated to be performed weekly
4. Additional items in both the previous and proposed contracts.
 - i. Bulk Mailings: Both – outsourced – at cost
 - ii. Archive Record Storage:
 - i. Thompson: At Cost/box/month
 - ii. Priority: \$10/box/month

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- iii. Compared to storage rental (small closet size) – about \$60-70/month
- iii. Basic Office supplies (per item and in bulk) – Extra charge
- iv. Relatively the same for both
- iv. Special Administrative Tasks – Extra charge
 - Relatively the same for both
 - Example – preparation and circulation of notices and newsletters

5. Comparison of Board Meeting Options

- i. Comparing Both Attending 12 board meetings/year (each 90 min.)
 - Priority \$27,500
 - Thompson \$28,800
- ii. On a Comparative Basis
 - Save about \$125/month over previous contract
 - Plus we will getting better services.
- iii. If the Manager only attends Quarterly Board Meetings (4)
 - Save \$200/month over previous contract
- iv. If the Manager only attends Bi-Monthly Board Meetings (6)
 - Save \$181/month over previous contract

6. Impact on 2023 Assessment

- i. Lower contract cost will help to absorb some of our increasing costs
- ii. It will not offset all – some increase expected for 2023
- iii. 2023 Budget and Assessment to be discussed at the Board Meetings on October 13th 2022 and October 25th 2022
- iv. Board is working hard to minimize any assessment increase
- v. Note – The Association “Savings” is its Reserve Fund
 - Must be maintained for major repairs, storm cleanup & restoration, and deferred maintenance tasks
 - Working to determine correct level of funding for Reserve Fund

ii. **Board Members’ Discussion of Contact Proposal:** The board members openly discussed the proposal, expressed comments and concerns. All directors indicated their support for the contract proposal and thought that Priority was capable of and would meet the needs and requirements of the owners and residents for a community manager. Both Mike and Lynda voiced a concern that Priority lacked in business experience, but did not believe that would impact Priority’s being able to provide the services that we’re looking for and what the community needs.

iii. **Discussion was opened to the Owners attending:** Those attending were asked for their questions, comments, and concerns about the Contract proposal presented. No additional concerns or questions related to the process were raised attending.



- i. **Vote on the Contract Proposal for Replacement Management Company:** Mike Krugman put forth the following motion:

RESOLVED THAT the Association desires to enter into an agreement with Priority Community Management, LLC for the period of 1 year, commencing on October 1, 2022, for the purpose of providing association management services to assist in the administration of operations and management of the affairs of the Association.

FURTHER RESOLVE THAT the proposed contractual agreement, as presented to the Board of Directors as contained in Exhibits A and B, is hereby approved.

FURTHER RESOLVE THAT Michael Krugman, President/Treasurer, is hereby authorized and instructed, for and in the name of this association, to sign and execute the agreement as it was presented to the Board of Directors, including any other necessary documents ancillary thereto.

Exhibits

(A) “Final Version Meadows.Priority Agreement.pdf”

(B) “Schedule A 2.22.pdf”

The motion was seconded by Bob Ostefeld. There was no additional discussion on the proposed contract with Priority Community Management. A vote was called. The motion was passed unanimously.

- V. **Closing Remarks:** The following actions, activities, and meetings that are planned to take place during the coming weeks were described by Mike Krugman. The outline that follows describes a proposed course of action, which is susceptible to change in the days ahead and throughout the transition period. (Delays in contract signing may result from hurricane-related closures.)

- i. The Signed contract will be submitted to Priority for their signature.
- ii. On Saturday, October 1st
 - Officially assumes Manager Role
 - My Weekly Letter to the Community will inform of Replacement Manager
- iii. On Monday, October 3rd
 - Website and forms will be updated with new contact information
- iv. During the Week of October 3rd
 - Introductory Letter for Priority Community Management will be posted
 - Home owners membership listing and files transitioned to Priority
 - Community Visit Survey will be scheduled
- v. During the Week of October 10th

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- The Association's financial accounts and record transition will begin
- vi. During the Months of October and November
 - The Association's official records will be transitioned
- vii. Annual Membership Meeting – November 10th at 7 PM
 - Priority Community Management will be introduced and take questions
- viii. December Board Meeting – December 8th at 7 PM
 - Priority Community Management will present its 1st Manager's Report
- ix. Next Board Meeting – October 13th at 7 PM
 - Meeting will be conducted virtually using Zoom Conference Call via internet and phone.
 - Connection information is available on the Meadows website.

VIII. Adjournment:

Motion: Motion made by Bob Ostefeld, seconded by Lynda Harris, to adjourn the meeting.

Vote: Passed unanimously.

Meeting adjourned at 8:01 pm.

Signed

Mike Krugman

September 28, 2022

The Meadows at World Golf Village



THE MEADOWS

AT WORLD GOLF VILLAGE

Special Board Meeting – Sep 28, 2022 at 7PM

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Agenda

- Call to Order
- Opening Remarks
 - Welcome
 - Selection Process - Background
- Presentation - Final Contract Proposal
 - Submitted by Priority Community Management (Today at 10 A.M.)
- Board Members' Discussion of Final Proposal
- Open to those attending for comments, feedback and questions
- Board votes
 - Accept/Reject the Proposal for replacement Community Manager
- Closing Remarks
- Adjournment

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Selection Process – Previous Company

G.L. Thompson Association Management

- July 8, 2019 – Contract was signed by the Association President
- August 1, 2019 – Gary Thompson began providing CAM Services
- July 15, 2022 – Sold assets to Coast to Coast Association Management
 - Offered new contract w/ Coast to Coast Association Management
 - HOA Directors decided not to sign w/ Coast to Coast
 - Began Search for Replacement Management Company
- July 31, 2022 – Contract Ended

- August 12, 2022 – Meadows HOA began Self-Management

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Search for Replacement Management Company

- Six (6) Proposals were submitted in July 2022
- Evaluation eliminated three (3) proposals
- During August, 2022 – References checked on remaining 3 proposals

- Sept. 1st - Began accelerated selection process
- Sept. 8th – Selected top one (1) candidate company
- Sept. 12th & 21st – Meet w/ Priority Community Management

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Path to Final Contract Proposal

- Sept 22nd – Contract proposal finalization review began
- Sept 23rd – Association’s attorney completed initial review
- Sept 26th – Priority completed review of updated contract proposal

- Sept 27th – Negotiations to resolve differences
- Sept. 28th – Priority submitted the Final Contract Proposal
 - PDF received of contract proposal provided to all board members for review

- Sept 28th – Tonight – Present, Discuss, & Vote on Contract Proposal

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Priority’s Final Contract Proposal

- Priority’s Fee
 - \$5.50 per home/month
 - \$2,200.00/month
 - \$26,400.00/year
- Contract includes the manager attending:
 - Annual Membership Meeting
 - Board Meeting (4 meetings yearly at no extra cost)
 - All other meetings (Special Membership or Board) at \$75.00/hour
- Community surveys - Twice monthly two (2) weeks apart

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Previous Contract with G.L. Thompson

- Thompson’s Fee
 - \$6.00 per home/month
 - \$2,400.00/month
 - \$28,800.00 /year
- Contract includes the manager attending:
 - Annual Membership Meeting
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 - All other meetings (Special Membership or Board) at \$75.00/hour
- Community surveys – Once or twice monthly when done
 - Contract stated to be performed weekly

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Comparison of Contracts – Past & Proposed

	Priority	Thompson/Coast to Coast
Base Contract	\$26,400	\$28,800
Annual Meeting	Included	Included
Board Meetings – Quarterly	Included (4)	Included (4)
Board Meetings – monthly	Extra (8) \$900	Included
Other Meetings	Extra (\$75/hour)	Extra (\$75/hour)
Mailings – Bulk	Outsourced – at Cost	Outsourced – at Cost
Archive Record Storage	\$10/box	At Cost

- Basic Office supplies (per item and in bulk) – Extra Charge
 - Relatively the same for both
- Special Administrative tasks – Extra Charge
 - Relatively the same for both
 - Example - preparation and circulation of notices and newsletters

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Comparison of Contracts – Board Meetings

- Comparing Both Attending 12 board meetings/year (each 90 min.)
 - Priority \$27,500
 - Thompson \$28,800
- On a Comparative Basis
 - Save about \$125/month over previous contract
 - Plus we will getting better services.
- If the Manager only attends Quarterly Board Meetings (4)
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Impact on 2023 Assessment

- Lower contract cost will help to absorb some of our increasing costs
- It will not offset all – *some increase expected for 2023*
- 2023 Budget and Assessment to be discussed at Board Meetings
 - Thursday, October 13th at 7 PM – Video Conference & Phone
 - Tuesday, October 25th at 7 PM – Video Conference & Phone
- Board is working hard to minimize any assessment increase

- Note – The Association “Savings” is its Reserve Fund
 - Must be maintained for major repairs, storm cleanup & restoration, and deferred maintenance tasks
 - Working to determine correct level of funding for Reserve Fund

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Board Members Discussion



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Attendee Comments, Feedback, & Questions



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Approving Replacement Management Company

- **Motion is made** – RESOLVED THAT the Association desires to enter into an agreement with Priority Community Management, LLC for the period of 1 year, commencing on October 1, 2022, for the purpose of providing association management services to assist in the administration of operations and management of the affairs of the Association.
- FURTHER RESOLVE THAT the proposed contractual agreement, as presented to the Board of Directors as contained in Exhibits A and B, is hereby approved.
- FURTHER RESOLVE THAT Michael Krugman, President/Treasurer, is hereby authorized and instructed, for and in the name of this association, to sign and execute the agreement as it was presented to the Board of Directors, including any other necessary documents ancillary thereto.
- **Exhibits**
 - (A) Final Version Meadows.Priority Agreement.pdf
 - (B) Schedule A 2.22.pdf

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Next Steps (1)

- The Signed contract will be submitted to Priority for their signature
- On Saturday, October 1st
 - Officially assumes Manager Role
 - My Weekly Letter to the Community will inform of Replacement Manager
- On Monday, October 3rd
 - Website and forms will be updated with new contact information
- During the Week of October 3rd
 - Introductory Letter for Priority Community Management will be posted
 - Home owners membership listing and files transitioned to Priority
 - Community Visit Survey will be scheduled

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Next Steps (2)

- During the Week of October 10th
 - The Association's financial accounts and record transition will begin
- During Months of October and November
 - The Association's official records will be transitioned
- Annual Membership Meeting – November 10th at 7 PM
 - Priority Community Management will be introduced and take questions
- December Board Meeting – December 8th at 7 PM
 - Priority Community Management will present its 1st Manager's Report

> *Motion to Adjourn*

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Thank You for Attending



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The Meadows at World Golf Village HOA
Special Board Meeting – September 28, 2022

Exhibits

(A) “Final Version Meadows.Priority Agreement.pdf”

(B) “Schedule A 2.22.pdf”

Both received from Priority Community Management, LLC, by email, the morning of Wednesday, September 28, 2022 with the instruction to use and sign the sent PDF version as sent without change or adjustment.

Management Agreement

This Agreement is made on October 1, 2022 by and between Priority Community Management, LLC. (the "Agent") and The Meadows at Saint Johns Owners Association, **Inc.**, a Florida not-for-profit corporation dba The Meadows at World Golf Village (the "Association") in Saint Augustine, FL.

WITNESSETH:

The Board of Directors of the Association (the "Board"), on the behalf of the Association, hereby appoints Agent, serving as Agent for the Association, to manage the Association, and Agent accepts appointment to manage the Association in accordance with Association's recorded governing documents and applicable Florida Statutes.

WHEREAS, the Association wishes to employ Priority Community Management, LLC as its agent to assist in the discharge of the Association's day to day responsibilities,

NOW THEREFORE, in consideration of the mutual covenants and promises contained herein, it is hereby agreed:

SECTION 1. TERM OF AGREEMENT

The Board appoints the Agent to manage the Association for a period of 1 year(s), beginning, October 1, 2022, and thereafter for periods of one year unless this Agreement is terminated by either party. The Agent does hereby accept appointment, Priority Community Management, LLC as the Association Manager to provide Community Association Manager Services for The Meadows at Saint Johns Owners Association, **Inc.**, a Florida not-for-profit corporation, dba The Meadows at World Golf Village. The Agent shall appoint an individual liaison for handling communication with the Association on behalf of the Agent.

SECTION 2. SERVICES OF AGENT

It is understood that the Association cannot eliminate its obligation to perform certain duties and services in connection with the management and operation of the HOA by entering a contract with any management agent. Accordingly, the Agent is being appointed to assist the Association in the performance of its duties and services as particularly set

forth in the Declaration, Articles, Bylaws and Rules (jointly referred to herein as the "HOA Documents"). With this common understanding, the Agent shall, subject to and in accordance with the HOA Documents render services and perform duties as follows:

2.1 Collection of assessments

A. The Agent shall collect (and give receipts for) all monthly and other assessments and other monies that are due to the Association with respect to the Association, including all rental or other payments from concessionaires, if any. Deposit promptly after receipt and post to owner's individual ledger.

B. The Agent shall follow up on all delinquencies to collect on all amounts owed. Prepare and mail delinquency notices and collection letters as directed by the Board. Collect and post late fees and/or finance charges.

C. After notification has been sent to a delinquent owner, including a final demand, the Agent will initiate legal action for the collection of any delinquent dues by forwarding needed information to the Association's attorney as directed by the Board and/or collection policy of the Association and in accordance with the laws of the State of Florida. All legal fees are to be assessed against the Owner and recovered before the account is cleared, unless otherwise directed by the Board.

2.2 Financials

A. Accounting functions will include keeping of the accounting books and records of the Association, all of which will always be understood to be the property of the Association. Manage accounts payable, receivable, general ledger and then to furnish a monthly summary statement of income and expense, balance sheet, schedule of accounts payable and receivable and print out of the general ledger of the Association's books, as well as other such accounting reports as shall be mutually agreeable upon by the Board and the Agent.

B. The Agent shall set up and maintain all necessary bank accounts for the Association. Reconcile all monthly bank account statements, including but not limited to operating accounts and reserve accounts with of the balances maintained.

C. The Agent shall prepare and distribute on a monthly basis Financial Reports to the Board. Reports shall include Balance Sheet, Budget vs. Actual Expense Comparison, Income and expense statements; Operating

Expenses; General Ledger showing revenues; Disbursements by check number and Delinquency Report showing all past due accounts and attorney status.

D. The Agent will take responsibilities to provide bids for tax and auditing services as approved by the Board and otherwise required by Florida law according to the size of the community.

E. The Agent will cooperate fully with the independent certified public accountant in the conduct of the annual audit to include making all records, books and accounts available for their inspection and review and to deliver such records to the designated CPA for tax preparation and audit.

2.3 Budget

A. The Agent shall prepare the initial budget for the Association, including reserves if applicable.

B. The Agent shall prepare and submit to the Board a recommended Annual Budget for the next year showing anticipated income and expenses for such year at least four (4) months prior to the end of the fiscal accounting year. Proposed annual budget should include an itemized statement of anticipated receipts and disbursements based upon the then current schedule for Assessments and considering the then prevailing conditions of Association and the Common Property. Budget should also provide a comparison to current year and remainder to spend, including explanation for any increases/decreases that are $\pm 5\%$. Said proposed budget should be submitted to the Board for comments, changes and approval at least two (2) months prior to the end of the fiscal accounting year.

2.4 Maintenance of Common Elements

A. Prepare Vendor Requests for Proposals (RFP's) with direction from the Board. Obtain and submit to the Board, bids for recurring, routine service and maintenance tasks as required by the Association as well as bids for RFPs. The Agent shall use reasonable efforts to obtain three (3) bids for contracts and will assist in analyzing the bids and qualifications of the vendors. Provide bid summary and comparison for submission to the Board for approval. The management of large-scale projects outside the scope of day-to-day operations is available for an additional fee.

B. The Agent shall negotiate for the most competitive prices, provided by qualified personnel, for services from the marketplace to ensure a level of quality acceptable to the Board.

C. The Agent shall serve as a liaison between the Board and the consultants, engineers, vendors and service providers hired by Association.

D. To the extent the Association is required by the HOA Documents, to maintain any improvements which are not situated in the common area, the Agent shall contract upon approval of the Board with independent contractors to provide such maintenance subject to the same standards and limitations applicable to services provided for maintenance of the common areas.

E. The Agent shall continually evaluate and give the Board recommendations for long-term maintenance needs of common areas.

2.5 Utilities and Services Contracts

A. Subject to the direction of the Board and on behalf of the Association, the Agent shall negotiate contracts for water, electricity, and such other services as may be necessary or advisable for the common elements. All such contracts and purchases shall be executed in the name of the Association by its Board and at its expense.

B. Obtain and retain contracts and services provided by vendors, on behalf of the Association upon approval of the Board of Directors.

2.6 Insurance

A. The Agent shall assist the Association in procuring bids for insurance coverage required by law and as otherwise approved by the Board. Obtain necessary insurance coverage as required by the HOA Documents, including coverage for fire and extended coverage, general liability, fidelity bonds, statutory and other forms of insurance coverage as specified in the HOA Documents or required by Florida law.

B. The Agent shall maintain appropriate records of all insurance coverage for the Property carried by the Association as specified.

C. The Agent shall assist the Board in investigating and reporting all accidents or damage relating to the ownership, operation and maintenance of the common elements of the Property, including any damage or destruction of them. The Agent shall assist in processing insurance claims against the property.

2.7 Payment of Expenses

A. From the funds of the Association, the Agent shall pay all expenses incurred by the Association with respect to the maintenance and operation of the property on behalf of the Association, in a timely manner.

2.8 Management of the Association

A. The Agent shall **assist the association in** the enforcement of the provisions of Association's governing documents, the Rules and Regulations and architectural guidelines; resolve individual Owner problems, complaints and disputes as they pertain to Association, the Common Property and the governing documents and any Rules and Regulations.

B. The Agent shall maintain all financial records of the Association and its members for a period of 7 years as mandated by statute.

C. The Agent shall maintain record file containing papers relative to each Member's dwelling; and update the file as necessary. Such file shall include a current and complete roster of each Member, tenants, and other data necessary to properly administer the Association's affairs, provided such data is made available to the Agent in a timely manner. The Agent shall maintain a complete list of each owner's name, property address, current mailing address, phone number and email address, and will provide the Board notice of new homeowner.

D. Agent shall maintain a list of all homes occupied by tenants with current leases or other occupancy agreements, and will provide the Board notice of new tenant.

E. Communicate with Association's members responding to telephone calls, correspondence and fax in a timely manner. "Timely manner" is defined as within 24-48 hours. The Agent will maintain a telephone number during regular business hours Monday through Friday of each week, excluding holidays. An answering service will be provided at other times for emergency messages. The Agent designated liaison's cell phone number will be provided to the President of the Board of Directors. All communication with the owners of the association

shall be in a business-like manner. The correspondence with members shall be received, considered, recorded, and presented to the board in a systemic fashion in order to monitor the action taken with respect to each such request.

F. The Agent shall maintain a 24 hour, seven-days-a-week, emergency call system.

G. The Agent will provide new homeowners with Welcome Packets within 10 calendar days of closing, including pertinent forms such as ARB Alteration Form, website information, community manager contact information and Architectural Guidelines, if so directed by the Board.

H. Reimbursable expenses will include postage and materials for mail outs; or special copying as requested by the Board. Large scale copying will be outsourced at cost.

I. The Agent shall perform on site visits two (2) times per month reviewing property for covenant violations. The Agent shall prepare and distribute a Managers report monthly. Report to include dates of site visits for the month, itemized actions taken on behalf of the Association for the month; notes on property inspection for all common areas & amenities, including any recommendations. Copy of violations log showing status and copy of Architectural Modification log and status.

J. The Agent shall mail to the members items designated by the Board or as otherwise required by Florida law, including regular and special meeting notices as well as newsletters or additional notices as requested by the Board. Reimbursable expenses will include postage and materials for mail outs; or special copying as requested by the Board. Large scale copying will be outsourced at cost.

K. The Agent shall create and maintain an electronic community website where all pertinent documents, including the HOA Documents, ARB Application, Budgets, and Financials may be uploaded for use by the homeowners of the community, if so directed by the Board. Website will be used to email updates to owners.

L. -The Agent shall-process ARB applications as follows: (1)Receive and date stamp ARB request, (2) Collect required fees and deposits and deposit in association's account, (3) Forward to the ARB committee for review at least once per month, (4) Notify owners of approval/denial, approval with stipulations, etc. when advised, of ARB Committee decision. The Association will post a notice of the meeting to review the applications 48 hours in advance, review the applications and advise the agent of the decision.

M. The Agent shall provide needed resale transfer forms needed for new homeowners not purchasing from builder but from original homeowner. Management fees for transfer forms, see Exhibit A-Fee Schedule.

Section 3. Meetings

3.1 Board Meetings

The Agent, or a designated employee or representative of Agent, shall attend up to four (4) Board meetings annually

3.2 Member Meetings

The Agent, or a designated employee or representative of Agent, shall attend one (1) member meetings annually

3.3 Annual Meeting

The Agent shall provide meeting notice, agenda, voting certificates, and proxy forms to each member per HOA Documents and Florida **Statute** and under direction of the Board. Oversee registration of all attendees.

3.4 Special Meetings

The Agent shall provide meeting notice, agenda, voting certificates, and proxy forms to each member per the HOA Documents and Florida Statue and under the direction of the Board. The Agent, or its designated representative, shall attend special or emergency meetings of the Board or of the Association as requested, provided the Association shall pay Agent \$75 per hour for that individual's attendance at such meeting.

3.5 Meeting agenda and meetings

The Agent shall prepare meeting agenda and notice for meeting as needed per Florida Statue and in accordance with the HOA Documents. The Agent will draft and prepare minutes of all meetings **attended** and forward to Board for approval within ten (10) business days of each such meeting and then publish making available to members.

Section 4. Limitation on Expenditures by Agent

4.1 Limitations

The Agent shall not make any expenditure for repair or replacement (excluding emergency repairs) without the prior consent of the Association through the Board.

4.2 Emergency Expenditures

Notwithstanding these limitations, Agent may, on behalf of the Association and without prior consent of the Board, expend any amount or incur a contractual obligation in any amount required to deal with emergency conditions which may involve a danger to life or property, or which may threaten the safety of the Common Areas or the individual owners and occupants or which may threaten the suspension of any necessary service or access to the Common Areas of the Association.

Section 5. Agent Not Responsible for Maintenance of Individual Homes

The Agent shall have no authority or responsibility for maintenance or repairs to individual homes in the Association. Such maintenance and repairs shall be the sole responsibility of the individual owners.

Section 6. Limitation of Agent's Authority and Responsibility

The Agent's authority to act and responsibility for the Association shall be subject to the limitations set forth below.

6.1 Structural Changes

The Agent shall have no authority to make any structural changes in the Common Areas or to make any other major alterations or additions in or to any building or equipment therein, except such emergency repairs as may be required because of danger to life or property or which are immediately necessary for the preservation and safety of the Common Areas or the safety of the individual owners and occupants or which are required to avoid the suspension of any necessary service or access to the Common Areas .

6.2 Building Compliance

The Agent shall not be responsible for the compliance of the Common Areas or any of its equipment with the requirements of any building codes or with any statutes, ordinances, laws, rules or regulations (including those

relating to the existence and disposal of solid, liquid and gaseous wastes, and toxic or hazardous substances) of any city, county, state or federal government or agencies, or any public authority or official thereof having jurisdiction over it. HOWEVER, the Agent shall notify the Association promptly or forward to the association promptly any complaints, warnings, notices or summonses received by the Agent relating to such matters.

6.3 Agent Assumes

Agent assumes no liability whatsoever for any acts or omissions of the Board or the Association, or any previous boards or current or previous owners of the Common Areas, or any previous management or other agent of either. Agent assumes no liability for any failure of or default by any individual unit owner in the payment of any assessment or other charges due to Association or in the performance of any obligations owed by any individual unit owner to the Association, pursuant to any lease or otherwise. Agent likewise assumes no liability for any failure of or default by concessionaires in any rental or other payments to the Association. Nor does Agent assume any liability for previously unknown violations or environmental or other regulations which may become known during the period this Agreement is in effect. Any such regulatory violations or hazards discovered by Agent shall be brought to the attention of the Association in writing, and the Association shall promptly resolve.

Section 7. Obligations of the Association

7.1 Liability of Association

The Association shall insure the Common Areas, Agent and itself against liability and bear the expense of all litigation against the Common Areas, Agent and the Association as stated below.

7.2 ~~Save Agent Harmless from Liability Suits~~ Indemnification

Association shall indemnify and hold the Agent (as well as its representatives, agents and employees) harmless from any loss from any cause whatsoever arising out of the Agent acting on behalf of the Association. The Association agrees to promptly and diligently, at its own expense defend any claim, action or proceeding against the Agent which arises out of its agency relationship with the association, and to pay any claim or reimburse the Agent any money, which it is, required to pay out in connection with its agency relationship with the Association. Notwithstanding any other provision of the Agreement, the Association shall not be responsible for defending or paying any claim arising from any gross negligence or willful misconduct on the part of the Agent, its agents or employees.

In the event Agent receives notice of or undertakes the defense or the prosecution of any action, claim, suit, administrative or proceeding or investigation consistent with Agent's indemnity obligations hereunder, Agent shall give the Association prompt notice of such proceedings and shall inform the Association in advance of all hearings regarding such action, claim, suit, legal proceeding or investigation.

The obligations of each party under the above indemnifications include the payment of all settlements, damages, liquidated damages, penalties, forfeitures, back pay awards, court costs, litigation expense and attorney's fees, including those incurred through all appeals.

Termination of this Agreement shall not terminate any liability or obligation of one party to the other for any act or occurrence having taken place during the term for the Agreement or for any indemnification, payment, reimbursement or other sum of money due and payable or thereafter becoming due and payable.

7.3 Establish and Maintain Liability Insurance

The Association shall carry at its own expense general liability, fire and extended coverage, fidelity bonds, statutory and other approved forms of insurance coverage as specified in the Declaration. Such insurance policies shall name both the Association and Agent as insureds, including the Agent as "additional insured" and their coverage shall be adequate to protect the interest of both parties and in form, substance, and amounts reasonably satisfactory to Agent. The Association shall provide Agent with certificates evidencing such insurance or with duplicate copies of such policies.

7.4 Appoint liaison to deal with Agent

The Board shall designate one of its members who shall be authorized to deal with Agent on any matter relating to the management of the Common Areas. Agent shall not accept directions or instructions regarding the management of the Association Common Areas from anyone else. In the absence of any other designation by the Board, the President of the Board shall be deemed to have this authority. Board appoints Priority Community Management, LLC as alternate should both the President, and Board designated alternate, be unavailable. In the event Agent receives instructions from any other board member or resident, Agent will submit any matter direction, instruction or the like to the Board and shall then follow the direction of the Board.

Section 8. Agent's Compensation

The Agent shall be compensated for specific services as stated below.

8.1 For Management Services the association shall pay Agent a one-time set-up fee \$750, due on 1st day of October 2022, and a monthly management fee of \$5.50 per closed home. The management fee shall be paid monthly in advance. The management fee shall be adjusted annually upon approval by the Board of the Annual Budget, which adjustment shall be incorporated into this Agreement by reference. No further charge shall be made by Agent for Agent's services and other services of Agents professional staff, except as otherwise provided in this Agreement. Any clerical services performed by request for the association, such as preparation and circulation of notices and newsletters and general correspondence of the Association, shall be at the Associations expense, including postage and other expenses. See Exhibit A

8.2 For Construction, Remodeling, or Other Contracting Services: See Attached Exhibit A

8.3 For Other Services: See Attached Exhibit A]

Section 9. Termination

This Agreement may be terminated without cause by either party with prior written notice to the other party. Such notice shall be delivered at least 30 days prior to the expiration of the initial term or any subsequent renewal term. Receipt of such notice shall be deemed accepted if hand delivered by one party to the other party or if mailed via First Class mail postmarked at least 30 days prior to the expiration of the initial term.

This Agreement may also be terminated with cause by either party with prior written notice to the other party. Such notice shall be delivered at least 30 days prior to termination. In the event that one party receives such notice for termination with cause and corrects any noted deficiencies within ten (10) business days, the grounds for termination shall be deemed cured and this Agreement shall continue to be in effect.

Upon termination of the Agreement for any reason whatsoever, Agent shall return all of Association's official records, books, accounting records and other property in Agent's possession to Association within thirty (30) days of the effective date of the termination. Agent shall further transfer all Association assets to the designee of

Association's choice and shall remove all of Agent's signatories to Association's bank accounts within thirty (30) days of termination.

Section 10. Relationship of Agent to the Association

The relationship of the parties to this Agreement shall be that of Principal and Agent, and all duties to be performed by Agent under this Agreement shall be for and on behalf of, in the name of and for the account of, the Association. In taking any action under this Agreement, Agent shall be acting only as Agent for the Association. Nothing in this Agreement shall be construed as creating a partnership, joint venture, or any other relationship between the parties to this Agreement except that of Principal and Agent. Nothing contained herein shall require Agent to bear any portion of loss arising out of or connected with the operation of the Property. Agent shall not be considered at any time during the period of this Agreement a direct employee of the Association. Neither party shall have the power to bind or obligate the other except as set forth in this Agreement, except that Agent is authorized to act with such authority and power as may be necessary to carry out the intent of this Agreement.

Section 11. Headings

All headings and subheadings employed within this Agreement are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement.

Section 12. Notices

All notices, requests, consents or other communications required or permitted under this Agreement shall be in writing (including facsimile communication) and shall be (as elected by the person giving such notice) hand delivered by messenger or courier service, overnight service, fax, or mailed by registered or certified mail (postage prepaid), return receipt requested, addressed to:

If to Association: The Meadows at World Golf Village
 Attn: Board of Directors
 %KISTEMAKER BUSINESS LAW GROUP
 120 E. Granada Blvd.
 Ormond Beach, FL 32176

If to Agent: Priority Community Management, LLC
 Attn: Michelle Sutton

2800 N 6th Street, Unit 1, #305
Saint Augustine, FL 32084

Either party may change the address by notice to the other party.

Section 13. Legal Notices and Registered Agent

Should Agent receive any form of legal notice on behalf of Association, Agent shall promptly notify the Board liason, as identified in paragraph 7.4 above, and the Registered Agent of the Association.

Section 14. Signatures and Authority

The undersigned warrant that they have legal authority to bind the respective parties to this Agreement. This Agreement may be signed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one instrument. Facsimile and scanned/mailed signatures shall be considered the same as original unless otherwise depicted by entity.

Section 16. Licensure

Agent warrants and represents that it possesses and shall maintain during the term hereof, all licenses, permits, approvals and similar items, as are necessary and/or appropriate to its performance hereunder.

This Agreement shall be construed in accordance with the laws of the state of Florida and shall bind and insure to the benefit of the parties hereto and their successors and assigns. This agreement shall constitute the entire Agreement between the parties hereto, and no variance or modification shall be enforceable except by written amendment executed by all the parties to this Agreement.

IN WITNESS WHEREOF, the parties have affixed or caused to be affixed their respective signatures this 29th day of September 2022.

The Meadows at Saint Johns Owners Association
dba The Meadows at World Golf Village

By:

Michael Krugman, President/Treasurer

Priority Community Management, LLC

By:

Michelle Sutton, CAM

Exhibit A – Fee Schedule

Association Cost

Copies	\$0.25
Color copies	\$0.75
Envelopes	\$0.20
Oversized envelopes	\$0.45
Email blasts	\$0.10
Postage	COST
Coupon Books	\$9.00 each
Notary Services	\$3.00 per service
Notice of Certified Mail	\$2.00 + Certified Postage Cost
Postage/Courier/Overnight	\$2.50 + postage costs
Large mailings	COST
New Homeowner Welcome Package	\$10
Gate management	\$40 per month per gate
Website set up and management	COST
Set up documents on Priority's Website	COST
Managers cost outside of contracted hours	\$75 per hour
Mileage reimbursement	Current IRS rate
Electronic Storage	COST
Records Storage	\$10 a box per month

Homeowner Cost

Resale transfer fee	\$150
Estoppel	\$250
Lien Preparation	\$35
NSF Fee	\$25
ARB Review	\$35
Access Cards	COST
Gate remote	COST