Innerarity Island Association ANNUAL MEETING
PBUMCC December 9, 2013 at 6:00 p.m.
THESE ARE UNAPPROVED MINUTES ONLY. THEY WILL BE REVIEWED, POSSIBLY AMENDED AND APPROVED AT THE NEXT ANNUAL MEETING.

I. **Call to Order** – Pursuant to notice addressed to the owner of each lot of the Innerarity Island Association, Inc., the annual meeting was called to order at 6:01pm on December 9, 2013, at the Perdido Bay United Methodist Community Center. Virginia Moody, President of the Association, presided over the meeting. A quorum was present, there being 41 proxies and 136 lots for a total of177.

II. Attendance –

a. **Board Members Present:** Virginia Moody, Joe Ward, Brooke Agers, Peg Gilmore, Charlene Schultheis
b. **Board Members Absent:** None

III. **Covenant Presentation by Suzanne Blankenship -** Attorney Suzanne Blankenship of Coastal Association Law Group

a. Issue: Mrs. Blankenship explained to the membership she was present to explain the covenant revitalization project and the reasons for it. MARTA act was passed by the Florida legislature. The law's intent was to prevent necessity of title searches back to Spanish land grants. However, a result of the act was to extinguish homeowner's covenants after 30 years. Based on the current date, all but one set of IIA covenants (those governing Innerarity Shores are not yet 30 years old) have passed the 30 year mark. The impact of operating without covenants would be to severely impact the ability of the board to enforce covenants.
b. Remedy: Consent of the majority of property owners (as listed on Title) is required to revitalize the covenants. Mrs. Blankenship strongly advises the membership to proceed with the effort.
c. Next Steps: Mrs. Blankenship's office, along with an owner committee and Ethridge Property Management, will mail a packet to each homeowner containing a copy of the covenants (AS-IS) and a joinder for owner signature. Signatures will be verified and approved. Once a majority signatures are received, Mrs. Blankenship will file paperwork with the state for approval and subsequently file the covenants with the official record and the Clerk of Court.
d. Discussion Notes in Appendix A
e. Willis Johnson made a motion to move forward with the revitalization of covenants. Martha Disposito seconded the motion. A majority in attendance voted to approve motion. The vote was reviewed and approved by Ray Ethridge.

IV. **Approval of Minutes:** December 2012 Meeting

a. Vann Goodloe made a motion to approve the minutes from December 2012 Annual Meeting.
b. Ray Moody seconded the motion.
c. Majority vote to approve the minutes, none opposed

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VI. Report of Officers/Committees:

a. **Nominations Committee:** Report delivered by Peg Gilmore. The Nominations Committee consisted of Peg Gilmore, Chair, and Ray Moody and Tom Bender. Four directors are continuing for one more year: Joe Ward, Ray Moody, Brooke Agers and Peg Gilmore. The following members have agreed to run for the three open slots:

Donna tinker
Leigh Dawkins
Glenn Barbee

Ray Moody made a motion to accept the slate presented by Peg Gilmore. Martha Disposito seconded the motion. All voted in favor of accepted slate of nominees.

b. **Architectural Control Committee:** Report delivered by Peg Gilmore. During the year, we have had:

Two new home constructions, one of which is not complete.
One major remodel, the outside of which is complete.
Five tree removals
One driveway repair
One fence erected
One paint change
One request for fill dirt
The level of cooperation I have received has been exceptional, for which I am most appreciative.

c. **Beautification Committee**: Virginia Moody reported on behalf of Donna Tinker. The entrance garden and grass was completed this year. Navy volunteers have been leveraged to clean right of ways.

d. **Gate Committee**: Joe Ward reported that the gate is 15 years old. The actuators are planned to be replaced in 2015.

e. **Camera**: Glenn Barbee reported that the camera group was able to secure a camera under budget from Sam's Club. The camera is 1080p and HD with excellent clarity and night vision. The system included 4 cameras and the video system; 1 camera has yet to be mounted.

f. **Mowing Committee**: Brooke Agers reported on behalf of Ken Bolton. There were 5 mowings and 2 greenway clearings in 2013 which is 1 mowing under budget. The contract has been extended at the same rates for 2014 and will be turned over to the new Mowing Committee chairperson.

g. **Roads Committee**: Vann Goodloe reported that no roadwork was done this year. The committee replaced some signage and lighting (center light was shot out by vandals). In 2014 the back portion of North Shore Road to Red Cedar will be paved at a cost of $43,000.

VII. **Other Business**:

a. **Finance Committee**: Ray Moody presented the budget on behalf of the acting Finance Committee. Ray reviewed the budget (see attachment). It was noted that the budget assumes no increase in home owner's fees. Kyle Roberts was directed to speak with Ethridge regarding questions around the $500 impact fee and impact fee refunds.

i. Clarification was made that the Covenant Revitalization is included in the planned 2014 budget. Glenn Barbee made a motion to approve the proposed budget assuming homeowner's fees of $200 per house and $80 per lot. AJ Schultheis seconded the motion. Majority voted to approve motion, no opposition votes.

VIII. **Old Business**: No old business was addressed.

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IX. New Business:

a. Ray Ethridge reported that 5 homeowners still owe for 2013, 7 properties have a lien placed against them, and 3 additional properties will have liens placed in the next 30 days. Receivables are working down. Amber Carr was introduced as primary contact because Ray is semi-retiring.
b. Virginia Moody reminded everyone that island information can be found:
   i. On the website: Innerarityisland.org, user name = owner, password = mullet2010
   ii. On the Yahoo group: email Virginia for access with your Yahoo email address
c. Any questions can be directed to a Board Member or Amber Carr at Ethridge
d. License plates are available for $7 and stickers are available for $3

X. **Adjourn**: There being no other business, Martha Disposito moved and Ray Moody seconded that the meeting be adjourned. Motion carried unanimously and meeting was adjourned at 7:17pm..

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Submitted by: Brooke Agers, Secretary

Approved By: Virginia Moody, President

Appendix A: Covenant Revitalization Discussion Notes

- Ray Moody asked if the amendments can be included within the text of the covenants? Mrs. Blankenship replied that this is possible, but she does not recommend any unnecessary changes so as not to impact likelihood of state approval. But yes, the amendments can be compiled into the original document.
- Peg Gilmore asked what is the process every 10 years to auto-renew the covenants? Mrs. Blankenship replied that after the revitalization, the covenants will be valid under MARTA for another 30 years. After 30 years will need to repeat the revitalization process.
- Leigh Dawkins asked if the covenants will be read-able? Mrs. Blankenship responded that the covenants will be retyped for clarity in the filing.
- Glenn Barbee asked if the by-laws are stand-alone? Mrs. Blankenship replied that the by-laws are not affected but will be part of the package included to owners and filed with the state.
- Kyle Roberts as what is required to pass the revitalization? Mrs. Blankenship answered a simple majority of property owners are required to return signature joinders. Total count will be verified by title review. Once a majority of signature sheets are returned by the legal owners as represented on the title, Mrs. Blankenship's office will begin the process.
- Owner asked if a property is in an estate, how is it handled? Mrs. Blankenship responded that those properties will likely be ignored to see if a majority can be collected without them. If the property is in the probate process, may consult with the executor.
- AJ Schultheis asked what will happen to the covenants that are not at the 30 year mark? Mrs. Blankenship responded that those covenants can be extended by a vote of the board.
- Kyle Roberts asked what happens if the covenants are not approved for revitalization? Mrs. Blankenship responded there could be roads with no mechanism for maintenance, loss of the association's ability to collect money, and loss of ability to function under the board insurance policy.
- Kyle Roberts asked when the current covenants expire? Mrs. Blankenship explained all but one set has already expired.
- The Wittig family expressed concern over pricing and who will pay for the attorney and filings – could be as much as $20,000? Board members explained that the cost was estimated to be $10,000. To control costs a committee will be formed of volunteers. This is represented in the budget presented for approval tonight. The price could vary based on the number of owners, how easy it is to get all owners correct signatures, and the state review/approval process. The board explained this is not intended to be an assessment.

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