

Annual Meeting Minutes
Paradise Point Townhouse Owners Association
November 9, 2024

Type of Meeting: Annual Meeting

Meeting Facilitator: Janna Hatch

Invitees: All Homeowners

- Meeting was called to order by Janna Hatch at 10:02 AM

Attendees:

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| Unit 1 – Mitzi and Allen Sisk | Unit 2 – Lee Holliman | Unit 3 – Kevin / Sue McCann |
| Unit 4 – Carolyn Bauer | Unit 6 – George Bragg | Unit 7 – Jeff and Susan Versteeg |
| Unit 8 – Tony Morris – Zoom | Unit 9 - Chuck Williams – Zoom | Unit 10 – Shirley Irwin |
| Unit 13 – Dee Graves | Unit 14 – Alicia Alava | Unit 15 – Sharon Bonnette |
| Unit 17 – Carol Shell | Unit 18 – Imelda Tolentino – Zoom | Unit 19 – Peter Rye |
| Unit 20 – Alicia Martinez – Proxy | Unit 22 – Zac Holland – Zoom | Unit 23 – Kevin Frary |
| Unit 24 – Janna Hatch | Unit 25 – Mark Jones | Unit 26 – Cathey Saurage |
| Unit 27 – Michael and Paula Fox | Unit 31 – Jason Higgs | Unit 33 – Brett Campbell |

Units NOT Represented: Unit 5, Unit 11, Unit 12, Unit 16, Unit 21, Unit 28, Unit 29, Unit 30, Unit 32, Unit 34

- Minutes from the last meeting were approved by Jason Higgs and seconded by Geoge Bragg

- Financial Reports were reviewed by Michael Fox, Treasurer

-Bank Account Balances as of 10/31/24

Operating – 25,627.45 Reserves – 40,143.50** Insurance – 44,918.08*

Reserve CD's – Additional \$50,000 Insurance CD's – Additional \$100, 000***

Positive note – we earned \$3,316 in interest YTD 2024 due to CD's

Also discussed continuing to reinvest the \$50K Reserve CD's (10K each) @ 90 days each

Invested in (2) CD's @ 50K each with Insurance Funds, @ 90 days each, and will continue to roll over those CD's until the money is needed for premiums.

- Additional Treasurer Report Information

- Late fees for 2025 will be increased to \$40, after the 10th of the month, not the 15th
- Late fees after 30 days are 18% or the maximum allowed per Florida Statute 720.3085(3)
- Master Insurance Policy premium decreased by \$1600
- Other (4) Insurance premiums increased by a few hundred dollars

- Paving and Stucco projects complete, as discussed in last year's meeting, used about \$30K in Reserves
- On budget for most other expense categories with minor deviations

- 2025 Budget Discussion

2025 Proposed Budget – now approved by the Board of Directors

- **NO DUES INCREASE - Monthly assessment per unit will remain \$800 (\$9600 annually)**
- Insurance budget will remain at \$200K for next year, with this year's surplus staying in the account
- Legal budget increase due to updating By-Laws and CCR's – required by Law to use legal help
- Other increases are due to contract renewal price increases (Pool Care / Chemicals, Water, Electric)
- Pool House refurbishment project on the docket for next year, investigation underway

- Annual Property Report was discussed by Michael Fox, Janna Hatch and George Bragg

- Stucco repair and painting project complete with minor touchups needed – asked owners to look over their units and report touchup needs
- Paving repair and sealing project complete – **ISSUE: Navarre Water Dept. repairs leaks in our complex and shoddily repairs the asphalt they damage in the process – Michael Fox to contact County Commissioner (Ray Eddington) to discuss our options for better asphalt repairs going forward.**
- Palm Tree trimming complete - last (5) trees were trimmed this past week
- Replaced our pool maintenance service due to issues with our prior service. **In addition, Dan Hatch now checks the chemicals every day, to comply with state and county laws for Commercial Pools, saving the Association money – thank him when you see him.**
 - **Keeping our pool chemicals in balance will keep us from experiencing Black Algae. Jason Higgs communicated that Homeport has this issue and the repairs are very costly around 50K to replace plaster, as the algae invades the pores of the surface.**
 - Also recommended to remind owners and renters to shower before entering the pool to avoid transferring this invasive species into our pool from the Sound and the Gulf

- New Business

- Pool House refurbishment / replacement was discussed. Michael Fox / George Bragg received several bids ranging from approx. 7K for a shed-like structure to \$30K for a commercial / built to code construction that would withstand a Category 3 Hurricane. Santa Rosa County does not require a Pool House, but does require all chemicals be safely stored and locked up. Much discussion ensued, including it could be more cost effective to replace all the pool equipment with

a minimal footprint (modernized) than to build a \$30K pool house. All agreed to pursue a more affordable option.

- Kevin Frary offered to inspect the existing structure and come up with plan to either rebuild it from the inside out, or demolish and start over with treated lumber, etc. **Open Item**
- Discussed the possibility of converting the pool to salt water as opposed to Chlorine. Several Pros and Cons were discussed. **This is an open item to investigate with our pool service and the state / county regulators early next year.**
- Discussed changing the By-Laws and Covenants Conditions and Restrictions for both clarification of existing rules, as well as revising current rules to comply with Florida HOA Statute 720, etc. Owners were encouraged to send a note to the management email with their thoughts on items they wish to discuss for possible changes. All changes to these documents require a 67% vote of the membership.
 - Discussion ensued involving renters having pets, as existing CCR's prohibit them. Several owners discussed that longer term renters, snow birds, etc. usually have pets. In contrast, many owners expressed their desire to keep the rule as is, due to liability concerns as well as aggressive dog issues. After much discussion, it was agreed that this item will be addressed as part of the CCR update effort. All members will have the ability to vote on this item at that time.
 - The Board also indicated one of the proposed changes would be that each owner take the responsibility of repair and maintenance of their units, with the exception of flat surfaces (roof, siding, stucco, gutters). . All members will have the ability to vote on this item at that time.
 - There will be several meetings in the coming months to discuss all the changes proposed. Some will not be optional, due to very strict changes to the Florida Statute 720, governing HOA's. Those items will be highlighted accordingly.
- **No Board of Directors election held – No new volunteers for the Ballot. Current Board members and officer positions will remain as is for 2025**
- Other topics of discussion regarding PPTOA membership
 - Janna Hatch asked if anyone in the complex is having water issues since the Valve Replacement on the island this week. Janna has issues with her kitchen faucet and washing machine. Several units indicated their toilets had dirt in the tanks.

- **Jason Higgs told the membership they should flush their tanks with fresh water by pouring a bucket of water into the tank while holding the flush valve open. This will rinse the muddy water from the tank.**
- Sprinkler Issues impacting several units – Janna Hatch to contact our sprinkler contractor to discuss moving or redirecting some of the sprinkler heads for Units 3, 7, 13, and possibly others.
- Gutter Issue identified for Unit 13. Michael Fox investigated and determined moving the down spout would solve the issue. Michael Fox will address this with the Board
- Units 7–11 electric meter boxes – In process of being replaced, parts are on back order. Jeff Versteeg suggested the new assembly be mounted on a stand-alone structure similar to the adjacent building (Units 1-6). Also suggested the assembly have a solid resin fence to protect the boxes for the future, once replaced.
 - Kevin Frary (Unit 23) built a fence around meter boxes for Units 23-28, and offered to build others for the cost of materials (once the old meters have been replaced).
- George Bragg expressed concerns regarding our ability to fund Insurance deductibles for multiple buildings should we have a major storm. Discussed the possibility of funding reserves more fully to be prepared. Also discussed the need for an updated appraisal on our buildings for insurance purposes. More discussion between the Board and the Insurance Agent is needed on this topic as to how we proceed.
- Discussion ensued regarding termite inspection / treatment at Paradise Point. Michael Fox explained the efforts in years past regarding annual inspections for external wood rot @ a cost of \$4400 for 4 years, with a topical spray every 5th year @\$8800 that year. We never had a Bond, whereby the Termite Company would repair anything if found, even if we had active termites. They only agreed to come back and spray if we had a swarm. In all the years we had this contract, no active termites were ever found during their annual inspections, per their reports.
 - Kevin Frary shared his experience at his Ranch that echoed our arrangement. Shirley Irwin also stated that even if a company says they will repair damage after treatment, they will deny responsibility to repair if they find no active termites.
 - Multiple owners have elected to have their units treated with underground and attic treatments, which were never provided by our former termite inspection company. The HOA sent an email on July 28, 2024 with contact information for Massey Services, Tara Sears, 256-698-8791, should owners want to pursue underground and attic termite treatment for their units at their own expense.
- Question was raised regarding damage to party walls, and whether there was anything in the HOA documents that can enforce cooperation with neighboring units. **NOTE: Article VI, Sections 2-6 of**

the CCR's explicitly covers rules regarding party walls with regard to responsibility for rebuilding, sharing of the repair and maintenance, weatherproofing, and arbitration for disputes. Article VI does not include HOA intervention options.

- Jason Higgs and George Bragg also discussed the issues in the 2005 buildings (Units 1-6 and 29-34) regarding venting issues on the roof / dog houses that cause mold and condensation issues on the third floor especially during the hotter months. It appears to be a builder issue, as those units appear to lack the necessary ventilation to prevent this from happening. George Bragg indicated he has had this issue since he bought the Unit. George and Jason have agreed to investigate possible solutions and will communicate their findings to those affected owners. It was reiterated that the HOA is not responsible for repairing builder issues.
 - Janna Hatch also communicated there are similar issues regarding the dryer vents in building with Units 23-28 that are not vented properly. Several owners in that building have already re-worked the dog houses to fix the issue. There is an effort underway to explore whether other units built before 2005 also have this issue.
- Meeting was adjourned at 12:08 PM

Open Items:

- 1 – Navarre Water Dept. Paving – Michael Fox to contact County Commissioner to discuss our rights regarding the workmanship of their efforts to repair our asphalt after leak repairs
- 2 - Pool House Project – Kevin Frary to investigate and provide options, whether to re-build existing or demolish and start over. Also offered to help with the re-build effort. Several owners also offered to help once a decision is made as well.
- 3 – Gutter Issue – Unit 13 – Michael Fox to pursue solution with the Board
- 4 – Sprinkler Issues – Janna Hatch will work with sprinkler contractor
- 5 – Changes to By-Laws and Covenants Conditions and Restrictions – HOA Board to work with a legal professional to update the documents per FL Statutes and 21st century standards.
 - Meeting s will be scheduled with membership to preview and comment
- 6 – Possible Pool conversion to Salt – Michael Fox to discuss with our current pool contractor to get more information. Cost Benefit will be a huge factor in the decision