

Parasol West Homeowner's Association Inc.
Minutes of December 23, 2020 Board Meeting

The meeting was called to order at 5:02, board members present were Andy Hall, Peter Clarke, Ted Combes, Mark Miller and Chris Carbone. A quorum was established.

Peter told everyone that nothing has changed with the financials. He reminded everyone that dues are due no later than January 31, 2021. Invoices for 2021 dues will be sent out by Key Concepts.

There was further discussion in review about the methodology of paying the needed assessment for the dock replacement prior to a vote. Andy asked each board member for their final comments prior to calling for the vote.

Peter talked to the point that there are a few owners like him that have paid into the dock fund for many years. His feeling, even though the dock fund had been completely funded by 10 lot owners that no credit should be given and be divided by 52 lot owners.

Ted talked about the bylaws and covenants, he says the dock is a common area and all 52 owners should pay equal amounts of the assessment.

Chris talked about how complicated this issue could be. He said that we need to clarify the definition of the dock fund and what it is used for, he feels it is for the maintenance of the docks and those owners that have slips have been solely responsible for funding this account. Chris felt that their needed to be a more equitable solution to apply some credit to the lot owners who funded the account. Chris also stated that the dock lessors annual fees are in fact legally defined as an assessment and can therefore be expected by the slip lessors to be their periodic contribution for replacement, as it becomes necessary.

Mark said that this is a onetime situation, that needed to be equitable for all owners while still being an equal assessment for everyone. Mark referenced some examples based on some spreadsheets he had put together. Ted commented that he had not been given the opportunity to view the spreadsheets prior to the

meeting. Andy asked Mark to forward the spreadsheets to Ted and any other board members who requested a copy.

Andy feels that the 10 owners that have been paying into the dock fund have been essentially privately insuring this common area since 1994. His feeling was that some monetary credit should be given toward their portion of the assessment split equally 52 ways. Andy reviewed the previous solution that was a compromise in the methodology that was adopted for a vote. The 10 lessors of the legacy slips along with the 16 new phase 2 lessors will be credited for the amount that they have actually paid into the fund. As an example someone that just purchased a lot this year, that has a slip but has paid nothing to the dock fund will be assessed the full amount of the assessment. Someone that has paid into the fund for 3 years will receive \$1200. credit toward the assessment \$400. Times 3 years = \$1200. Andy was asked about insurance on the dock and responded that we do have insurance on the docks but there is a hurricane clause in the insurance, so we have no coverage.

After much discussion, there will be 26 owners that will receive some kind of credit for paying into the dock account, the other 26 owners will pay approximately \$2800. Total assessment is \$150,000 before the credit of roughly \$37,000 from the existing dock fund.

Andy had spoken with the HOA attorney and discussed it with 8 other owners to help ensure the methodology was equitably sound. It was the opinion of the HOA attorney that this solution was appropriate and more than equitable.

A vote and was taken that passed by a 3 to 2 majority, to give credit as described to those owners that have paid into the dock fund.

Next subject up for discussion is the proposed Beach Purchase. Timing could not be any worse when it comes to another assessment, Terra Firma gave us until the end of the year to put a deal together. We are way behind at this point and want to ask Greg Jones for more time to put together some proposals. Trey Belcher is a new owner and very interested in the beach purchase.

Andy turned the meeting over to Trey and Jerry to go over several options for financing the beach property across the street as well as building of a boardwalk, the cost of the land is \$250,000. Jerry put together the total cost for the project including \$112,000 for the boardwalk, the land and any other expenses, for a total of \$379,476.

Trey reached out to several lending commercial lenders, and has two banks that we can consider. Trey is using Bank Plus for his presentation, as we can get it for 3.75% .

We have come up with 2 options for the owners. Option 1 is to pay \$6500 for a one time payment. Option 2 is to pay \$1600. Per year for 5 years. This will fund the land purchase as well as the boardwalk.

There was a lot of “what if” conversation but in the end the board decided that it is time to take the information to all of the owners.

Next step is to set up a town hall, with the owners, get a ballot to all owners.

Invitations will be sent out owners with dates and times of the first townhall for the beach purchase.

Assessment for the dock will be due in February.

Hold off on Phase 3 of the docks for now, start conversations in townhall.

Andy will get with the attorney to discuss setting up proxies.

Meeting adjourned at 7:16