

Parasol Board of Directors Meeting.
MINUTES, 3/18/17

The Board met at 9:00 AM at the Key Concepts office.

The following Directors were present:

Greg Carleton, Bob Thomas, Bob Massey, Jim Ginter & Joe Mirabile

The following Directors were absent:

Tim Walden & Mike Mouron

Also in attendance were: Charles Vick, Max Felton & Cherie Dean

The president called the meeting to order, asked for a review of the 1/21/17 minutes, which were approved, and turned the floor over to Bob Massey, financial chairperson, to review the financial statements. A question arose over the excess, on average, of monthly revenues over expenses and the amount by which this would increment reserves annually. An initial guess was \$25,000 annually. Another question regarding the status of last year's assessment uncovered that there was still an individual owing partial payment. Questions regarding repair costs were addressed and answered to the board's satisfaction. Bob has completed the task of simplifying the statements and further directed Key Concepts to include actual versus budgeted information in future reports. The board requested that repetitive services be on contract and asked for a closer look at landscape expenditures. Discussion occurred regarding the possibility of employing the services of a landscape architect to redesign the streetscape on JBR. A request was made by the board to amend the 2017 budget, developed by the former board, to reflect the increase in management cost. Other discussion occurred regarding various expense categories and confirmed was a greater than \$1200 telephone expense reduction from earlier action.

Greg Carleton, facilities chairperson, reported on his investigation of various maintenance and capital projects. Research on the JBR fence replacement was discussed and Greg presented a myriad of salient facts regarding the project. Additional quotes are being solicited for consideration along with enhancement to the pilasters supporting the fencing. Information regarding the internal roadway and concrete swale serving as the drain for the subdivision was discussed. Greg reported on the expected lives of the major common assets to assist in determining the reserve needs of the HOA. Once determined and our steady state expenses are known, the need and amount of an increase in HOA dues can be estimated.

Jim Ginter reported on the design and intended timing of the Parasol property owners' survey. He will enlist assistance in compilation of the information from the survey intended to guide the board in managing Parasol and assessing future plans.

The board approved the addition of two members, Gail Thomas and Brian Hill, to the Architectural Review Board, chaired by Charles Vick.

The next two meeting dates of the board are June 10 and July 8. The board asked for a process to be established for evaluating all future contractual relationships. Bob Massey was asked to

summarize each current contract as the initial step in the process.

The board plans to begin the staggering of terms with the board election cycle for 2018.

Jim Ginter, who was asked to research and make recommendations with regard to an issue regarding violation of the covenant restricting side yard landscape for beach front lots. An extensive discussion took place on the issue, however it should be noted the ARB and/or the board did not have the authority in the past to grant exceptions to the HOA covenants. Jim provided the following analysis:

“As I understand it, I am to prepare and the board will review a mailing to the owners prior to the annual meeting in September. This mailing will describe a vote to be taken at the meeting. This vote will be on a proposed change to the Parasol covenants. If the covenant change is approved, then a written vote of all owner’s present must be taken for the covenant change to be in effect. 51% of all owners must approve the change (proxies do not count for this purpose).

The motion to be put before the owners is:

‘A question has been raised in one situation as it relates to the view of the Gulf being obstructed by the landscaping of others. The landscaping in question was approved by the PARB and installed in accordance with the approved plans, but the question still exists. As a means to minimize such conflicts in the future, the Board is recommending the Homeowners adopt a Resolution (covenant change) that states any landscaping that has been installed for two (2) years or more without a complaint having been formally registered is deemed in compliance with the Covenants of Parasol Place’.

The implications of this covenant change are as stated. Any landscaping at least two years old is grandfathered. Any new or replacement planting must meet the existing covenant requirements. Any owner whose view is obstructed by grandfathered landscaping will not have a right to insist on its removal.

The alternative to the covenant change is enforcement of the current covenants. As the board understands it, relevant sections of the covenants are:

Article VI, Section 3, Paragraph d.3

‘As to all Gulf-front lots, the side yards and rear yards shall be left in their natural state, and shall not be landscaped except with native vegetation or foliage.’

Article VII, Section 3 (last sentence)

‘Further, no owner shall construct or erect any structure or landscaping which would unreasonably interfere with the water view of such other lots.’

It is the board’s understanding that several of the Gulf front lots currently are in violation of these covenant sections, even though plantings may have been approved by the board or its

committees. Under the current practice, violating plantings remain in place until a complaint is registered by a lot owner whose view is obstructed. In the case of a complaint, the board has no option but to ask that the offending planting be removed. An alternative procedure is for the board to request that all plantings in violation be removed without complaints being registered. In either case, Gulf-front owners with plantings of any age that are in violation of the covenants are subject to a request that they may be removed, either in response to a complaint or as an action to regain compliance with the covenants.

In essence, owners will be asked to vote for one of the above scenarios. There could, of course, be other covenant change motions from the floor at the annual meeting.

Note that one operational issue under either scenario to be selected by the owners remains to be addressed. That is the process and timing for the board's requesting that plantings in violation of the covenants be removed. One possibility is to request such action for all Gulf-front lots shortly after the annual meeting, this fall. The other possibility is for the board to make such a request only upon receiving a complaint from another owner about obstructing plantings. The board should discuss this issue at our next board meeting if we are to be able to present clear alternative action plans to the owners at the annual meeting.

As another issue, if a covenant change is approved, Alan Manning suggests that we also propose that for future covenant changes, the vote (at least 51%) must be certified by the board officers but that the change can then be signed (and registered with the court) by the board officers. This would eliminate having to get notarized signatures from at least 51% of the owners for a covenant change. Alan says that for the change, this took over a year to get the signatures."

It was decided to paint the sidewalks due to their deteriorated condition.

The meeting adjourned at 11:06 AM.