



**Grand Panama Beach Resort Owners Association, Inc.
11800 Front Beach Road, Panama City Beach, FL 32407**

Notice of: Board of Directors Meeting

Date: Friday, October 18, 2024
Time: 03:00 PM CST
Location: Grand Panama Tower 2 Board Room & Zoom Teleconference
11800 Front Beach Road
Panama City Beach, FL 32407

Join Zoom Meeting

<https://us06web.zoom.us/j/83679685229?pwd=lhvflh4aqifPaYQ75rvP9MI4dwcLT1.1>

Meeting ID: 836 7968 5229
Passcode: 550369

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Agenda

1. Call to Order and Determine Quorum
2. Proof of Notice
3. Approval of Meeting Agenda
4. Approval of the September 19, 2024 BOD Meeting Minutes
5. Approval of the October 4, 2024 BOD Meeting Minutes
6. Management Report
7. Old Business
 - A. Booting Proposal
8. New Business
 - A. Payment to Loan from Special Assessment
 - B. Selection of Management Company
9. Adjournment

Posted: October 16, 2024

By: Derek Gilbert – Association Manager

GRAND PANAMA BEACH RESORT OWNERS ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING
September 19, 2024, 03:00 PM CT
Zoom Teleconference & GP Tower 2 Board Room, 11800 Front Beach Road
DRAFT MINUTES

- A. **CALL TO ORDER:** The meeting was called to order at 03:01 PM CT by Board President Glenn Holliday.
- B. **ESTABLISH QUORUM:** Quorum was established with Glenn Holliday, Nancy Stovall, Charles "Chuck" Knoll, JPorter Share and William "Ron" Kibble participating either in person or via Zoom teleconference. James Eagleson joined the meeting at 03:11 PM CT. Jarod Triplett was not present. Derek Gilbert (CAM) was present in person on behalf of RCAM Florida Association Management and Stephen Kilcummings, RCAM Florida, as the Building Maintenance Supervisor. Derek Gilbert recorded the minutes.
- ALSO IN ATTENDANCE:** Unit Owners in person (9) Nine. On Zoom: Unknown number of Unit Owners present via Zoom teleconference.
- C. **PROOF OF NOTICE:** Derek Gilbert (CAM) verified Proof of Notice was posted according to Florida Statutes and Association Documents.
- D. **APPROVAL OF MEETING AGENDA:** On a **motion** by Nancy Stovall and a second by JPorter Share to **approve** the meeting agenda, the motion carried unanimously.
- E. **APPROVAL OF THE JULY 26, 2024 BOD MEETING MINUTES:** On a **motion** by Ron Kibble and a second by Chuck Knoll, the meeting minutes were **approved**. Motion carried unanimously.
- F. **MANAGEMENT REPORT:** Derek provided a list of ongoing property updates dating back to July that he advised would also be emailed to Owners at the earliest opportunity and placed on the Owner website.
- G. **TREASURER'S FINANCIAL REPORT:** Chuck noted Total Cash from the end of August 2024 balance sheet to be \$2,926,050.86, Owner Balances to be \$10,684.20 and Loan Balance to be \$2,002,011.72. He added that revenue was down \$17,132.84 for the year with that mainly due to security reimbursement, or parking passes revenue. Also included to note was that Total Operating Income was down \$16,406.95, however, due to one payment having not been received by beach services by the end of August. He added that the payment was made in early September and will be reflected on that month's financials. Chuck noted that security was up around \$4,900 but due to 5 payments having been made in August. Lastly, he added that R&M fire sprinkler and backflow and elevators were high amounts over and would be looked into.
- H. **OLD BUSINESS:** None
- I. **NEW BUSINESS:**
- A. Ratification of Cavinder 5-year Load Test Proposal:** On a **motion** by Nancy Stovall and a second by Chuck Knoll to ratify the 5-year full load testing for each elevator by Cavinder for \$18,650.00 to be funded out of operating expenses, the motion passed unanimously and carried.
- B. Ratification of Cavinder Tower 1 #2 Elevator Belts Replacement Proposal:** Derek noted that upon the 5-year full load test that the Tower 1 #2 elevator belts snapped which resulted in a failed inspection and shut down of the elevator. He added that the proposal cost of \$46,675.00 with Cavinder was the same cost for the other elevator belts on Tower 2 #2 that failed on an inspection earlier this year. On a **motion** by

JPorter Share and a second by Nancy Stovall to ratify the Cavinder proposal for \$46,675.00 for belt installation, monitor, state inspection with testing and delivery of the belts to be funded through Reserves, the motion passed unanimously and carried.

- C. BE-CI Crossover Bridge Survey Discussion:** The Board of Directors and management discussed the recent findings from the survey report and recommended repairs. The Board concluded that contractors need to be located to provide proposals for BE-CI's noted recommended repairs.
- D. Booting Proposal:** On a motion by Nancy Stovall and a second by JPorter Share to table the Booting Proposal until a future meeting, the motion passed unanimously and carried.
- E. President Comments:** Glenn noted that some modifications would be needed to the ground rules related to the law changes for owner questions on the minimum 4 board meetings a year. He added that with the several contracts the Association has coming up for some of the lease spaces that while the lessee has the 1st right of refusal that the Association would still attempt to acquire bids from other for price matching. He also wanted to point out the upcoming contracts for the management company and a future meeting for First Service, Maxet and RCAM Florida to present offerings with an opportunity for questions from the Board and owners for each company following the presentations. Pertaining to the reserve study, Glenn noted the reserve budget would allow \$233,750 for the surface coating to the garage floors P2 and P5 completed in Tower 2 and the actual money spent was \$334,581.25 for a difference of \$100,831.25. He added that it is normal for a reserve study to be overfunded on some items and underfunded on others and the Board of Directors is allowed to adjust these reserve items as needed. He stated a reserve adjustment study for \$3,500.00 would be performed by Reserve Advisors who provided the structural integrity reserve study in August of 2023 with hopeful completion before January 1, 2025. Separately, Glenn noted that some owners have been contacting the Association attorney, Tim Sloan, via email or certified mailings. These require the attorney's response or for him to ask what the Board of Directors wants to do with the information and additional costs to the Association. He advised the Board is directing the attorney to disregard future communication from these avenues and this future communication to be directed only to the Board or association manager, with the Board to take this information back to the attorney when applicable. Nancy added that a checklist was created with the notation of what is an official record based on Florida Statutes and where these items can be located whether it be on the owner website, paper files or other area. She noted the Association would respond to the owner with a date of availability to access the official records within 10 working days of receipt of the official records request.

F. Owner Questions & Comments:

Payment of the Special Assessment out of the Operating Account

The special assessment was to satisfy the balloon payment which is due on December 28, 2025 and instead of coming up with the total amount in December 2025, it was decided to collect the amount in 2024 and 2025. Although there is a given amount to be collected in October of each of these years and it will be paid when collected, any amount not collected will not be made up from the operating account to get to the full assessment amount.

All assessments paid by owners are received in the operating account of the Association. Once received, the appropriate amounts are transferred to the appropriate account. For example, the monthly amount due to Reserve goes to the Reserve

account and the special assessment amount due to the special assessment designated account.

Only the amount collected from the special assessment will be applied directly to the commercial loan, thus reducing the balloon payment required in December 2025.

As with all assessments, if an owner fails to pay the assessment, the amount is recorded in the account receivable account. Failure to pay any assessment will result in a formal demand for payment and then if the payment is not received the process for a lien on the property would be started. Any late assessments are charged 1.5% per month on the delinquent account

How are the Non-Residential board members for the upcoming election going to be handled?

Until the bylaws and articles of incorporation are changed, it will be the same process as used last year. Notification for any openings for Residential and Non-Residential will be mailed out on day 60 before the annual meeting and election.

Pet Policy Enforcement

A committee will be formed to review the enforcement policy.

Security

Discussion included questions of security not walking the property, security not answering their phone and not being able to get pictures on their phone, all of which would be investigated further. It was also noted that 3-4 bids for security will be presented for review at the future budget workshop board meeting.

Cart Check Out

This was compared to Majestic property where they have to provide a driver's license to get a cart. Discussion points were who would check them in and where would the carts be stored.

Replacement of Chairs in the Tower 2 Lobby

The Board of Directors agreed this would be a good idea to move forward on.

The Transfer of the \$600,000 from Insurance Proceeds to Reserve

The Board of Directors clarified that \$600,000 in total would be transferred to Reserve with the amount from the Insurance Proceeds account and then the balance from Operating as the Insurance Premium Loan is paid back.

Going Cashless on Property

With the online system set up on the owner website, cards can now be accepted (except AMEX) for any purchases and cash will continue to be accepted.

Policy on what the President, Officers, Employees are authorized to spend

The Board of Directors advised this would be discussed further.

Monthly Cash Flow Statements

Cash flow statements are provided at year end as part of the Association's annual accounting audit, completed in the early months of the following year.

Propping the Door Open, Specifically Tower 1

Any doors should not be propped open and if a door is seen to be open, anyone can assist by closing it.

Monitoring the People Coming on to Our Property
Additional security personnel would be required to monitor.

Electronic Voting – elections and proxies

The Association has been utilizing Simply Voting for the past year for electronic voting for those owners who have completed and submitted an electronic voting opt-in form to the Association. Management advised a reminder email would be sent to all owners as the election time nears.

- J. **ADJOURNMENT:** Chuck Knoll **motioned** and a second by Nancy Stovall to adjourn at approximately 05:01 PM CT. The motion was **approved** and carried unanimously.

Respectfully Submitted,

Derek Gilbert, LCAM



GRAND PANAMA BEACH RESORT OWNERS ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING
October 4, 2024, 03:00 PM CT
Zoom Teleconference & GP Tower 2 Board Room, 11800 Front Beach Road
Draft MINUTES

1. **CALL TO ORDER AND DETERMINE QUORUM:** The meeting was called to order at 03:00 PM CT by Board President Glenn Holliday.

Quorum was established with Glenn Holliday, James Eagleson, JPorter Share, William "Ron" Kibble, Charles "Chuck" Knoll and Nancy Stovall participating either in person or via Zoom teleconference. Jarod Triplett was not present. Derek Gilbert (CAM), on behalf of RCAM Florida Association Management, was present in person until new business, Management Contracts, was discussed. Nancy Stovall, Board Secretary, recorded the minutes.

ALSO IN ATTENDANCE: Unit Owners in person **(6) Six**. Representatives from Association Management Companies First Service, Maxet, and RCAM Florida were present during their allocated time under new business. On Zoom: Unknown number of Unit Owners present via Zoom teleconference.

2. **PROOF OF NOTICE:** Derek Gilbert (CAM) verified Proof of Notice was posted according to Florida Statutes and Association Documents.
3. **APPROVAL OF MEETING AGENDA:** On a **motion** by Nancy Stovall and a second by Ron Kibble to approve the meeting agenda, the motion carried unanimously.
4. **OLD BUSINESS:**
 - A. **Booting Proposal:** On a **motion** by Chuck Knoll and a second by James Eagleson, the item was tabled. Motion carried unanimously.
5. **NEW BUSINESS:**
 - A. **Management Contract Presentations:** Representatives from each of the Association Management Companies; First Service, Maxet, RCAM Florida; were given time to discuss their services offered for partnering with the Board of Directors in the management of the Grand Panama Beach Resort Condominium Association, Inc.. After each presentation and after the board questions were answered, the floor was opened for owners to ask questions. RCAM Florida withdrew their bid and explained their reasons for the withdrawal.
6. **ADJOURNMENT:** Ron Kibble **motioned** and a second by Nancy Stovall to adjourn at approximately 04:50 PM CT. The motion was **approved** and carried unanimously.

Respectfully Submitted,

Nancy Stovall, Board Secretary



Management Report 10.18.24

- **Diamond Landscape Management/City of PCB water** – Tower 2 irrigation except for the pool deck is inoperable and is attributed to damaged solenoids which open the valves and faulty wiring. Proposals have been received from Diamond Landscape for boring/rewiring of the system and another option for battery powered nodes which would bypass the wiring setup. An inquiry made to the city of PCB for an irrigation request to tap into the city line and have an irrigation meter installed which would stop the current setup of water usage from the pump and intake from the retention pond adjacent to the northwest lot was received. T&D Plumbing and Royal Flush have provided proposals for this with a no-bid from Peaden as the city has advised that the Association would need to have a plumber do the install after approval from the city. The Association is waiting on the city to review the site plans and determine the cost for impact fees and approval so that all received bids/proposals can be presented to the Board of Directors. The grounds areas are being manually watered until further notice and any areas of sod that did not survive the last install are not being replaced at this time until the irrigation can be rectified.
- **Cavinder Elevator Company/Atis** – Cavinder finished installation for the new belts for Tower 1 #2 elevator on 10.16.24. The 5-year load tests have been completed on #2 and #1 elevators on Tower 1 and have passed inspection with Atis. The inspection reports will be sent to the state with the certificates to be issued in the next 2-3 weeks and then posted in the elevators. The current certificates for all the Tower 2 elevators and Tower 1 #3 elevator are now in the elevators. Tower 1 Elevator #3's fan failed and the

Association is in the process of having it replaced with Elevated Fabrication Systems.

- **Tower 1 Bollards** – Tower 1 black light bollards are still set to be sanded and painted in-house with the remaining ones left located inside the pool area. This will be completed in the off-season, most likely in October or November.
- **Hiller** – Tower 2 – Following the annual in-unit sprinkler inspections and fire alarm testing, Hiller reported that the speakers are working, however, there is a module that is tripping and not mapping in properly. They are having Ivanco and AFPS investigate and provide quotes for repairs to access programming and map devices in the EST panels for both towers and to troubleshoot the NAC panel issue in Tower 2. The strobes are currently not functioning and are set to be replaced. Tower 1 – Following the annual in-unit sprinkler inspections and fire alarm testing, the amplifier is not kicking on and speaker strobes are not functioning from Floors 7-22, which has placed the tower on fire watch until they are able to be replaced.
- **BE-CI Exterior Condition Survey for Tower 1 stacks 1 & 9 and Tower 2 stacks 7 & 8** – The inspection survey was completed on Wednesday 05.15.24 with the official report having come in on 6.13.24. The Association has been in communication with Structural Restoration & Coatings, Valcourt, Seashore Construction and C/Sharpe, has completed site visits and has requested for bids for permanent repairs. The Association is still waiting on bids with Structural Restoration & Coatings and Valcourt. C/Sharpe has responded with a no-bid. Seashore Construction has stopped responding and can be considered a no-bid.

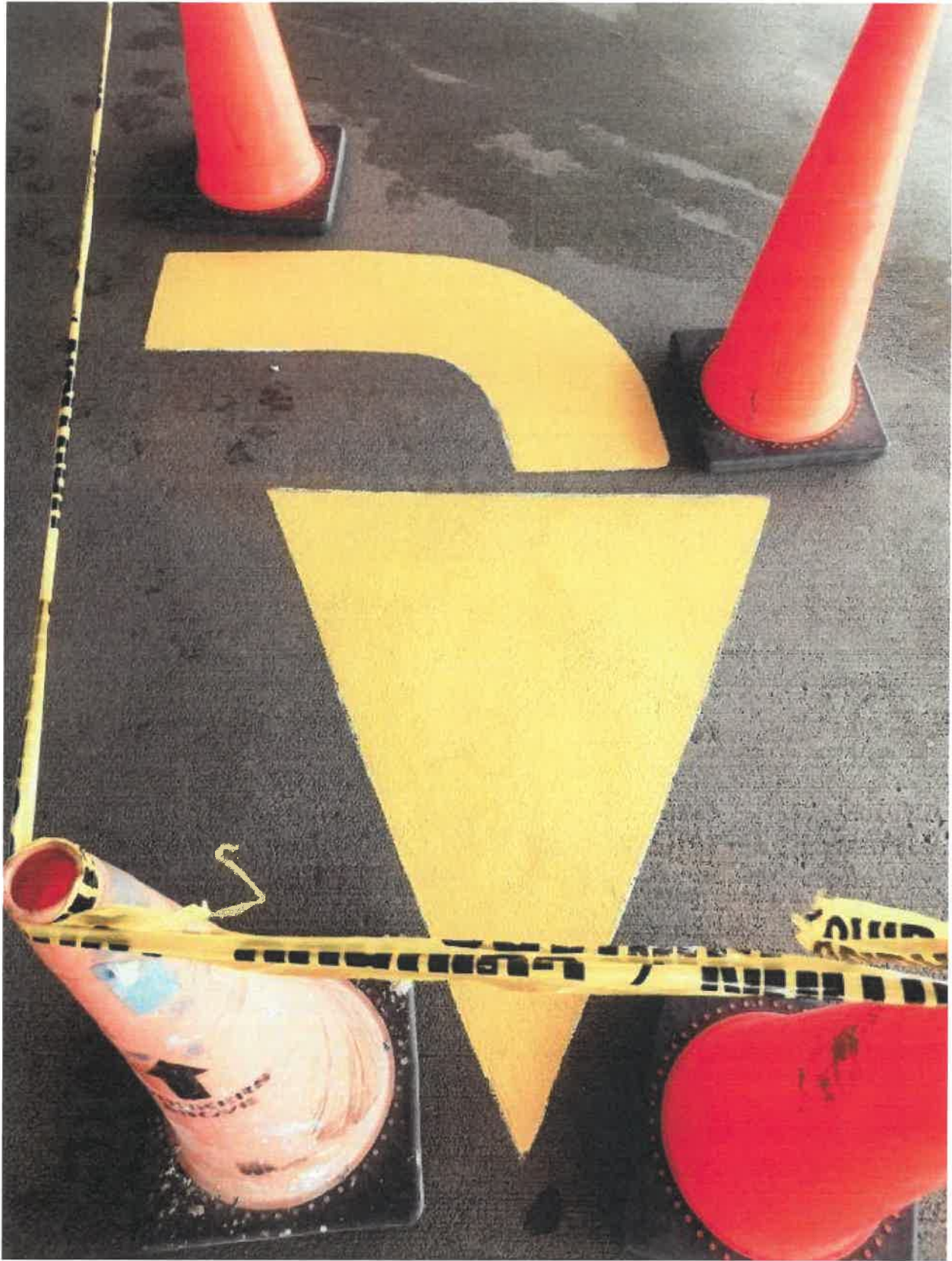
- **Tower 2 stairwell repair** – Valcourt has injected the joint with a urethane gel. An examination on whether the repair worked will be determined upon the next hard rain.
- **Striping** – As parking spaces become open and available, the maintenance team has started striping the spaces and repainting other markers on property. Striping has been completed except for the areas in front of Tower 1.











- **October/November projects** – Tower 1 pressure washing of the pool deck and coping painting by maintenance. This date is to be determined and will require closure of the pool area for 1 week. Weather permitting, the maintenance team will be painting all exterior unit doors and commercial doors. This date is also to be determined.

Grand Panama

Parking enforcement policy with the use of a parking (boot) immobilizer.

Signage

The property will be marked with signage upon entry at Tower 1 entrance, tower 1 basement parking, tower 2 entry, the entrance of the parking garage (tower 2, level 1), the entrance of the stand-alone parking garage, and the back parking lot.

Sticker

The sticker will be bright orange and 8 ½ by 11. The sticker should state: WARNING any attempt to move the vehicle may result in damage to the vehicle. Then, provide specific contact information for Grand Panama Security (with phone number) who is the party that applied the Boot.

Applying the Boot to the vehicle

When a vehicle is found to violate parking policy, security or trained staff members will apply an immobilizer to the left front (driver side) front tire. The driver-side window will also have a sticker applied to the driver's side glass window (8 ½ by 11 sticker placed on the rearmost portion of the window adjacent to the driver's seat of the vehicle). An orange cone will also be placed behind the vehicle. After all items have been placed on the vehicle, security should take a picture of the vehicle in violation. Pictures should be sent to the Condo association manager and members of the board.

Fines and payment

Owners will receive a written notice to clear the violation within 14 days. A second offense will be sent to the fine committee.

Guest and non-resident violators will be fined \$250.00 for the first time or towed off the property at their expense. Guest should display their parking pass clearly in the vehicle center mirror or dash of the vehicle. Guest should see security for a parking pass when visiting owners and will be given out at no charge for 24 hours (owner's name and contact number should be linked to the pass).

Towing

After forty-eight hours, if the vehicle's owner hasn't contacted Grand Panama Security and paid the fine then Security will revert to the towing policy already in place.

Vendors

RhinoBoot Wheel Boot and Tire Lock \$693.75

Extra Large MIHRV14 For the largest of vehicles!

14-inch MIH14 Best choice for most vehicles!

12-inch MIH12 Perfect for smaller vehicles!

14208 N.W. 3rd Court, STE 200 Vancouver, WA 98685 1-800-292-7275

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**TURNART Wheel Lock Clamp Upgraded Dual Lock Adjustable Anti-Theft Lock Reinforced
Tire Lock Clamp Boot Tire Claw Parking Boot for Cars, Trucks, SUVs, Campers**

\$89.98

Amazon.com

**2 Pack Trailer Wheel Lock Clamp Boot Tire Claw Adjustable for RV Boat Trailer Truck Auto
Car Heavy Duty Steel Anti-Theft Tire Lock Trailer Boot Towing Security Device**

\$92.59

Other areas of Florida that have policies for Boots

Florida counties with ordinances for boots

In Miami-Dade County, Section 30-479 of the Miami-Dade Code of Ordinances sets forth specific requirements for immobilization or booting of vehicles. Generally speaking, Associations in Miami-Dade County wishing to boot vehicles must post prominently notice that vehicles are subject to immobilization. The mechanism for booting the vehicle must be installed on the front wheel of the driver's side of the vehicle (if feasible), and an 8 ½ by 11-inch sticker must be placed on the rearmost portion of the window adjacent to the drivers' seat of the vehicle, warning that any attempt to move the vehicle may result in damage to the vehicle, and providing specific contact information for the company that booted the vehicle. An association that improperly causes a vehicle to be immobilized may be liable to the vehicle owner for the cost of the services provided, any damages that results from the immobilization, the immobilization and attorney fees. Moreover, an Association cannot, by release or waiver limit or avoid liability for damages to a vehicle that has been improperly booted.

In Broward County, Section 20-176.19 of the Broward County Code of Ordinances also requires compliance with specific posted notice requirements, which must be prominently placed at specific locations throughout the property, specifically indicating, among other pertinent information, that a vehicle is "subject to immobilization". The Broward ordinance, has several exceptions and/or alternate notice requirements, based on the size/type of property. Notably, when ordering immobilization of vehicles in Broward County, the Association is required to provide written instruction as to each individual vehicle to be immobilized. Moreover, the Association must have a written contract with the towing/immobilization company.

Palm Beach County's ordinance (Section 19-131) on immobilization does not specifically apply to booting vehicles on private property such as that of an Association. Rather, the ordinance appears to address immobilization in the context of vehicles parked in spaces in all county-owned or -operated property designed as "RESERVED," "HANDICAP," in a traffic or fire lane, in an area designated as a "NO-PARKING ZONE," or beyond the time limitations in a temporary parking space. If an Association wants to boot/immobilize a vehicle in Palm Beach County, it should engage with an experienced vendor and ensure that at a minimum, all towing ordinances are followed. However, it's important to note that there is no specific regulation that addresses private property booting/immobilization in Palm Beach County.

In general, it is important to keep in mind that a vehicle may only be towed or booted from the property if the vehicle is parked on the property without the proper permission of the Association. Many community associations try to utilize towing or booting as an enforcement mechanism for unlawfully parked vehicles. However, this is not appropriate. Towing and/or booting should not to be used for unlawful vehicles themselves such as, for example, a commercial vehicle which is prohibited because the Association's documents do not allow same. Its also important to note that an association may not accept money or other valuable

consideration from any towing company or other person for the privilege of towing or removing vehicles from the Association's property.

Lastly, before implementing any towing and/or booting policy, an association should work closely with its legal counsel to ensure that said policies do not run afoul of applicable law.

Life, simplified.SM



Our Mission

**Deliver exceptional
service and solutions
that enhance the
value of every
property and the life
of every resident.**

A vision for a
partnership between
FirstService Residential and
Grand Panama Beach Resort
Condominium Association,
Inc.

September 20, 2024

Dear Board of Directors,

Thank you for all the time you devote as a board member. You play a vital role in the success of your association. The association's success can depend on the alignment of the board of directors and management company. We are grateful that you have chosen to include FirstService Residential in this process, and we are committed to doing everything we can to support your community and achieve your objectives.

Ensuring you have all the necessary elements for your community to thrive can be overwhelming. However, when you team up with a proactive management company that offers unique solutions, you can devote your attention to making strategic decisions that benefit the community.

You have a few immediate objectives for Grand Panama Beach Resort Condominium Association. We understand that you need:

- Continuity and engaged management
- Financial visibility, transparency, and reporting
- Cost containment
- An evaluation of existing staff
- A robust preventive maintenance program

Our recommendation includes information to help you with your decision-making and a plan for a seamless management transition. We invite you to use us as a benchmark throughout your evaluation process.

Thank you for considering us in your selection process. I will follow up with you to further discuss how we can best serve your community.

We look forward to partnering with the board and welcoming Grand Panama Beach Resort to life, simplified.

Sincerely,

A handwritten signature in black ink, appearing to read "Clinton Salveson".

[Clinton Salveson](#)

Business Development Director

FirstService Residential

Direct: 850.974.4608

clinton.salveson@fsresidential.com

185 Grand Blvd.
Miramar Beach, FL, 32550

850.622.6222

LifeSimplified.com

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Your vision

Bringing your vision for Grand Panama Beach Resort to life

We are not just in the business of managing residences. We are in the business of making people feel at home.

Therefore, like you, we want to see your community thrive.

You have a vision for Grand Panama Beach Resort and play a vital role in bringing that vision to life.

Doing so as a community leader can seem overwhelming and complex, but it does not have to be.

In an aligned partnership, you will see your vision achieved consistently.





Our commitment:

Elevate resident lifestyle

Optimize the financial health
of the association

Mitigate risk to support
the community

Observations and findings for Grand Panama Beach Resort Condominium Association, Inc.

Our understanding of your needs

Our associates are dedicated to simplifying property management for board members. During our discovery session, we determined that the following issues must be addressed to protect the association's short- and long-term health.

Communication

Your current property manager's level of communication with both your board and owners is not meeting your expectations. Due to your manager rarely being accessible or seen, your owners are unable to get their requests and inquiries addressed in a timely manner. Without proper communication between your manager and the association, you risk the manager making poor decisions that are not in the best interest of your association. *You need continuity and engaged management.*

Financial reporting and transparency

Your board is aware of the role that having transparent and timely financial reports plays in the growth and success of Grand Panama Beach Resort. Having a dedicated team of financial and accounting experts who will incorporate best practices and cutting edge technology would ensure that the financial health of the association is protected and that your board receives clear reporting on a consistent basis. Without a team of professionals to document your association's current financial standing and trends, your board risks not being equipped with the data needed to make decisions for your association's future. *You need financial visibility, transparency, and reporting.*

Operating costs

Your board has emphasized reducing expenses, and it has come to your attention that the maintenance department may be allocating funds towards non-essential items. Without a clear spending strategy, the association may risk financial inefficiencies, which could ultimately impact the quality of service provided to residents. *You need cost containment.*

On-site staff

The current on-site staff is managed through a third-party vendor, which presents a challenge due to their lack of direct attachment to the property. This disconnect can result in lower levels of commitment and accountability, potentially leading to diminished performance and a lack of attention to the your board's priorities. *You need an evaluation of existing staff.*

Property image

With a new property and staff, it is clear to your board that comprehensive training is vital to the long-term success of your association. Properly equipping staff with the necessary skills and knowledge not only ensures smooth daily operations, but fosters a sense of accountability and professionalism. Without adequate training, you risk a decrease in performance, which can negatively impact service quality and ultimately harm the property's image and reputation. *You need a robust preventive maintenance program.*



Simplifying community life

What's required to solve this?

Property management is a balancing act. As a board member, you want to ensure that you receive a level of service to enhance the quality of life for your residents while reducing expenses and mitigating risks.

The definition of home has expanded to include a range of shared spaces and experiences. As a result, there is a rise in resident expectations and financial risks for communities. We believe the key to successfully managing a community such as Grand Panama Beach Resort lies in the combination of these items:

Depth of resources and expertise

It takes a diverse and knowledgeable team with expertise in areas such as legal, finance, lifestyle programming, food and beverage, and training to support your community manager and the board.

Advanced technology

A user-friendly and intelligent communication system is necessary for board members, homeowners/residents, and your community manager to stay connected and informed.

Scalability and buying power

To maintain a healthy operating budget and reserves, boards should expect a strategy designed to leverage national buying power and optimize all areas of spending.

Robust in-house human resources team

You should expect your management partner to be able to attract and hire the top professionals in the industry and empower and support those professionals with ongoing training and development.



Your needs and our solutions

The following information describes our recommendations to address your needs.





To address your need for continuity & engaged management

Grand Panama Beach Resort needs a community manager who will take the lead on implementing your community's vision, offer suggestions for areas of improvement, and ensure that proper oversight and guidance is provided for your staff. You also need the support and resources available that go beyond your property management team. This allows services and operations to continue to run effectively when expected or unexpected changes take place.



We recommend integrating our proactive management protocols

To ensure the delivery of exceptional service, we will proactively manage your community by providing the right manager to handle the day-to-day operations. With a large network of offices and staffing resources to pull from, we will ensure that you have the best manager to serve your community long into the future.

The managerial candidates we present for your evaluation will possess strong communication, customer service, and leadership skills. They will also have a deep understanding of financials, bid procurement, accounting best practices, and overall ability to communicate with the community. Once selected, your manager will be responsible for the following functions:

- Inspecting the property daily/weekly and following up consistently on work orders and violation notices
- Providing weekly/monthly manager's reports to the board
- Overseeing and providing monthly financial reports
- Paying association bills and working directly with the dedicated GL, A/R & A/P teams
- Working closely with the board to generate cost savings and revenue where possible
- Drafting an annual operating budget for the board and finance committee to review and approve
- Working with the board to implement an annual planning chart for upcoming preventive maintenance initiatives and projects
- Continuously improving the delivery of the community's lifestyle offerings through proper facilities management and coordination with the board



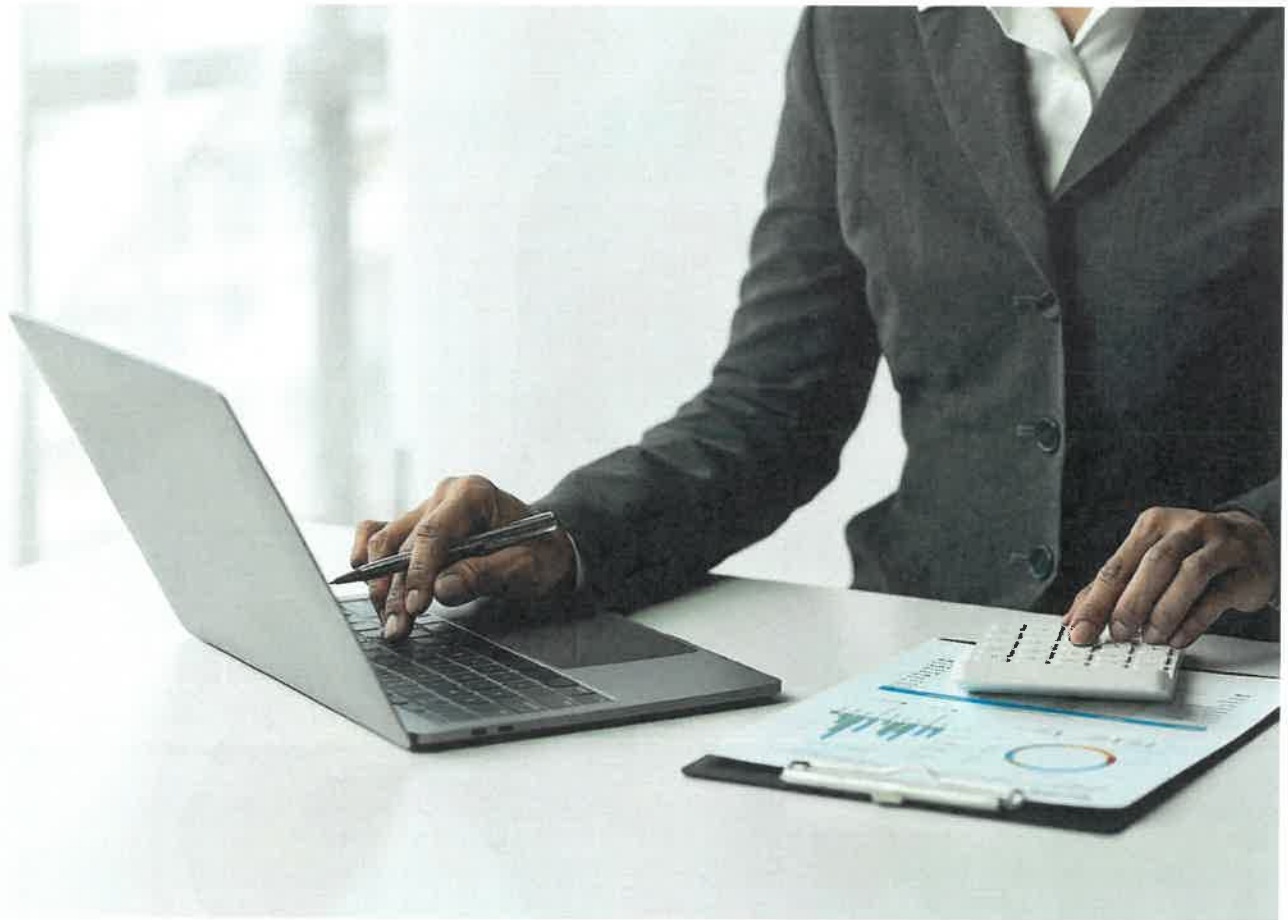
To address your need for financial visibility, transparency and reporting

You expect your management team to offer a professional accounting department with the financial awareness, systems and technology to provide timely, transparent, accurate financials. You also need a partner with national resources and programs that will protect and enhance your budget.

We recommend utilizing our financial management and reporting best practices

Timely and accurate reporting of an association's financial matters is a critical element of effective community management, including the long-term financial stability of your property. With decades of experience in managing association financial systems, we provide our clients with the confidence that their fiscal matters will always be expertly handled by our team of financial professionals.





Our accounting team will provide the following services:

- Conduct a thorough review of Grand Panama Beach Resort's financial records
- Implement our internal control procedures that provide you with maximum assurance that your financial matters are being handled with full transparency
- Offer multiple payment options to help reduce delinquencies and improve cash flow
- Provide online board approval capabilities and access for a speedy collections process
- Deliver timely financial packages prepared following Generally Accepted Accounting Principles (GAAP)
- Work in collaboration with the board and finance/budget committee (if applicable) to develop annual budget
- Introduce our client accounting team to answer questions from the board and conduct periodic financial reviews
- Provide CPA access for financial reporting as needed for audits and tax returns

As part of FirstService Corporation, a publicly-traded company (NASDAQ, TSX: FSV), FirstService Residential is held to the highest standards of transparency, security and accountability. We are subject to Sarbanes-Oxley financial control requirements for public companies.





To address your need for cost containment

Grand Panama Beach Resort needs a management partner with access to national resources and proven programs that can reduce costs, increasing property values and protect the overall bottom line for your community and your residents. The right programs and best practices will continue to yield value on an ongoing basis.

We recommend performing an operational budget analysis

It is not uncommon for FirstService Residential's services to be cost-neutral for many of the communities we manage, as a result of our cost-containment initiatives. Properties managed by FirstService Residential have saved a significant amount of money by leveraging our national buying power and vendor relationships. Our Value Engineering team will perform an operational budget analysis – a line-by-line review of your financials, vendor contracts, utilities and operations – and collaborate with subject-matter experts within the organization as well as FirstService Residential partners and affiliate companies to identify opportunities for cost efficiency for your third-party suppliers:

- Utility Analysis
- Preferred Banking Opportunities
- Insurance Review
- All Suppliers/Vendors

This unique, value-added service will allow us to provide Grand Panama Beach Resort with the best prices and resources.

With our national reach, FirstService Residential is able to offer associations access to cable, financial, and insurance experts to advise your board and provide options to maximize all areas of your budget.

We are able to leverage our many banking and financial relationships to ensure the best outcomes for our clients, resulting in potentially lower interest rate loans and a higher return on financial investments.



To address your need for an evaluation of existing staff

You need a management partner with the expertise and resources to evaluate the needs of the community along with the current staff roles, skills and compensation to ensure the delivery of exceptional service.

We recommend undergoing a staff assessment

Having a provider who has the experience and depth to assess your staff is vital to determine if your operations are efficient and all departments are working at optimal levels.

We will provide a staff assessment review of current staffing levels and organizational workflow. This includes a review of specific job roles and job descriptions, a skill set assessment and compensation benchmarking. This often results in improvements to operational efficiencies that can result in cost savings and improved service to residents.





To address your need for a robust preventive maintenance program

The board requires support around its preventive maintenance program, including ongoing staff training in all aspects of maintenance, frequent systematic inspections along with the implementation of routine and proactive maintenance.

We recommend adopting our preventive maintenance program

An in-house preventive maintenance program can have a major impact on both cost control and loss prevention for your association. It will allow you to identify and anticipate repairs and/or replacement costs throughout the year. It will also forecast when major costs need to be included in your yearly budget so that your community runs smoothly without any inconvenient surprises that disrupt the living experience of your residents.



Our preventive maintenance program begins with a Quality Assurance Inspection conducted by our Quality Assurance Manager, who will evaluate maintenance procedures and the status of association equipment to find out what is working well and where we can make improvements. The FirstService Residential Quality Assurance program performs a 200+ point inspection in which each point is scored on a “good, fair, or poor” basis. In addition to the score, notes, and recommendations; pictures are provided to substantiate the score, identify areas of need, and highlight areas in pristine condition.

We will also provide Grand Panama Beach Resort with a tailored Preventive Maintenance Binder that outlines standard SOPs, emergency procedures, maintenance checklists, schedules, and more to continue to provide stability and longevity to the association’s valuable assets. Additionally, your maintenance personnel will be responsible for numerous day-to-day tasks, such as:

- Regular site inspections of HVAC units, pools, pool equipment, furniture, fountains, pumps, motors, pavement reseal and striping, deck coating systems, fences, painting needs, etc.
- Maintain a list of all product warranties and contractor warranties to promote the continued life cycle of each product or installation
- Properly kept maintenance logs on the following
- Documentation of vendors that have provided services of repairs
- Dates of required maintenance to maintain warranty
- Items noted that require maintenance and setting an action item
- Follow-up to ensure the corrections or repairs are completed

Our Regional Director will walk the property with the general manager on a routine basis to ensure the value of your property is maintained and your residents are enjoying a pleasant environment.



The above investment quotation is valid for 60 days from the date of this proposal.

Your investment

Position	#	\$/ Hour	Hours/ Week	Salary	Labor Rate	Annual Total
CAM	1	\$33.65	40	\$70,000	22%	\$85,400
Maintenance Supervisor	1	\$25.00	40	\$52,000	28%	\$66,560
Maintenance	5	\$18.00	40	\$187,200	28%	\$239,616
Common Area Cleaner	5	\$17.00	40	\$176,800	28%	\$226,304
Owner Services	1	\$18.00	40	\$37,440	22%	\$45,677
Payroll administration						Included
Workers' Compensation						Included
Life Insurance						Included
HR Administration						Included
Training & Development						Included
Payroll Taxes						Included
Accounting Services						Included
Subtotal						\$663,557
Annual management fee						\$30,000
Total annual investment						\$693,557

We are recommending the above model based on our conversation and neighboring communities similar in size and scope. Of course, the salaries listed herein are estimates and the board ultimately has the final approval.

Management fee

Regional Director Support, 24/7 Call Center Access, implementation and upkeep of all FirstService Residential technological systems, Accounting Services to include Accounts Payable and Receivable Support, and access to FirstService Financial's exclusive banking and insurance resources.

Labor rate

Social security tax, federal/state unemployment tax, workers' compensation insurance, FirstService Residential's contribution to employee 401(k) benefit, criminal background checks, recruitment expense, payroll processing, and human resource administration.

Health insurance

FirstService Residential offers health benefits in accordance with the Affordable Care Act. The 2024 cost is \$726 per eligible associate per month for a shared plan. The association has the option of covering the cost of health insurance for your associates or sharing the cost with them. The association is only billed for those eligible associates who elect and take benefits based on the plan chosen by the association.

Monthly ancillary costs: Pay Per Use based on Schedule II of our contract



Your investment

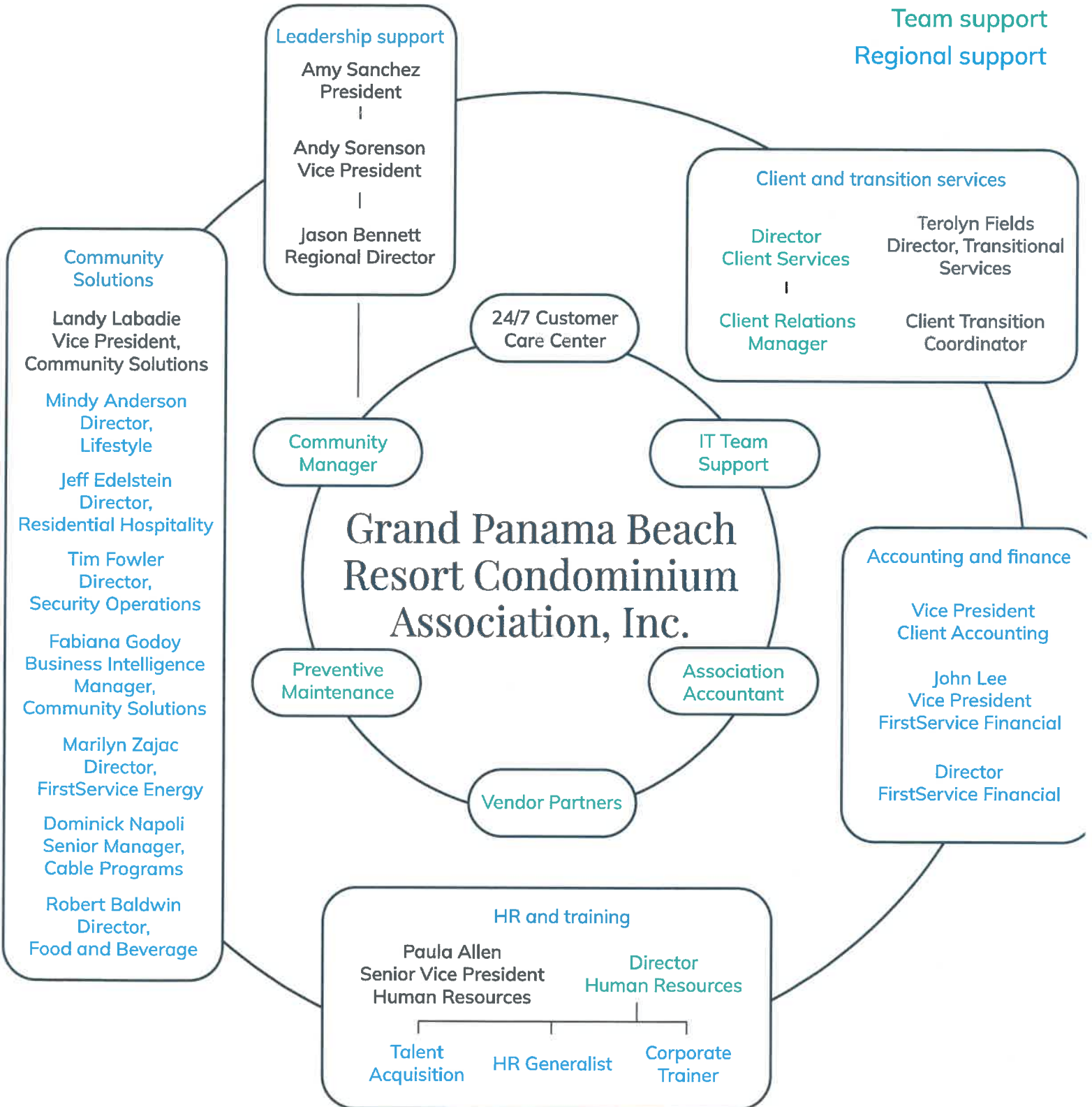
Schedule II of our contract includes the following:

- **Payment processing:** Maintenance fee payment handling, regardless of payment frequency or method of payment (includes coupons, statements/direct debit letter, or other form of non-delinquent assessment communication).
- **Inspection records:** Administrative fees for production and inspection records.
- **Community technology:** including MS office staff licensing, Connect™, and the website in compliance with state statute.
- **Annual fee:** General office expenses (storage/retrieval, customized association laser checks, 1099 forms and preparation).
- **ADP system charge:** Payroll technology cost.
- **Copies & courier:** Copies, courier services, certified mail handling, and meeting minute preparation.



FirstService Residential's
360° of Support

Leadership
 Team support
 Regional support



Local leadership



Amy Sanchez
President, Central Florida

Amy Sanchez serves as President of Central Florida bringing over 15 years of experience managing residential communities to FirstService Residential. She ensures smooth operations, exceptional customer service and overall growth in the Jacksonville, Orlando, Tampa/St. Petersburg area. Amy joined FirstService Residential in 2019 as Vice President of the company's South Florida Condo-HOA Division. Elevating the levels of success and customer experience in her markets, she contributes to many initiatives across FirstService Residential. Amy is a member of our People Council and a founding member of her division's Safety Committee.



Andy Sorenson
Vice President

Andy Sorenson serves as Vice President in the South Region of FirstService Residential overseeing the Florida Panhandle. In his role, Andy is responsible for driving growth, client retention, and strategic direction to ensure the delivery of service excellence, and to execute the vision the Boards of Directors have defined for their communities. Andy joined FirstService Residential in 2023, bringing over 25 years of hospitality experience. Prior to joining FirstService Residential, he held multiple leadership positions in hotel operations and property management, serving as General Manager for several high-rise and lifestyle associations.



Jason Bennett
Regional Director

Jason Bennett serves as Regional Director in Panama City Beach. In his role, Jason is responsible for overseeing and creating an environment of ownership and accountability for a team of community managers who are responsible for delivering property management services to FirstService Residential clients with a focus on exceptional customer service while being seen as the Board's trusted advisor. Jason joined FirstService Residential in 2019 as a Community Association Manager and strives towards delivering exceptional service in the communities under his care.



About us

What sets us apart?

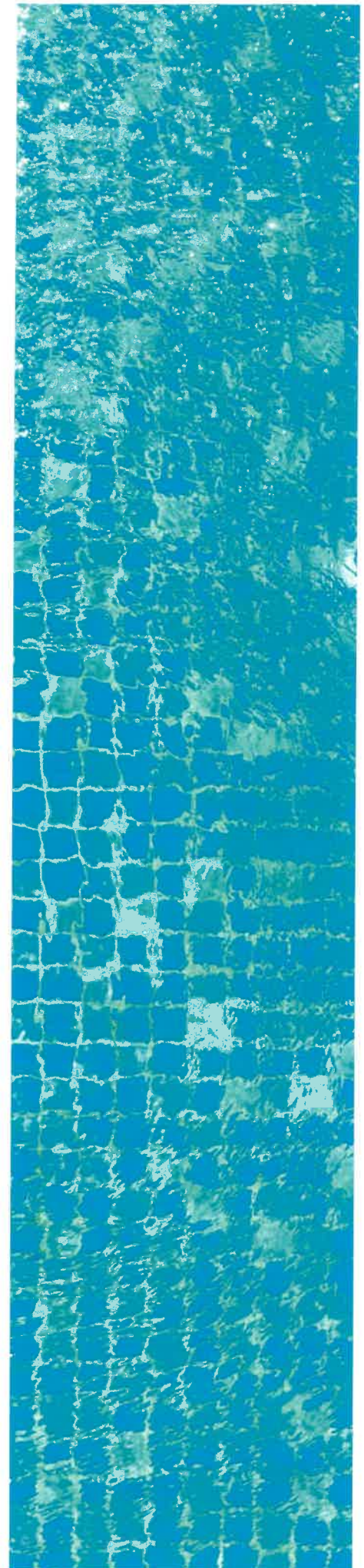
FirstService Residential is simplifying property management. We partner with association leaders, boards of directors, owners and developers to enhance the value of every property and the life of every resident. Our local experts have the expertise to anticipate needs and respond with our unique solutions. We work with many property types including:

- Low-, mid- and high-rise condominiums and cooperatives
- Single-family and townhomes
- Highly-amenitized large-scale master-planned communities
- Lifestyle and active adult communities
- Developer-controlled communities
- Multi-family, investor-owned rental, and REO properties

We believe property management goes beyond properties. It is about peace of mind. Our proactive approach, responsiveness, and dedication to simplifying life as a community leader are why thousands of communities across the US and Canada choose FirstService Residential to manage their properties. Our scale enables us to provide unique resources and solutions for challenges of any size or level of complexity.

Diversity and inclusion are at the core of who we are. Our commitment to these values is unwavering across the communities we manage and within our organization. Our associates form the heart of FirstService Residential. We owe our success to these talented property management professionals who share their diverse knowledge and experience daily with our communities. We value their commitment to the board members, homeowners, and residents.

Together we make life, simplified.



About us

Licenses and accreditations

Many of our management practices and talented leaders are recognized and awarded for excellence. The Florida Communities of Excellence Awards were the first and only comprehensive, independent recognition program for the tens of thousands of community associations throughout Florida. The program enabled the top communities in the State to promote their accomplishments and raise their profiles while documenting their success and enabling others to learn from their examples. FirstService Residential is proud to have a number of communities honored in varying categories including the Excellence Award for Disaster Preparedness Initiatives, Excellence Award for Civic Volunteerism & Advocacy and Manager of Excellence Award, to name a few.

FirstService Residential is recognized by the following professional organizations:

- Licensed Florida Community Association Management Firm
- Great Place to Work® Certification
- Better Business Bureau – A+ Rating
- National Board of Certification for Community Association Managers (CMCA)
- Institute of Real Estate Management (IREM) recognized Accredited Management Organization (AMO)
- CAI National Partner
- Elite Sponsors of the Community Advocacy Network of Florida (CAN)
- Community Association Leadership Lobby (CALL)
- Property Management Association (PMA)
- EnergyStar™ Partner
- US Green Building Council Member
- Chief Executive Officers of Management Companies Member (CEOMC)

Our teams also play an active role in over three dozen professional, civic and cultural organizations and chambers of commerce.

FirstService Residential is Association Management Company AAMC accredited, and we hold a number of additional professional designations. In fact, FirstService Residential is part of a select group of full-service management companies recognized an Accredited Management Organization (AMO) by the Institute of Real Estate Management.



About us

Core values



Improve it

We are open-minded, collaborative, and relentless in our efforts to enhance and simplify life for our associates and customers.



Own it

Each of us is accountable. We deliver what we promise with perseverance, integrity, and open communication.



Do what's right

Our customers trust us to do what's best for their community. We are guided by our ethics and customers' interests in everything we do.



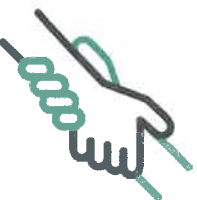
Aim high

We are passionate about being the best at what we do. By attracting and developing great people, we define service in our industry.



Build great relationships

Relationships based on respect, trust, and effective communication are the cornerstone of our success.



Be genuinely helpful

Serving is in our DNA. Whether it's opening a door with a friendly smile or tackling a problem, being genuinely helpful is what defines us.



About us

Global service standards

- We **know** our Mission, Core Values, and Global Service Standards and delight our customers by living them every day.
- We fulfill our Mission through our diverse and **empowered** associates who collaborate to proactively improve our service.
- Every **interaction** matters. We engage with friendly greetings and a sincere offer to assist. Our communications are accurate, clear, and reflect a respectful, warm, and professional tone.
- We **listen** with genuine curiosity and empathy. We seek clear understanding and ensure we have met expectations.
- We **respond** to all communication with a sense of immediacy. When a resolution cannot be provided right away, we communicate a clear set of expectations and a timeline.
- We always practice the **15-10-5 rule**. At 15 feet away make eye contact; at 10 feet smile, stand if you are able, acknowledge; at 5 feet offer a welcoming greeting.
- When providing assistance, **we show others the way** rather than pointing in a general direction.
- We maintain **awareness, attention to detail, and readiness** to effectively perform our duties.
- We show **respect and appreciation** for others and foster a constructive work environment and trustworthy **reputation** by **always** speaking positively about our residents, colleagues, and our organization.
- **Safety and security** are everyone's responsibility. We follow safety policies and procedures, and we know our individual and collective roles in emergency situations.
- Display our brand with pride. Our **personal image**, attire, and workspace reflect our brand. We want residents to recognize our company, and proudly and consistently exhibit our brand.
- We seek, embrace, and provide honest and timely **feedback** to improve our service and ourselves.
- We **protect** the privacy of our clients, residents, and associates, as well as our company's assets and confidential information.
- We are always fiscally **responsible** and bring value to our communities and to our business.



Community management transitions with FirstService Residential

Upon receipt of confirmation that Grand Panama Beach Resort has chosen to engage FirstService Residential as its property management services provider, we will validate the association's insurance coverage (prior to a signed contract) and our designated start-up team will begin the transition process.

Our years of experience transitioning communities to our services ensures little to no inconvenience to your residents and associates as well as a seamless continuation of services:

Service begins (Contract signed)

1. Client Transition Team is notified of **new account and team set up meeting** is scheduled
2. Launch:
 - Create **action plan** with priorities
 - Internal company **departments readiness**
3. Internal company **systems readiness**
 - Client accounting (general ledger, accounts payable, accounts receivable)
 - Customer Care Center
 - Website
 - Resale department (Escrow processing)
4. Assure FirstService Residential **systems readiness**:
 - Gather association information and populate FirstService Residential Connect™ (internal operating system), SmartWebs, and Avid
 - Create internal department drives for association data storage
 - Prepare management tracking tool for all association activity/correspondence
5. Secure all association **legal documents and operational agreements**:
 - Member list with assessment information
 - CC&Rs, Bylaws, & Articles
 - Budgets (including maintenance fee schedule, reserve schedule and most recent financials)
 - Special assessment information (loan commitment letter, term sheets, unbilled schedule)
6. **Coordinate retrieval of all association documents**, records, and information from previous management company
7. Gather vendor/subcontractor names and contact information
8. Obtain Secretary of State form and submit with filing fee
9. Ensure appropriate **insurance coverage** is in place and current



Operational planning, records and documents

(60 Days - start date)

1. Verify existence of and/or **obtain**:

- Talent acquisition for on-site staff
- Board and committee member names and contact info
- Collection attorney and CPA contact info
- Collection policy
- All community ARCs

2. Confirm **annual election** month and immediate needs

3. Confirm **fiscal year-end** and budget needs

4. Provide **transition status reports** to the board

5. Review **maintenance contracts** and if necessary:

- Determine service delivery
- Draft specifications
- Review all bids and proposals

6. Review previous 12 months of **minutes**

7. Correspondence sent to current and active vendors notifying them of management change

8. Populate the website with association documents and records

9. Correspondence sent to current **banking institutions** notifying them of management and contract change

10. Create all working folders/filing system

11. Prepare maintenance responsibility checklist

12. Ensure **resale department** knows of all community guidelines and resident costs to facilitate completion of estoppels with prior management records to be signed by the board

13. Prepare and send **resident communication**: to be sent during transition process

14. Meet and greet to introduce **FirstService Residential management team** (if applicable, on a case-by- case basis)



Continued partnership for quality assurance

1. Ensure **collection policy** and collection attorney have been approved by the board
2. Association **utility account** turnover:
 - Obtain current gas, electricity, water, refuse and phone bills
 - Ensure change of all billing address information
3. Perform initial **property review**/walk-through
4. Prepare Board project list
5. Work with management leadership to review the following:
 - Population and operation of FirstService Residential Connect™
 - Financial preliminary statement
 - Banking analysis
 - Value added services
 - Board packet and agenda
 - Website content
6. Create Association business plan
7. Confirm all **maintenance contracts** are in place
8. Continue working with management team during the first year to ensure delivery of service expectations
9. **Client Transition Team dedicated** to assisting management team with questions and requests





For more information, please call [850.974.4608](tel:850.974.4608)
or email clinton.salveson@fsresidential.com.
You can also visit our website, LifeSimplified.com.

*The information contained in this proposal is proprietary and confidential.
Not to be duplicated or distributed.*

MANAGEMENT AGREEMENT

On this ___ day of _____ 2024, Grand Panama Beach Resort Community Association, Inc., (the “**Association**”), 11800 & 11807 Front Beach Road, Panama City Beach, FL 32407, and Maxet Management Group, LLC. (“**Agent**” or “**Maxet**”), located at 415 Richard Jackson Blvd #304, Panama City Beach, FL 32407, hereby enter into this Management Agreement (the “**Agreement**”), under which the Association hereby appoints Agent as its sole and exclusive managing agent. Agent shall perform the following services in the name of and on behalf of the Association, and the Association hereby gives Agent the authority and power required to perform these services.

1. **TERM.** This Agreement shall be effective immediately upon execution of the parties (the “**Effective Date**”) and is for a term a two (2) year (the “**Term**”). Upon expiration of the Term, this Agreement shall terminate unless agreed to otherwise in writing by the parties. Either party can elect to terminate this agreement with 90 days written notice for any reason (“no-cause”).

2. **COMPENSATION.** The compensation to which Agent shall be entitled shall consist of the following:

- (a) **Routine Services.** For Routine Services, Agent shall be compensated according to the “**Management Fee**” below, the current Management Fee being due and payable monthly in advance. Such compensation covers the overhead expenses of Agent, including salaries of Agent's employees; fees for basic services, which shall include financial management, and general administration and day-to-day physical systems management.

MANAGEMENT FEE \$ 12,485.00 per month

If any or all of the cleaning, maintenance/repair and pool personnel are to be employees of Maxet, the burden rate applied to the gross wages will be 23.7% (gross wages times 1.237). Maxet has no preference and if the staff is to be W2 employees of the Association, Maxet will arrange and administer the payroll process on behalf of the association at no additional cost beyond the monthly management fee.

Agent shall also be responsible for supervising maintenance, cleaning, pool and security personnel. Agent shall provide recommendations to the Board who will determine the general requirements of such services for Association. The Agent will create and maintain the appropriate work and time schedules for personnel.

- (b) **Periodic Routine Services.** Agent shall perform certain periodic, routine services, including but not limited to mailings, photocopying, sending of registered notices to owner members of the Association (the “**Owners**”), and other items according to the fees as agreed to by the parties.
- (c) **Non-Routine Services.** Agent shall maintain availability for services related to certain non- routine activities, which shall be performed with the prior or implied authorization of the Association's Board of Directors (the “**Board**”) and charged on an hourly basis as agreed to in advance. Non-Routine Services may include, but are not limited to, the following: research, court appearances, depositions, subpoenas, discovery, consultation with attorneys related to the Association's role as plaintiff, defendant, co-defendant or witness in any action (including court appearances, depositions, and witness testimony), preparation and development of special reports, collation and/or dissemination of records and compilation of information requested by the Board, the Association's attorney, or others, insurance claim administration, and administration and enforcement of rules or other obligations of the Association or its membership.

- (i) In the event the Association becomes involved with, or contemplates, any litigation, it may become necessary to transmit communication between the Association and the Association's attorney through the Agent or to include the Agent. It is the intention of the Association that any such communication between the Association, the Association's attorney, and the Agent, be considered confidential and protected by the Attorney-Client Privilege as provided in Section 90.502, Florida Statutes.

3. ADMINISTRATION OF SERVICES. Agent will provide the Association with efficient business and financial administration, supervision and/or oversight as required within the Agreement, and advisory services that are consistent within the best interests of the Association and standard industry on-site management practice. Agent will use reasonable efforts to systematically respond to the requirements necessary to administer the Association and meet the obligations contained herein. Agent will establish its own internal methods and processes, and the Association agrees that it will not unreasonably interfere with Agent's discharge of its duties. When regarded as necessary in its professional opinion, Agent is authorized to consult with the Association's legal counsel concerning the operation of the Association. Agent does not have the authority to provide and shall not be responsible for providing legal advice to the Association regarding the interpretation or application of law. Agent represents and warrants that the person or persons employed by Agent to provide any community Association management services as defined in Chapter 468, Florida Statutes, as required under this Agreement shall have at all times a Community Association Manager's License from the Florida Department of Business and Professional Regulation, and that Agent shall otherwise comply with the provisions of section 468.432, Florida Statutes.

Agent shall administer the Association's affairs in accordance with the provisions of policies adopted by the Board and this Agreement, except any changes by the Board that may have a material effect on the workload of Agent or its schedule shall have the concurrence of Agent's President/CEO in writing. The Association acknowledges that, at its sole discretion, Agent may enhance its business practice by changing its business procedures from time to time. Such changes, however, will not materially change the service or level of service provided within the scope of this Agreement and shall not result in additional charges to the Association unless approved by the Board or unless such charges are the direct result of measures required to maintain the security of the Association's funds or data, in which case Agent shall immediately advise the Board.

Only with the expressed consent of the Board may Agent engage in agreements with third parties to help subsidize, reduce, or eliminate costs normally incurred by the Association. These activities shall not be considered to be a conflict of interest or otherwise obligate Agent to take any action except as it may agree to with a third party or any Owner.

4. CONTRACT DOCUMENTS. Upon commencement of this Agreement, the Association shall provide Agent with:

- (a) Specifications for the general and limited common elements and its improvements (the "**Property**");
- (b) Copies of all guarantees and warranties in effect;
- (c) Copies of the recorded Articles of Incorporation, the Declaration of Covenants, Conditions and Restrictions and the Bylaws of the Association, as amended (collectively, the "**Founding Documents**");
- (d) Copies of resolutions, policy statements, and rules and regulations in effect that have been adopted by the Board on behalf of the Association, including all properly executed modifications, amendments, changes, or supplements thereto issued subsequent to the execution of the Agreement (collectively, with the Founding Documents, the "**Governing Documents**"); and

- (e) Copies of opening balances, Owner records, books of resolutions, financial reports, and Association state and federal tax returns.

The information and records provided to Agent by any source designated by the Board during the transition to Agent are deemed to be accurate and correct.

5. LIAISON WITH THE BOARD. The Board shall appoint a designated Director of the Board to communicate with Agent on any matter relating to the Association (the “**Liaison**”). If no Director is specifically named, the Board President shall serve as the Liaison. Notwithstanding the appointment of one or more Liaisons, Agent shall communicate with the Directors, Officers, and Committee Chairmen of the Association in the exercise of their mutual and respective responsibilities.

6. FINANCIAL MANAGEMENT. Agent shall assist and/or advise the Board in all matters relating to Association income of any source and expenditures of any nature, including but not limited to the following duties:

- (a) **Collections.** Agent shall use reasonable efforts to collect all general and special assessments as they become due and payable from all Owners as identified on the rolls initially provided Agent by the Association, and as such are changed from time to time by written notification to Agent of changes in individual Ownership, and monies due from sources which are obligated to or for the benefit of the Association. The Board authorizes Agent to request, demand, collect, receive, and issue a receipt for charges, assessments, or rents due the Association which may at any time become due by way of legal process or otherwise as may be required for the collection of delinquent assessments from the Owners, except that any refunds that may be due the Association from the IRS shall be monitored and collected by the Association’s independent auditor/accountant, and all communications with the IRS will be through the Association’s independent auditor/accountant. All expenses related to the collection of delinquent accounts shall be an expense of the Association.
- (b) **Deposits.** The Association will determine the receiving post office, and lockbox, into which the Association’s operating funds are deposited and maintained. All of the Association’s account(s) will be established and maintained in a manner to indicate Agent’s custodial nature thereof. The financial institution or institutions selected by Agent shall be insured by the federal government; the account or accounts shall be in the Association’s name and federal tax identification number; and the Association’s funds shall not be commingled with funds of any other party.
- (c) **Disbursements.** Agent shall cause disbursements to be made regularly and punctually. However, any disbursements greater than \$1000 must receive the signed approval from at least two directors prior to issuance. Agent shall establish and monitor its internal procedures with regard to purchase order processes, data input, schedules, and generation and disbursement of payable checks. Agent may pay the Association’s obligations via electronic payment methods provided that the method of electronic payment system to be used is approved in advance by the Board and the Board has the ability to review and monitor payments being made. Authorization for making electronic payments may be revoked by the Association in its sole and absolutely discretion. The Association agrees to conform to the schedules established by Agent to ensure timely payment of the Association’s obligations and effect an audit trail. Agent is authorized to effect automatic payments, which will require no further action by the Board, for disbursements consisting of: (i) any taxes payable; (ii) insurance premiums; (iii) Agent’s monthly compensation for services and expenses; (iv) reimbursable payroll and benefits; (v) utilities; (vi) emergencies constituting a threat to health or safety; and (vii) other expenses that, left unpaid, could adversely impact Agent’s reputation or creditworthiness.
- (d) **Financial Reports.** Agent shall maintain a record of all income and expenses, assets, and liabilities with a monthly financial statement consisting of a balance sheet, profit and loss statement, and general ledger reflecting actual versus budgeted activity on a cumulative basis from the

commencement of the fiscal year until the date of the report to the Board. Such completed monthly statements shall be provided to by the 15th day of the following month. Agent shall not be obligated to prepare a tax return but may do so at an additional expense if requested. Agent will reconcile the Association's operating accounts on a monthly basis and will timely reconcile Association's investment accounts for which the financial institution does not issue monthly statements, upon Agent's receipt of such statements.

- (e) **Investments.** If directed by the Association, Agent will purchase negotiable instruments, certificates of deposit, treasury bills, and other such investments at the rates. Any investment service fees will be at the expense of the Association. Agent is not a professional financial advisor and makes no representation to this effect, and Agent does not purport to substitute for the services of such. All risks associated with the decision to buy such financial products shall be borne by the Association.
- (f) **Annual Budget and Variances.** As soon as practice after the Effective Date, Agent shall submit to the Board's Treasurer a baseline budget for the 2022 fiscal year. The current fiscal year operating budget adopted by the Board shall serve as the supporting document for the schedule of assessments of the Owners for the new fiscal year. The budget shall constitute the major control under which Agent shall operate, and there shall be no substantial deviations therefrom, excluding such expenses as utilities, taxes, fuel, license fees, insurance and other expenses not within the control of Agent, except as may be acknowledged by the Board. Agent shall prepare a baseline budget and a final fiscal year operating budget at no additional charge. Unless there is neglect by the Agent, Agent shall not be responsible for variances between the budget and actual income or expenditures since the budget is an estimate to be used only as a guide and management tool.

The annual budget adopted by the Board, as well as this Agreement, shall be the conclusive authorization for Agent to cause routine maintenance of the property to be performed. Agent shall advise the Board in appropriate detail of all such maintenance in the next monthly management report and as reflected in the monthly financial statement.

7. **GENERAL ADMINISTRATION.** Agent shall establish internal procedures to systematically respond to service requests from the Board, Committees, and Owners, consistent with the obligations contained herein. Agent shall assist the Board in the following administrative matters:

- (a) **Files and Rosters.** Agent shall maintain records and files of information relative to the administration of the Association and will update the files as circumstances warrant, excluding routine e-mail. Electronic communications such as e-mail or voicemail will not be considered Official Records of the Association. Such files shall include a roster of known absentee Owners and other data necessary to properly administer the Association's affairs, to the extent that such data has been provided to Agent by the Association, closing attorneys, mortgagees, and others at the point of transfer. Should individual Owners or others not willingly cooperate with the Association or Agent in providing information necessary to maintain up-to-date records, the Agent shall diligently try to gather that information using readily accessible means, such as internet searches. All office records, books, and accounts maintained either at the Association's offices or in Agent's offices shall be made available for inspection, as directed by the Board and pursuant to or limited by any state regulations, by any and all Owners or their authorized representatives or contract purchasers upon reasonable notice, during regular business hours.
- (b) **Meeting Administration and Attendance.** Agent shall supervise the Association of all general membership meetings. Agent shall record the minutes of any meeting if requested by the Board of Directors.

- (c) **Expenditure Commitment Limits.** Except as otherwise provided in this Agreement, the expenses incurred by Agent for benefit of the Association shall not exceed the sum of One Thousand Dollars (\$1,000.00) for any one item of repair or replacement, unless specifically authorized by the Board or its Liaison or provided for in the approved budget of the Association, provided that emergency repairs that involve manifest danger to life or property, are immediately necessary for the preservation and safety of the Property or Owners and their guests, or are required to avoid the suspension of any necessary services to the Association, may be made by Agent irrespective of the cost limitation imposed by this Section.
- (d) **Insurance Administration.** Agent shall assist the Board and its qualified insurance broker in meeting the Board's obligation to acquire and maintain all forms of insurance required by the Governing Documents, Florida law, and as dictated by prudent business practice. The Association agrees that its qualified insurance broker is responsible for ensuring the placement of the full scope of insurance necessary for the Association's protection and as required by the Association's Governing Documents and Florida law. Agent shall cooperate in investigating and reporting all accidents or claims for damage relating to the Association's Ownership, operation and maintenance of real or personal property within the community and shall prepare claims when required and follow up on payment.
- (e) **Required Filings and Reports by Agent.** Agent shall prepare for execution and filing by the Association:
- (i) All forms, reports, and returns required by law in connection with unemployment insurance, disability benefits, Social Security, and other similar taxes now in effect or hereafter imposed, if any (but specifically excluding any income tax returns);
 - (ii) Resale certificates, as may be required by applicable law, following receipt of a written/electronic request together with the required fee plus postage and inspection for such;
 - (iii) Mortgage lender letters as may be required by mortgage firms, following receipt of a written/electronic request together with the required fee for such from the mortgage company or other responsible party; and
 - (iv) Other information, upon written/electronic request, associated with the sale, leasing, or financing of units/homes, as available and when requisite fees are paid.
 - (v) The annual corporate report with the Florida Division of Corporations.
- (f) **Computer Programs.** If Agent provides a computer program or similar software for which Agent holds a license(s), such program shall remain the exclusive property of Agent at all times, and the Association will not take actions or introduce software or other features which may be deemed by Agent to jeopardize any part of Agent's computer network. The Association will confer with Agent before instituting any changes to the Association's network. The Association will not make changes that may cause Agent's software to be inoperable on the site or violate the security of the system or data, or cause Agent to incur additional expense to protect Agent's network, or may interfere with Agent's software requirements necessary to meet the requirements contained in this Agreement. Notwithstanding anything to the contrary contained herein, any and all data regarding the Association contained or maintained by such software, including but not limited to, all data entries, audit trails, backup files, etc. are the property and possession of the Association and shall be delivered to the Association within 72 hours of request or termination of this Agreement.
- (g) **Information Processing.** Agent shall work directly with parties associated with resale processing, lender questionnaires, and other resale related services. Agent may charge such parties a fee (estoppel fee) as provided in the Condominium Act for its work related thereto, and such fees will be the direct income of Agent.
- (h) **Administration of Rules.** Agent, in accordance with Board-adopted policies, shall inform Owners, lessees, tenants and other residents who may be in violation of the Governing Documents and shall take such actions to attempt to cure such violations as are consistent with Board policy. Agent shall take such action as may be reasonably necessary to advise the Association, Owners lessees, tenants and other residents of the need to comply with all applicable pertinent laws, statutes, ordinances and rules of appropriate governmental authorities having jurisdiction, and

advise the Association of any known violations. Agent may also accept applications and references of prospective Owners or lessees and facilitate transfers and leases of Units as needed; provided, however, that the actual approval or disapproval of the same shall be given and executed by a proper officer of the Association as and if required by the Declaration.

- (i) **Emergency Services Program.** Agent shall establish and maintain a twenty-four (24) hour, seven (7) days a week, emergency system for communications with Owners. Emergencies include, but are not limited to, no heat, hot water or air-conditioning, electrical failure, suspected gas leaks, fire, broken water pipe or major leak, sewer back-up, property damage (i.e. storm damage, vandalism, etc.) or personal injury. Residents calling the emergency on-call service will be required to provide the Association's name, their name, and a telephone number at which they can be reached. Calls placed to the emergency on-call service are included as part of the Management Fee.

8. PHYSICAL SYSTEMS MANAGEMENT. Agent shall assist the Board and/or the Association's employees and contractors in matters related to the maintenance of the property.

Agent has no authority or responsibility for maintenance of or repairs to individual dwelling units. Such maintenance and repairs shall be the sole responsibility of the Owners. Each Owner may contract with Agent or Agent's affiliates on an individual basis for the provision of certain maintenance and other related services which will be paid for in accordance with the agreement between Agent and the Owner so long as such engagement does not interfere with the duties of Agent to the Association as provided herein. In no event shall the Association be responsible or liable for payment, or work performed, between Agent and/or an Owner.

On behalf of the Association, Agent shall secure contracts for the maintenance and physical plant operation of the property, typically through a competitive bidding process, for Board approval. Agent shall oversee these contracts to ensure the cleanliness and working conditions of all common building areas and equipment, including, as applicable, central systems, light fixtures, fire extinguishers, entry doors, common facilities and areas, etc. Agent shall make daily inspections of all ground areas and landscaping improvements to determine whether such are receiving adequate care and maintenance. In accordance with the Association's annual budget, Agent may take reasonable steps on the Association's behalf to cure any routine deficiencies noted. Deficiencies of a serious nature will be brought to the attention of the Board.

9. CONTRACT SUPPLIES AND SERVICES PROCUREMENT. In matters of a routine recurring nature, Agent shall develop and maintain procurement procedures, including the creation of specifications for bids and procurement activities. Such matters may include routine cleaning, painting, decorating, plastering, and other such normal maintenance and repair work as may be necessary, subject to any changes imposed by the Board. Specifications for major capital repairs and replacements, capital improvements, or other work requiring technical assistance by other professionals shall be developed at the Association's expense. The exercise of any obligations and authority under the provisions of this Section shall be in the name of the Association.

10. ANNUAL FINANCIAL STATEMENTS. The Association will have annual financial statements per Florida statutes performed at its own cost annually. Agent shall cooperate fully with the independent certified public accountant in the conduct of the financial statements, including making all records, books, and accounts available for their inspection and review, and shall do such at no additional expense to the Association provided the financial statements are completed within ninety (90) days following the close of the fiscal year. Financial Statements will be conducted in Agent's principal office, and accountants will coordinate with Agent for scheduling purposes. The Association acknowledges that Agent cannot be responsible for any discrepancy of records that have been removed from Agent's office by the Association or its representatives prior to the conclusion of completing the financial statements.

11. **INDEMNIFICATION.** The Association, at its sole cost, agrees to indemnify, defend, and hold harmless Agent and its affiliates, and their respective shareholders, members, directors, managers, officers, employees, agents, attorneys, representatives, and assigns (individually and collectively, the “**Agent Indemnitee**”) from and against any and all losses, damages, judgments, rulings or settlements, and all reasonable costs, expenses and attorneys' fees (collectively, “**Damages**”), incurred by any Agent Indemnitee related to or arising out of any and all claims or legal, administrative, or regulatory actions and proceedings and subpoenas asserted or brought against such Agent Indemnitee in connection with (a) the performance of the obligations or responsibilities of Agent under the terms of this Agreement, (b) any action taken by any Agent Indemnitee pursuant to the express or implied direction of the Association, or any act or omission taken by any Agent Indemnitee reasonably and in good faith for a purpose that was reasonably believed to be in the best interests of the Association, and (c) the operation, maintenance, physical condition, or Ownership of the property, or any alleged acts, omissions, or incidents occurring during or related to the management by Agent under this Agreement, provided, however, that the foregoing indemnification shall not extend with respect to any Agent Indemnitee, to any Damages that are caused by such Agent Indemnitee’s criminal acts, willful misconduct, gross negligence, negligence, or material breach of this Agreement by Agent. The Association's obligation to defend, indemnify, and hold harmless any Agent Indemnitee is subject to the condition that as to any particular event: (x) the Agent Indemnitee shall notify the Association in writing as soon as practicable after notice of any such claim is received, and (y) no Agent Indemnitee shall take any steps which could prejudice the defense thereof or otherwise prevent the Association from fully conducting such defense. In the event a claim is made or an action or proceeding is brought against an Agent Indemnitee but not the Association, or legal ethical requirements would require separate counsel for an Agent Indemnitee to adequately protect its interests, the choice of such counsel shall be made by Association. The Association shall promptly pay the costs of such counsel.

Agent shall be liable for any and all damages to the Association property and/or injuries to, or death of, any employees of Agent or the Association or any other person, arising out of or related to the management of the Association's property under this Agreement, to the extent that said damage and/or injuries or death, whether or not finally adjudicated, are caused by the negligence of Agent or its employees, by tortious acts of Agent or by a material breach of this Agreement by Agent. To the extent of such negligence or fault, Agent shall indemnify and hold the Association and its directors, officers and unit Owners harmless from any and all suits or claims asserted against the Association, and shall be responsible for the payment of all reasonable legal fees and costs at both the trial and appellate level in connection therewith.

The provisions of this Section shall survive the termination of this Agreement and is subject to the Condominium Act.

12. **INSURANCE.** The Association will, at its sole cost and expense, maintain in full force and effect the following insurance coverages:

- (a) Comprehensive general liability coverage with limits of no less than \$1,000,000 per occurrence, and \$2,000,000 in the aggregate;
- (b) Directors and officers insurance with limits of no less than \$1,000,000 per occurrence and in the aggregate;
- (c) Fire and extended coverage for all Association Property; and
- (d) Coverage for all claims related to the employment of employees, whether those of Agent or the Association;
- (e) Fidelity bonding as required by Florida statutes.

The Association shall name Agent as an additional named insured on the Association's policies of comprehensive general liability, directors and officers, and employment-related insurance, and said insurance policies will cover Agent for any and all claims and losses indemnified by the Association pursuant to this

Agreement. The Association shall provide Agent with insurance certificates identifying Agent as additional named insured showing the amount of coverage to be furnished to Agent.

13. **TERMINATION.** This Agreement may be terminated by:
- (a) Mutual written consent of Agent and the Association; or
 - (b) Delivery of written notice to the other party (the “**Defaulting Party**”) in the event that the Defaulting Party has breached this Agreement, and the Defaulting Party’s failure to cure or make diligent efforts to cure, within ten (10) days after delivery to the Defaulting Party of such notice.
 - (c) Delivery of written notice to the other party of the terminating party’s intention to terminate the Agreement ninety (90) days after delivery of such notice.
14. **TRANSITION.** After receipt of a Notice of Termination, or ten (10) days prior to the expiration of the Agreement should either party elect not to continue the Agreement a non-temporary basis, and except as otherwise mutually agreed by Agent and the Association, Agent shall:
- (a) Begin the process of transition to the party identified and authorized by the Board;
 - (b) Be entitled to reimbursement of reasonable costs approved by the Association prior to incurring same relating to turnover of records, such as expenses for file folders, boxes, labels, etc., necessary to transition the records in an orderly manner;
 - (c) Unless otherwise instructed in writing, pay all invoices for which the Association is responsible which have been received by Agent as of the date of the last routinely scheduled disbursement prior to the last day of the term of the Agreement, except for any invoices in dispute; and
 - (d) If requested by the Association, arrange for the Association’s accountant to conduct a transition audit immediately following the last day of the term of the Agreement. Agent agrees to assist the auditor at no additional expense to the Association, provided the audit is initiated within thirty (30) calendar days and concluded within sixty (60) calendar days of the term of the Agreement. Audits will be conducted in the location determined by the auditor but auditors will coordinate with Agent for scheduling purposes if use of Agent’s office is necessary.

Upon expiration of the Agreement, whether non-renewal, termination, or any other reasons, the Agent shall provide the Association’s electronic data to the Association in a format acceptable to the Association. Such data shall be provided in its unaltered (or unalterable format) and as it is kept in the ordinary course of business.

15. **STATUS OF AGENT.** All legally binding instruments shall be executed by the Board’s President, Vice President or other authorized designee unless there is an emergency or unless Agent is specifically directed in writing or by Board resolution to execute such instruments on behalf of the Association, in which case only Agent’s President/CEO is authorized by Agent to execute such instruments.

16. **AGENT’S RELATIONSHIP TO OTHER ENTITIES.** If Agent is related to or has a financial or business relationship with a Board member or Association vendor (whether the vendor is engaged by the Association or bidding on a project), Agent agrees to promptly disclose such relationship to the Association. If, in the sole determination of the Board, such relationship will adversely affect the terms of this Agreement or the Agent’s ability to perform the duties contained in this Agreement, the Association may terminate this Agreement with ten (10) days written notice to Agent.

17. **NO WAIVER.** Except as otherwise provided herein, no action or failure to act by either of the parties shall constitute a waiver of any right or duty according any of them under this Agreement, nor shall any such action or failure to act constitute a continuing waiver or an approval of any breach hereunder, except as may be specifically agreed in writing.

18. NO THIRD-PARTY BENEFICIARIES. As stated herein, the Agreement is by and between the Association and Agent, and there are no third-party beneficiaries intended by the terms of this Agreement, and no such beneficiary status shall be implied to any individual or entity other than the Association. An individual or entity's status as a member of the Association or a resident of the property shall not confer standing to enforce the terms of this agreement.

19. ASSIGNMENT. This Agreement shall be not assignable without the expressed written consent of the Association. Additionally, this Agreement may be immediately terminated by the Association in the event that a sale of all or substantially all of the assets of the Agent are transferred or if a majority of the stock or membership interest of the Agent are transferred.

20. CHOICE OF LAW. This Agreement shall be construed in accordance with the laws of the state of Florida. In the event any litigation is initiated to enforce any provision of this Agreement, venue shall be solely in Bay County, Florida. The substantially prevailing party as determined by the court shall be entitled to recover reasonable attorneys' fees and costs incurred in the litigation.

21. SEVERABILITY. The invalidity in whole or in part of any provision(s) in this Agreement shall not affect the validity of the remaining portions or the application of such provisions in different circumstances.

22. NOTICES. All written notices required under the Agreement shall be in writing and mailed by Certified Mail, Return Receipt Requested, or by receipted hand delivery to the addresses provided at the end of the Agreement. Notice shall be effective upon delivery, except for notice of change of address which shall be effective upon receipt.

23. AMENDMENTS. Except as otherwise provided herein, any and all amendments, additions, or deletions to this Agreement shall be null and void unless in writing and signed by both a duly authorized representative of Agent and a duly authorized representative of the Association.

24. WAIVER. No waiver of a breach of any of the covenants contained in this Agreement shall be construed to be a waiver of any succeeding breach of the same or any other covenant.

25. ENTIRE AGREEMENT. This Agreement supersedes any and all understandings and agreements between the parties prior to this Agreement and contains the entire agreement of the parties. No oral or written statements whatsoever prior to the execution hereof shall be considered a part hereof.

26. SIGNATURE. The manual signature of either party that is transmitted to the other party by facsimile or PDF shall be deemed for all purposes to be an original signature. Either party that delivers a signature page by facsimile or PDF agrees to deliver an original, manually-signed counterpart of such party's signature page to the party who requests it promptly after receipt of such request.

[Signature page follows]

[signature page to Management Contract between Grand Panama Beach Resort Community Association Inc. and Maxet Management Group dated _____, 2024]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the day and year first above written.

Grand Panama Beach Resort Community
Association, Inc.

Maxet Management Group, LLC.

By: _____
Name:
Title: President

By: _____
Name: Mark Huebner
Title: Member