

GRAND PANAMA BEACH RESORT OWNERS ASSOCIATION, INC.
BOARD OF DIRECTORS BUDGET WORKSHOP MEETING
November 9, 2023, 03:00 PM CT
Zoom Teleconference & GP Tower 2 Board Room, 11800 Front Beach Road
APPROVED MINUTES

- A. **CALL TO ORDER:** The meeting was called to order at 03:00 PM CT by President Glenn Holliday.
- B. **ESTABLISH QUORUM:** Glenn Holliday noted that the Board of Directors had chosen to appoint JPorter Share, the next highest vote getter from the 2023 Annual Meeting election, to the open seat expiring in February 2025 that was vacated by Stuart Sanderson on 08.10.23. JPorter Share accepted the open seat. Quorum was established with Nancy Stovall, Glenn Holliday, Woody Junot, James Eagleson, Darrell Caudill, Jarod Triplett and JPorter Share participating either in person or via Zoom teleconference. Derek Gilbert (CAM) was present in person on behalf of RCAM Florida Association Management and Stephen Kilcumings, RCAM Florida, was present as the Building Maintenance Supervisor in person. Amy Ludlam, Director of Association Accounting with RCAM Florida, also attended in person. Derek Gilbert recorded the minutes.
- ALSO IN ATTENDANCE:** Owners in person (8) Eight. On Zoom: Unknown number of 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 Woody Junot to **approve** the meeting agenda, the motion carried unanimously.
- E. **APPROVAL OF THE AUGUST 11, 2023 BOD MEETING MINUTES:** On a **motion** by Nancy Stovall and a second by Darrell Caudill, the meeting minutes were **approved**. Motion carried unanimously.
- F. **OLD BUSINESS:** None.
- G. **NEW BUSINESS:**
- A. **ASP Tower 1 Pool Heaters Ratification:** Derek Gilbert discussed the estimate from ASP for \$10,862.86 for the overage cost of the new pool heaters to replace the malfunctioning pool heater that a full credit was given to the Association for by ASP. On a **motion** by Nancy Stovall and a second by Darrell Caudill to ratify the ASP estimate for \$10,862.86 to be funded out of operating expenses, the motion carried unanimously.
- B. **Proxy 4th Amendment to Declaration Discussion & Vote:** Nancy Stovall noted that an 80% positive response is needed by the members of the Association in order to change any amendment or portion of the governing documents. On a **motion** by Nancy Stovall to approve a proxy to mail out to the members of the Association that would change the percentage positive response requirement to 66 2/3% as allowed by Florida Statutes for any amendment to the governing documents and a second by Woody Junot, the motion carried unanimously.
- C. **Banking Institutes Discussion & Vote:** Amy Ludlam noted that all Association funds are currently with Community Bank for the exception of the loan for the commercial space with Bancorp (Cadence Bank). Community Bank is offering 0.75% for all of the funds which is not in line with where the market currently is and has declined to increase that upon request from Amy for any of the Association accounts. She stated

- that Servis1st has offered no charge for the transition, no transaction fees for the 1st year and a guaranteed 4.25% for all funds in the sweep account (ICS) which the Association can hold all the funds in except for \$5,000.00. In addition, Amy noted that Servis1st Bank would be willing to lend to the Association for the commercial loan once it matures. On a **motion** by Woody Junot to approve the movement and future services of Association funds to Servis1st Bank and a second by James Eagleson, the motion carried unanimously. On a **motion** by Nancy Stovall for the President and Treasurer of the Association along with RCAM Florida to be representatives for signatures on behalf of the Association with Servis1st Bank and a second by Woody Junot, the motion carried unanimously.
- D. Audit Engagement Letters Discussion & Vote:** Amy Ludlam noted that the Association had just completed a 3-year engagement agreement with Tipton & Marler for year prior audits. RCAM Florida as a company utilizes Tipton & Marler as well as Carter & Co for audit engagements and the Association received bids from Tipton & Marler for \$11,000.00 and Carter & Co for \$8,000.00. On a **motion** by Darrell Caudill to accept the bid by Carter & Co for \$8,000.00 for the audit engagement and a second by Woody Junot, the motion carried unanimously.
- E. Beach Services RFPs Discussion & Vote:** Derek Gilbert discussed the bids received by Aquatic Adventures, Goin' to the Beach and Lazy Days and the breakdown of benefits for the Association for each. The Board continued discussion of what would be in the best interest for the Association and its Owners. On a **motion** by Darrell Caudill to move forward with the 3 year bid with Aquatic Adventures and a second by James Eagleson, the motion carried unanimously.
- F. Landscaping RFPs Discussion & Vote:** Derek Gilbert and Steve Kilcummings noted that the current contract with RCI ends on February 9, 2024 and that there has been a numerous amount of issues with their services, especially in the last year, to the point of a 30-day notice to cure being provided to them. Derek discussed the bids received by RCI, BrightView, Lawn Trust, Diamond Landscape and Northwest FL Landscape, the last of which was only an initial cleanup job and not an actual full bid for services and the breakdown of benefits for the Association for each. The Board continued discussion for what would be in the best interest for the Association and its Owners to align with costs and expectations for the landscaped areas. On a **motion** by Nancy Stovall to move forward with Diamond Landscape Management and its 1-year contract and a 60 day written notice to be provided to RCI for services to terminate as of the end of the contract on February 9, 2024, and a second by James Eagleson, the motion carried unanimously.
- G. Tower 2 Parking Garage Coating RFPs Discussion & Vote:** Steve Kilcummings discussed the bids presented by Valcourt and C-Sharpe for the Tower 2 parking garage surface coatings for floors P2 and P5. The Board of Directors recognized warranties and time frames missing on the Valcourt contract and inquiries were made with Valcourt to verify that these were consistent with that of C-Sharpe. Upon verification that the warranty and time frame can be matched and that the information presented from Valcourt was a budget presentation and not a full proposal, the Board continued discussion. On a **motion** by Darrell Caudill to move forward with the proposal from Valcourt with contingencies to be added to the contract for 6-8 week time frame, 5 year warranty, not to exceed \$335,000.00, concrete improvements if required and a second by James Eagleson, the motion carried 6-1 with Glenn Holliday, James Eagleson, Nancy Stovall, Darrell Caudill, Woody Junot and Jarod Triplett voting yes and JPorter Share voting no.
- H. Trash Services Discussion & Vote:** Derek Gilbert discussed the current provider Waste Pro with the additional costs for service visits being provided and fuel recovery fees and that the contract is recurring with no signatures. Coastal Waste provided a bid for services to be in line with the tonnage capacity for the compactors that would require less visits, no fuel recovery fees and verification that their vehicles can handle the

compactors with estimation of upwards of \$70,000.00/year savings. Board of Directors discussion continued on the subject and an inquiry into the recycling options available. Derek advised he would follow up with Coastal Waste on any recycling options. On a **motion** by Nancy Stovall to move forward with the Coastal Waste bid for 3 years and provide a written termination letter to Waste Pro for services to cease in 30-60 days and a second by Woody Junot, the motion carried unanimously.

- I. **American Security Associates RFP Discussion & Vote:** Derek discussed the proposal presented by ASA for a proposed \$0.50 increase in the pay rates for security officer and supervisor and billing rates of \$22.40 and \$25.20, respectively. On a **motion** by Nancy Stovall to move forward with the American Security Associates proposal as presented and a second by Woody Junot, the motion carried unanimously.
- J. **2024 Budget Review & Workshop:** The Board of Directors noted that a preliminary proposed budget was prepared between three Board members and RCAM Florida having gone through all the invoices and the contracts. It was also noted that this was the first time the entire Board had come together to discuss the proposed budget and why the proposed budget was not sent out to the Owners beforehand. The Board of Directors would discuss and make adjustments where needed and then motion to approve to mail the proposed budget out to the Owners. Per Florida Statutes, the Board of Directors would then have a meeting to ratify the proposed budget at least 14 days following postmarking of the proposed budget having been mailed out with Owner questions answered at that meeting date.

Amy Ludlam explained the budget worksheet with the column distributions and where the factored amounts came from for each GL line item. It was noted that the current net change was a 28% increase with the major factored increases from reserve contribution (net \$394,200 change) and insurance (net \$332,621 change) with an overall change of \$726,821.00. Nancy noted offsets to the Association expenses from other income sources for non-residential unit rentals, security reimbursement and beach services with a net income of \$447,437.00.

Other notable changes were a proposed \$5.00/month (\$60.00/year) increase for each storage closet rental. The beach services income would be set to be \$85,000.00 based on the approved Aquatic Adventures contract. A management position within the maintenance payroll would not be filled and reduce the proposed expenses to \$58,560.00. Utilities would be decreasing primarily in Garbage due to a change to Coastal Waste with their approved contract. R&M Building (34.17% increase), R&M Pools (15.21% increase) and R&M Equipment (18.45%) would be higher to have the 2024 budget closer to actuals.

On a **motion** by Darrell Caudill to approve the 2024 proposed budget as presented to be mailed out to the Owners and a second by Woody Junot and James Eagleson, the motion was **approved** and carried unanimously. The Board of Directors elected to schedule the budget ratification meeting for December 12, 2023 with time to be determined.

- K. **General Owner Comments:** Any Owner questions not answered that were presented at the meeting or emailed up to the date of the next meeting would be addressed at the time of the budget ratification meeting.

- H. **ADJOURNMENT:** Woody Junot **motioned** and a second by Darrell Caudill to adjourn at approximately 04:58 PM CT. The motion was **approved** and carried unanimously.

Respectfully Submitted,

Derek Gilbert, LCAM

