

MINUTES OF MEETING

REGULAR BOARD OF DIRECTORS MEETING, BRINY BREEZES INC.

Wednesday January 14, 2015, 10:52 A.M. (following adjournment of General Meeting)

COMMUNITY CENTER

A Regular Meeting of the Briny Breezes Inc. Board of Directors was called to order at approximately 10:52 am on January 14, 2015 by Board President Michael Gallacher. The Pledge of Allegiance was recited and a Moment of Silence observed.

Secretary Oglesby called roll and noted that all eight Directors (Gallacher, Gross, Brannen, Stewart, Coyner, Elble, Long, Oglesby) were in attendance at the meeting, thus establishing a quorum.

President Gallacher confirmed that Proof of Notice for the meeting was posted on Friday, January 9, 2015 at 1:00 pm and signed/witnessed by GM Pussinen.

Approval of Minutes

Secretary Oglesby told the Board that the minutes being considered for approval at this meeting were those for the Regular Board Meeting held on December 10, 2014. Director Oglesby then called for amendments to the minutes as written.

As there were no motions for amendments, ***Secretary Oglesby moved to waive reading of the minutes and to approve the minutes as written and distributed to the Board members previously by email.*** The motion received a second, there was no discussion and the question was called. **The Board approved the aforementioned minutes unanimously (8-0) by voice vote.**

Reading of Correspondence to the Board

President Gallacher called on the Secretary to read the correspondence addressed to and received by the Board since the last Board Meeting.

The Secretary began by reading a petition received from Stockholder Becker (CD-2) requesting that the Corporation implement a plan of action to secure gate entrances at the beachfront, replace the gate at the south end of the property and install a cardkey/ "swipe" mechanism using Briny Identification badges to gain access to Briny's oceanfront property.

Next, the Secretary read a letter from Barbara and Roger Klink (I-209) thanking the President and Board for their work to improve Briny and urging the Stockholders to treat one another with kindness and respect.

Director Brannen assisted the Secretary by reading letters from Stockholders Doug and Lynn Baumgarten (G-211) and Stockholder Tim Brady (CD-1) in support of Director Elble. At the end of the meeting, the Secretary read an additional letter in support of Director Elble and her contributions to Briny as Treasurer that was written by Stockholder Paul Ruopp (N-210) and had been had miss-placed during the "Reading of Correspondence" portion of the meeting.

Report – Chief of Police

Chief Chris Yannuzzi stressed the importance of the Briny residents maintaining their confidence in the Ocean Ridge Police Department in the future and thanked Briny for its past support. The Chief asked that Briny continue to notify the ORPD if they see suspicious persons or activity. He asked that when confronting trespassers, please call the police and allow them to confront these people. He also mentioned that the crime rate has continued to decrease over the last three years. The Chief shared that this year, the ORPD jurisdiction experienced the lowest crime rate since 2006.

Chief Yannuzzi reported the December crime statistics noting that there were 60 regular service calls in Briny Residents over the period. He added that there were 6 citations issued during the month: 5 parking citations and one written warning.

Finally, the Chief informed those present at the meeting that his officers are now ticketing vehicles parked in Briny that do not display new Parking Stickers or appropriate parking placards.

Report of Officers – President & Treasurer.

President Gallacher made a commitment that the Board would improve the audio systems in the Auditorium and Community Center during this calendar year.

Next, The President commented that Briny has a hard working and friendly office and maintenance staff but they, including the GM, have a lot of daily responsibilities. He asked that the Stockholder take this into consideration and try not to engage the staff in long conversations that may prevent them from completing their work.

Treasurer Elble updated the Board on the Corporation's unaudited financial status as of December 31, 2014:

\$ 337k Operating Cash on Hand
\$ 236k Park Improvement Fund
\$ 115k Catastrophe Fund
\$ 688k TOTAL OPERATION CASH

The Treasurer noted that there are some Delinquent Accounts and Delinquent Yacht Basin Accounts but we do not have accurate figures for these balances at this time.

Report - General Manager

General Manager Theresa Pussinen informed that the Corporation currently has 5 unpaid assessments and 7 unpaid Yacht Basin rental fees. She added that the Corporation has approved 4 transfer of titles/sales and 93 rentals from October 1, 2014 through Jan 14, 2015.

The GM informed that the pool pavers are planned to be sealed in the off-season. She added that the sealed pavers were tested and found to be a safe / not slippery when wet.

On safety, Ms. Pussinen reminded the Stockholders to drive slowly and obey the posted speed limit signs while in Briny. She asked the audience to be sure to only drive in the proper direction on Briny's the one-way roads to avoid serious accidents. The GM also requested that all Stockholders, Renters and Guests report any unsafe situations or safety issues to her or the staff immediately, or as soon as possible and she will address the safety issues immediately.

The GM asked the audience not to place any trash in the Recycle Bins and reminded the Stockholders that pick-up for landscape debris is Monday and Thursday mornings and garbage is picked up on Tuesday and Friday mornings. She requested Stockholders to be sure to fill out a work order form at the office if they want work done by the Corporation.

Ms. Pussinen instructed the stockholders to report any temporary electric cable left in Briny for more than thirty days and she will contact FPL to get this situation rectified. She also explained the reasons for the FPL power loss in Briny on January 4th (main line on A1A and grid section failure) and on January 5th (underground cable failure). She added that an FPL project to upgrade the poles on A1A to concrete for stability during hurricanes will begin shortly and take one to two years to complete.

GM Pussinen ended her report by reminding the Stockholders that the Annual Meeting will take place in the Briny Auditorium at 9:30am on February 25th and that the meeting package will be mailed to the stockholder in February.

Town Liaison Report

Town Council President, Sue Thaler, announced that the next meeting of the Town Council is scheduled for Thursday, January 15th at 4pm.

The Town Council President Thaler also reminded Stockholders that the Greensheet must be completely filled out including Lot Number and Street for the County Appraiser to process the Building Permit request. She added that the Town is trying to process permits as quickly as possible.

Board President Gallacher asked that the Stockholders remember that the President and the Board have no role in the issuance of Building Permits by the Town and that any issues that arise must be resolved directly with Town.

Committee Reports

Bulkhead/Seawall and Flooding Committee

Chairman Long began by noting that the work to repair and raise the caps on the seawalls along Dock and Flamingo Drives appears to have been effective in mitigating the flooding due to extreme tides in District 3 north of the Marina from October 2014 to date.

Next, he updated the Board on the progress of the ongoing District 4 Seawall repairs noting that 48 “web-pours” to repair broken or cracked T-Piles have been completed and that sealing of the cracks in the seawall panels with hydraulic cement throughout District 4 is underway. He explained that this work is intended to minimize water flowing through cracks in the panels as well as prevent loss of soil from behind the seawall. He reminded stockholders to put in a work order for soil to fill behind the seawall where dirt has been removed by tidal erosion.

When this work is complete, the Chairman informed that the remaining duck-billed (one-way) check valves will be installed on the storm drain exit pipes in the low-lying areas of District 4 that do not already have a check valve.

Mr. Long reported that his Committee met on Dec 17th and agreed on the Committee’s principle 2015 goals:

- 1) Improve the street flooding and the drainage systems in Districts I and II
- 2) Mitigate tidal flooding of streets and soil erosion adjacent to and south of the Marina in District 3

Finally, Chairman Long informed that next meeting, sometime in January, will focus on agreeing to the specifications for the work needed to mitigate flooding in these areas and developing a plan to get Bids to make improvements and finally, bring these recommendation to the Board for approval and funding.

Welcoming / Orientation Committee

Board Liaison Sally Long announced that the Committee is planning on holding a second meeting for new owners and renters in the near future.

Marina and Watercraft Committee

Board Liaison Elble noted that the large sign / marque along A1A to advertise the marina slips resulted in 36 calls expressing interest. Chair Tom Byrne told the Board that the advertising campaign was effective in attracting new lessors for slots in our Marina. He shared that he is in active discussions with 12 potential new lessors and that permanent signage was planned for A1A and along the Intracoastal to attract additional lessors to Briny slips. The Chairman noted that most slips rented so far are along the new marginal dock.

Finance Committee

Committee Chair Elble reminded the Board that there will be a Budget Approval Meeting on February 5th and the proposed budget will include an increase in assessments. She added that the budget is well thought out and developed by a group that attempted to be judicious in budgeting the expenditure of Stockholder funds. Noting that the Budget would be mailed to the Stockholder on January 16, Director Elble invited the stockholder to ask Finance Committee members any questions they might have after reviewing the document.

Landscape and Pest Control Committee

Chair Ken Gross noted that his Committee’s top two priorities for the season are to complete the Dune Restoration Project and to “Re-Palm” Cordova Drive. He announced that the next Committee meeting would be held at 6:30 pm in the Community Center on January 22, 2015. He added that the committee is still looking for representation in District 1 and that he is capturing a list of ideas for improvements that will be available for future Committees to harvest. Finally, Chairman Gross noted that the Committee’s other top priority is to complete the Master (Beautification) Plan for Briny that, in addition to addressing Landscape upgrades, will cover signage and lighting.

Sales and Rentals Committee:

Board Liaison, Susan Brannen reported that this past month, the Committee processed 9 more rentals, bringing the total to nearly 100 rentals in Briny this season.

Violations and Fining Committee

Board Liaison, Susan Brannen announced that the Committee evaluated two alleged violations at its meeting on January 9th. One of the alleged violations was tabled waiting on additional information. The second incident was ruled a violation of the approved process and rules for renting a Briny unit.

Brannen reminded the audience that all alleged violations need to be first reported to the General Manager in a signed letter and not reported to the Committee or its members.

Unfinished Business

A. Board consideration/approval – Parking Committee - A Row Parking/2nd Spaces

This item was tabled as the topic is still under discussion in Committee. Chairman Doug Baumgarten mentioned that his Committee needs some direction from the Board on what it wants the Committee to focus on in the future.

New Business

A. Board discussion/approval/ratification sales & rentals committee recommendations

Sales & Rentals Committee Board Liaison, Director Brannen, informed the Board there were no matters requiring Board review at this time.

B. Board discussion/approval/ratification Violations & Fining committee recommendations

Board Liaison Director Brannen reported that the Violations and Fining Committee recommends that Mr. John Kiley, representing the Trust holding J-23, be fined the maximum allowable fine of \$100 per day for 10 days or a total of \$1000 for violating Section C.2 of the Rules: Application process and Article b). Specifically, the application for rental form was not submitted 30 days prior to the beginning of the rental period as required in the Application Process rule. Further, Mr. Kiley's tenant moved in prior to the rental application being reviewed and possibly before the date of the lease which is a violation of Article g) in the same section of the Rules. During a phone conversation, Mr. Kiley stated that his renter stops by and checks on the unit even when there is no lease in place which is not permitted. Mr. Kiley was reminded that he was also cited for the same violation on at least one other occasion.

Director Brannen then informed the Board that the Committee had recommended fining Mr. Kiley the maximum fine since he has been previously fined for late paperwork and has admitted that he violated the Rules further by allowing his renter to check on his unit outside the term of the lease. The Committee recommended that, if the fine is approved by the Board, that a letter accompanying the decision to fine should explain the process and also addresses how Mr. Kiley might allow the renter serve as caretaker for his unit and still abide by the Rules.

Director Brannen made the motion to fine Stockholder John Kiley (Trustee holding J-23) \$1000 for violating the Rules for a period of more than 10 days (\$100/day). The motion received a second and the question was called.

The Board voted unanimously (8-0) by voice vote to approve Director Brannen's motion supporting the \$1000 fine.

C. Board discussion/approval of building/maintenance committee report/recommendations

Director Stewart made a motion to approve the following Maintenance and Storage Committee recommendations for procedures and requirements and new 2015 Briny Breezes Operational Rates (Attachment 3). The motion received a second and was discussed.

Quonset Storage Lockers

- 1) Only Stockholders can have lockers and 1 unit per stockholder.***
- 2) Build new lockers in Q2. Each new locker will cost \$168 and will be paid up front by the stockholders on the existing waiting list. They can move in as built and will get this year free as compensation for their \$168 payment. All construction provided by volunteers.***
- 3) Any items stored in Quonsets that have outstanding charges due, must be removed or payment arranged. If no compliance the contents will be sold or destroyed if the owners does not removed the items within 30 days after receiving written notice or if the owner of these items cannot be identified.***
- 4) All items stored on top of the lockers must be removed or will be sold or destroyed.***

5) *The committee shall have the authority to enforce item 3 and 4.*

South Storage Lot

1. *Omar is to research a more powerful longer term vegetation killer and utilize it throughout the South Lot. Roundup is not effective.*
2. *New MEDECO keys be issued for the main entrance to the Lot (and all other entrances). If you are current on fees and present the old key, the key is free. New tenants will pay \$25 for new Key. New key should work on all entrances to the South lot.*
3. *The car sticker number (recently assigned with the new stickers) should be used for any boat, car or trailer in the south lot. The sticker should have a color reserved for the south lot.*
4. *Trailers, Boat trailers, storage trailers, cars and motor homes must have current registration on file in order to acquire a new sticker.*
5. *Briny staff is to inspect storage lot monthly to identify discrepancies between corporate books and actual inventory. A spreadsheet shall be utilized for updates.*
6. *Current free briny stockholder boat trailer storage will cease, and the current rate will be charged.*

Motorcycles

1. *Add motorcycle trailer to inside storage with same rate as golf cart.*
2. *During the winter season allow limited inside car storage. Number of spots to be determined*
3. *Allow non-Briny residents to use South Lot storage at a substantial increase in rates. To be determined if approved by the board*

The Board voted unanimously (8-0), by voice vote, to approve Director Stewart's motion on Maintenance and Storage Committee recommended procedures and requirements as well as the new Briny Breezes Operational rates (Attachment 3).

D. Board discussion on authorization for club events

The Board expressed little interest and several concerns with playing any role in authorizing and scheduling club events.

E. Board Discussion updating and developing a comprehensive list of Official Clubs and Board Appointed Committees

Director Gross moved to request that all clubs provide the Board with a list of its officers, fund-raising events, financial procedures, a mission statement, and its charges or responsibilities. The motion received a second and was discussed.

Stockholder Sue Thaler explained how clubs have historically been formed in Briny. She testified that, in the past, those forming a new club have come before the Board with a Club Charter and organizational structure (officer positions but not names of the officers) and sought Board approval before commencing Club operations. The Ms. Thaler also questioned what the Board would do with the list of information called for in the motion.

Director Brannen stated that it appears that we need to have policies and procedures in place on how to establish a sanctioned club here in Briny Breezes, Inc. She indicated that there is obviously a way to do this but we do not seem to know exactly what it is. Further it seems that we should have a copy of all clubs charters, any rules and the offices.

Director Coyner recommended the development of an Operations Manual covering all aspects of Board and Club Operations.

The question was called and The Board voted, 5-3 AGAINST Director Gross' motion. The Directors voting in favor of the motion were Directors Long, Coyner, and Gross.

Director Oglesby made a motion to refer these matters to the ad hoc "Corporate vs. Club Expenses Committee" to develop written policy for Briny Clubs and guidelines that can be studied by the Board before considering a motion at a future Board Meeting. The motion received a second and as there was no discussion, the question was called.

The Board voted unanimously (8-0) by voice vote to approve Director Oglesby' motion

Director Gross moved, as amended, to establish an ad hoc Committee (dubbed the 'Gross Committee') to develop a list of written charges or responsibilities for each Board Committee with Director Gross as Board

Liaison and Chair and to be delivered to the Board before the next (Regular) Board Meeting. The motion received a second and was discussed.

Secretary Oglesby supported Director Gross' motion and, in response to Director Gross's question, explained that the Secretary maintains a current file of Committee chairs, Board Liaisons, and members and distributes the file electronically to the Board after every update approved at Board Meetings. He added that the list is updated for any confirmed resignations from a Committee, as communicated to him by Board Liaisons for the Committees.

On Committees, Director Brannen believes that it is the responsibility of the Board Liaisons to ensure that Committee's properly notices Committee Meetings and that minutes and those minutes are filed in the office as part of the Corporation's documents.

After discussion, **the Board voted unanimously (8-0) by voice vote to approve Director Gross' motion to establish the ad hoc "Gross Committee" as described above.**

Then, the President asked the Board Members if there were any changes to their Committees that need Board review and approval.

Director Oglesby moved to add Larry Erickson, District 2, to the Bulkhead/Seawall and Flooding Committee replacing Mr. Williams.

There was no discussion and **the Board approved Oglesby's motion unanimously, 8-0, by voice vote.**

Director Long announced the following resignations from the Communications Committee: Nancy Greenblatt, Larry and Darlene Erickson, and Adam and Deirdre Fischer. No Board approval was necessary. The Secretary will update his Committee records.

F. Board discussion on beach access/fence issues, possible ad-hoc committee

Director Gallacher moved to establish an Ad Hoc "Beach Access Committee" to develop and present a plan to the Board to control access (replace fallen fence on south boarder of property, replace missing south gate currently protected by a chain, provide card key access at existing gates) to Briny's beach property, with Director Stewart as Board Liaison and Sue Becker as a member of that Committee.

The motion was seconded and discussed.

Director Brannen pointed out that trespassers on our Beach Club veranda is a continuing problem.

Director Stewart pointed out that we will need a survey of the south portion for of the beach front lot before installing the fence and that aspect will be considered by the Committee before coming to the Board. Director Oglesby encouraged the Stockholders who signed the petition for improved beach security to join this Committee. The President requested that District 3 and 4 stockholders also sign up for this Committee.

After discussion, **the Board voted unanimously (8-0) to approve Director Stewart's motion establishing an Ad Hoc "Beach Access Committee" as described above.**

G. Board discussion on results of bulk contract services survey

President Gallacher stated that, while there was a consensus (of the majority of Board Members) to send the Bulk Cable Services survey to the Stockholders, this was an administrative decision made by the President and not a decision made by the Board at a Board meeting. His action was based on the expectation that the Communications Committee intended to make its recommendation to the Board at the next Regular Board meeting and could be voted on by the Board at that meeting. The President acted because he believed that he and the Board needed input from the Stockholder before the Board voted on the recommendation from the Communications Committee.

Next, GM Pussinen summarized the results of the Bulk Services Cable TV & Internet Informational (non-binding) Survey forms submitted by 226 Stockholders that were tabulated by Ms. Pussinen and shown on Attachment 2 to these minutes.

H. Board discussion/approval of cable committee recommendation on bulk contract

Board Liaison Long informed that Board that the Cable Committee has voted, 5-4 in favor of contracting for Cable TV + Internet with Hotwire Communications. The Committee also recommended that a new Committee be formed with

only one Board member on the Committee with that member to be the Board Liaison. This was discussed along with options and preferences spelled out in the Stockholder Survey on the matter.

Director Stewart then moved that the Board create an Ad Hoc Committee Cable Proposals Evaluation Committee with Director Gross as the Board Liaison to study and evaluate existing proposals as well as an expected ATT proposal and report back to the Board at the next Regular Board Meeting (Feb 11, 2015). The motion received a second and was discussed.

The President clarified that he has been advised that ATT is very close to making an offer for Bulk Cable services for Briny. He added that the Technology Committee does not want contract evaluation to be one of their Committee responsibilities.

Director Stewart requested that at least two Board Members be involved in any negotiation with a Cable Service vendor approved by the Board.

Director Coyner requested that the Committee determine the total cost for the contract period so that the Board can authorize the required amount of money for the contract period. He also asked for this information to be in writing and any proposal by the Board to be supported by a legal opinion.

Following discussion, the question was called and **Director Stewart's motion, as stated above, was approved by the Board unanimously (8-0) by voice vote.**

At this point, the President called for 15-minute recess at 2:07 pm. President Gallacher called meeting back to order at approximately 2:22 pm.

I. Board discussion/approval of Committee-Recommended 2015 Ballot

Director Oglesby moved that the Board approve the Ballot and Ballot Information Sheet included in the Board package (and attached as Attachment 4 to these minutes) and as recommended by the Ballot Design Committee in its meeting on January 13, 2015. The Ballot Design Committee recommended including Ballot Items 1-8 on the Ballot but not to include Ballot 9. The motion receive a second was discussed each proposed Ballot Item below was discussed and voted in sequence as indicated.

- 1. Should the reserves required by Section 719.106(1)(j)(2), Florida Statutes, be reduced for the 2015 fiscal/calendar year to an amount determined by the Board of Directors?**

The Board voted unanimously (8-0) by voice vote to approve including Ballot Item 1 on the 2015 Ballot

- 2. Should the Corporation opt out of the statutory requirement for fire sprinkler retrofitting?**

The Board voted unanimously (8-0) by voice vote to approve including Ballot Item 2 on the 2015 Ballot

- 3. Should the Corporation amend By-Law Sections 3.70 as shown on the enclosed BALLOT INFORMATION DOCUMENT?**

The Board voted unanimously (8-0) by voice vote to approve including Ballot Item 3 on the 2015 Ballot.

At this point, Director Gross left the meeting at approximately 2:53 pm, leaving a quorum of 7 Directors to conduct the remaining business.

- 4. Should the Corporation amend By-Law Sections 8.45 as shown on the enclosed BALLOT INFORMATION DOCUMENT?**

The Board voted 6-1 by roll call vote to approve including Ballot Item 4 on the 2015 Ballot. The dissenting vote was cast by Director Coyner.

- 5. Should the Corporation amend By-Law Section 11.10 as shown on the enclosed BALLOT INFORMATION DOCUMENT?**

The Board voted unanimously (7-0) by voice vote to approve including Ballot Item 5 on the 2015 Ballot

- 6. Should the Corporation approve a new By-Law Section 12.11 as shown on the enclosed BALLOT INFORMATION DOCUMENT?**

The Board voted unanimously (7-0) by voice vote to approve including Ballot Item 6 on the 2015 Ballot

At this point, Director Coyner left the meeting at approximately 3:02 pm, leaving a quorum of 6 Directors to conduct the remaining business.

7. Should the Corporation amend By-Law Section 13.25 as shown on the enclosed **BALLOT INFORMATION DOCUMENT?**

The Board voted 4-2 by roll call vote to approve including Ballot Item 7 on the 2015 Ballot. The dissenting votes were cast by Directors Brannen and Stewart.

8. Should the Corporation approve the proposed Fountain Project renovations and improvements as described on the enclosed **BALLOT INFORMATION DOCUMENT to be funded entirely by donations?**

The Board voted unanimously (6-0) by voice vote to approve including Ballot Item 8 on the 2015 Ballot

9. Should the Corporation transfer \$157k from the Park Improvement Fund to Statutory Reserves, with these funds to be equally divided between the Roads and Drainage (50%) and Seawall (50%) Reserves Accounts?

The Board voted unanimously (6-0) by voice vote to remove (not include) Ballot Item 9 from (on) the 2015 Ballot.

J. Board discussion/proposal for bylaw change regarding due date of Annual Audit

President Gallacher and Director Elble recommended that instead of adjusting the due date of the Annual Audit as set forth by the By-Law 7.60, GM Pussinen should attempt to renegotiate the contract with Hafer, our audit firm, so that the Audit will be prepared, reviewed and finalized in time to meet the December 15 deadline required by our By-Laws.

Director Elble moved that GM Pussinen attempt to restructure the contact with Hafer to perform the Annual Audit "in house" in Briny Breezes offices so the Audit can be completed by December 15th of each year. The motion received a second and was discussed. Director Elble added that if this does not result in receiving the Audit in time to send to the Stockholders by December 15 next year, the Board could then consider the option of changing the date as specified in the By-Laws.

The Board voted unanimously (6-0) by voice vote to approve Director Elble's motion.

K. Implementation of recommendation from Auditor regarding Club bank accounts

Director Elble moved to require all Briny Clubs to use the Corporate EIN (Employee Information Number) and to submit their Fiscal Year End Operating Balances to the Corporation by the first week in October each year. The motion received a second and was discussed.

The Board voted unanimously (6-0) by voice vote to approve Director Elble's motion.

Adjournment

Director Oglesby moved to adjourn. The motion received a second and was approved unanimously, 6-0, by the Board by voice vote. President Gallacher adjourned the meeting at approximately 3:45 pm.

Respectfully submitted,

Tom Oglesby
Secretary, Briny Breezes Inc.
Approval Date: February 4, 2015

Attachment 1

NOTICE

Regular Meeting of Briny Breezes Inc. Board of Directors
Wednesday January 14, 2015,
Immediately following the General Meeting scheduled for 9:30am.
Briny Breezes Auditorium

AGENDA

**ALL STOCKHOLDER COMMENTS MUST BE LIMITED TO THREE (3)
MINUTES**

- I. Pledge of Allegiance & moment of silence
- II. Call to order & Roll call
- III. Proof of Notice
- IV. Approval of previous board meeting minutes
- V. Reading of Correspondence to the Board
- VI. Report – Chief of Police
- VII. Report of Officers
- VIII. Report – General Manager
- IX. Town Liaison Report
- X. Committee Reports

- XI. Unfinished Business
 - A. Board consideration/approval – Parking Committee - A Row Parking/2nd Spaces
- XII. New Business
 - A. Board discussion/approval/ratification sales & rentals committee recommendations
 - B. Board discussion/approval/ratification violations & fining committee recommendations
 - C. Board discussion/approval of building/maintenance committee report/recommendations
 - D. Board discussion on authorization for club events
 - E. Board Discussion updating and developing a comprehensive list of Official Clubs and Board Appointed Committees
 - F. Board discussion on beach access/fence issues, possible ad-hoc committee
 - G. Board discussion on results of bulk contract services survey
 - H. Board discussion/approval of cable committee recommendation on bulk contract
 - L. Board discussion/approval of Committee-Recommended 2015 Ballot
 - M. Board discussion/proposal for bylaw change regarding due date of Annual Audit
 - N. Implementation of recommendation from Auditor regarding Club bank accounts
- XIII. Adjournment

All Stockholders are Welcome

This notice is dated and posted: Friday January 9, 2015 at 1:00 p.m.

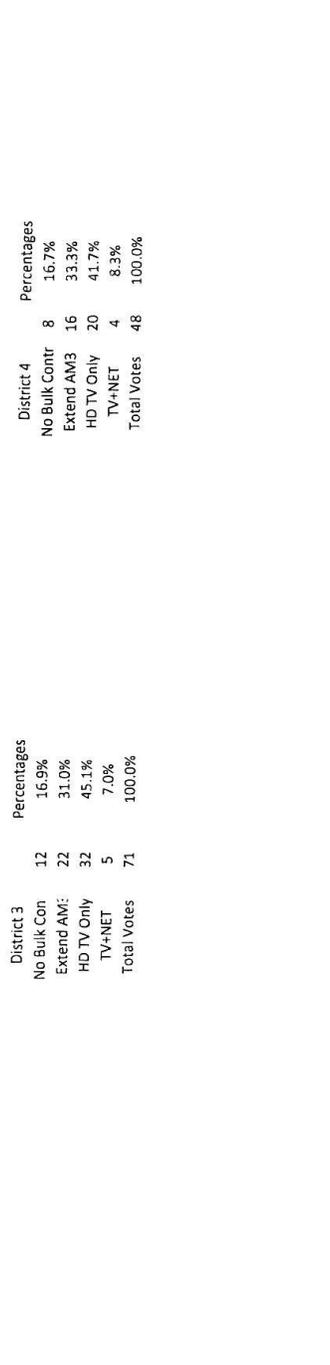
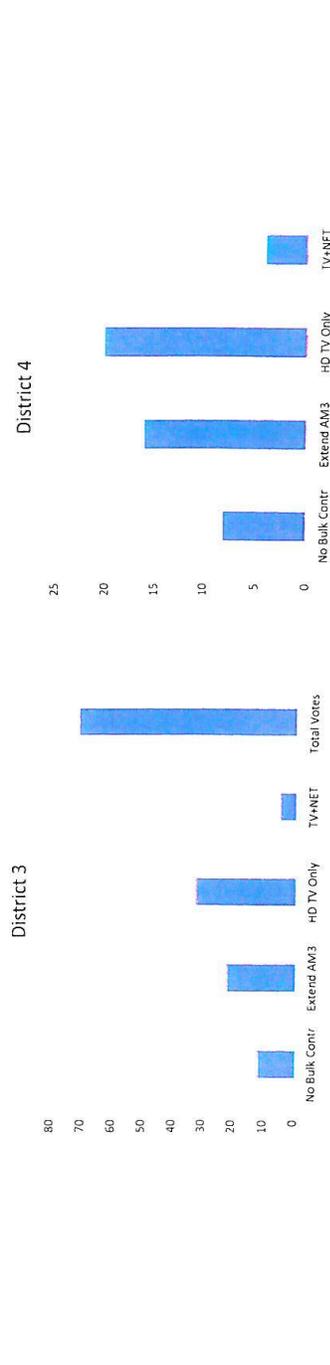
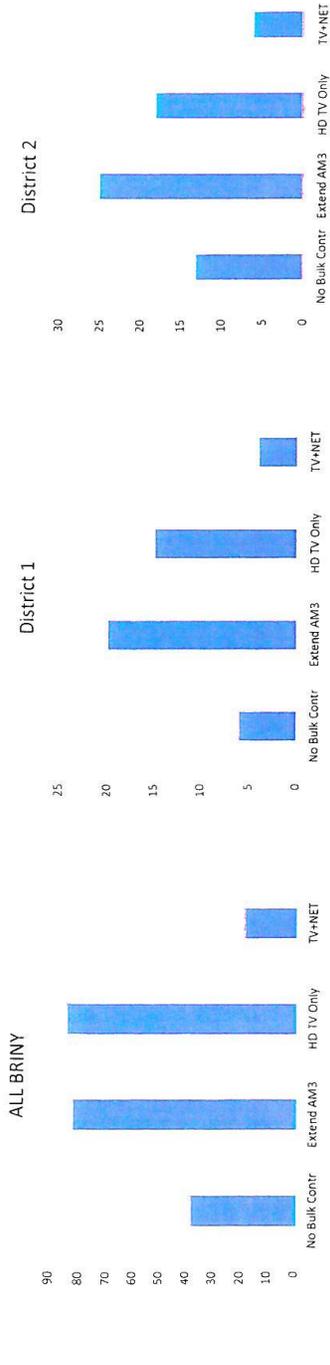
Theresa Pussinen, General Manager, Briny Breezes Inc.
Attachment 2

INPUT CELLS

	District 1	District 2	District 3	District 4		
All Briny	39	17.3%	6	13	12	8
Option 1	39	17.3%	6	13	12	8
Option 2	83	36.7%	20	25	22	16
Option 3	85	37.6%	15	18	32	20
Option 4	19	8.4%	4	6	5	4
Total Votes	226	19.9%	45	62	71	48
Percentages			19.9%	27.4%	31.4%	21.2%

District 1	District 2	District 3	District 4
No Bulk Contr	6	13.3%	8
Extend AM3	20	44.4%	16
HD TV Only	15	33.3%	20
TV+NET	4	8.9%	4
Total Votes	45	100.0%	48

District 2	District 3	District 4	
No Bulk Contr	13	21.0%	16
Extend AM3	25	40.3%	20
HD TV Only	18	29.0%	32
TV+NET	6	9.7%	4
Total Votes	62	100.0%	71



-----OPERATIONAL RATES-----

ADMINISTRATIVE SERVICES:

Sales and Stock Certificate Transfers Fees	\$100.00
Stock Certificate Change Fee	
Rental Application	\$50.00
Green Sheet Improvement Permit Application	\$20.00

MAINTENANCE SERVICES:

Landscape work requests (trim bushes, weed, spray)	\$20.00 per hour
Material rates:	
Disposal of large items - depending on weight & size	\$15 to \$75

OFFICE SERVICES: OUT GOING FAX: \$1.00 -First page and \$0.50 for each additional page faxed to same number. INCOMING FAX: \$0.25 per page.
COPIES: \$0.25 per page.

STORAGE - PARKING - MARINA RATES *** ALL RATES ARE PER CALENDER MONTH NOT PRORATED**

INSIDE STORAGE - QUONSET 2 & 3:

	RATE:
CARS (All Sizes)	\$60.00 per month
TRAVEL AND BOAT TRAILER	\$4.00 per foot per month
BOATS (max. 8' beam)	\$4.00 per foot per month
MOTOR HOMES	\$4.00 per foot per month
GOLF CARTS	\$30.00 per month
MOTOR CYCLE TRAILERS OR MOTORCYCLES	\$30.00 per month
BICYCLES	\$50.00 per year
GAS GRILLS (No Propane Tanks Allowed)	\$50.00 per year

OUTSIDE STORAGE- SOUTH LOT:

	RATE: Annual rental will take precedence
CARS (All Sizes)	\$35.00 per month
TRAVEL TRAILERS & CAMPERS	\$35.00 per month
MOTOR HOMES	\$35.00 per month
BOAT TRAILERS	\$35.00 per month
ENCLOSED STORAGE TRAILERS AND CARGO TRAILER	\$35.00 per month
CARGO OR TRAILERS (Less than 12 feet)	\$20.00 per month
UTILITY TRAILERS	\$35.00 per month
UTILITY TRAILERS (Less than 12 feet)	\$20.00 per month

INSIDE LOCKER STORAGE:

4' x 4' x 4' Space	\$ 75.00 per year	HM 1-4 \$350 per year (large lockers)
4' x 4' x 8' Space	\$150.00 per year	

BULL PEN PARKING:

\$23.00 plus 11% tax. PER DAY (\$25.53) 14 - day limit with an extension to a maximum of 30. Extension approved by the Management.
STOCKHOLDERS: \$17.25 plus 11% tax. PER DAY (\$19.15)

RESERVED PARKING: Reserved parking spaces ON Cordova and near the Marina. Cost \$100 plus tax per year.

MARINA BOAT SLIPS: Minimum rental period 6 Months - Annual takes precedence

BRINY STOCKHOLDERS (20-foot minimum charge)	\$3.16 per foot plus 6% tax per month
BRINY RENTERS (20-foot minimum charge)	\$3.80 per foot plus 6% tax per month

ALL OTHERS:

SLIP 1- 10	\$181.85 per month 24' Max.
SLIP 11- 31	\$254.59 per month 30' Max.
SLIP 32- 39	\$341.87 per month 36' Max.
SLIP 40- 68	\$181.85 per month 24' Max.

FAILURE TO PAY RENTAL FEES WILL RESULT IN LOSS OF STORAGE PRIVILEGES & REMOVAL OF PROPERTY

Briny Breezes, Inc. LIMITED PROXY

The undersigned stockholder(s) of Unit No. _____, in **Briny Breezes** appoints (Check one)

_____ a) **Thomas W. Oglesby**, Secretary of the Association, on behalf of the Board of Directors, or

_____ b) _____ (if you check b, write in the name of your proxy) as my proxyholder* to attend the meeting of the members of **Briny Breezes, Inc., to be held Wednesday, February 25, 2015 at 9:30 a.m., in the Auditorium at Briny Breezes, 5000 North Ocean Boulevard, Briny Breezes, Florida 33435**. The proxyholder named above has the authority to vote and act for me to the same extent that I would if personally present, with power of substitution, except that my proxyholder's authority is limited as indicated below:

LIMITED POWERS (FOR YOUR VOTES ON THE BALLOT TO BE COUNTED, YOU MUST INDICATE YOUR PREFERENCE BY PLACING AN "X" IN ONE OF THE TWO SHADED BOXES MARKED "YES" OR "NO" UNDER EACH ITEM ON THE 2015 BALLOT BELOW).

I SPECIFICALLY AUTHORIZE AND INSTRUCT MY PROXYHOLDER TO CAST MY VOTE IN REFERENCE TO THE FOLLOWING MATTERS AS INDICATED BELOW:

2015 BALLOT – Annual Meeting February 25, 2015

*The MAJORITY of the Board of Directors recommends a YES vote for ALL Items
See enclosed **BALLOT INFORMATION DOCUMENT** for critical information on all items*

1. Should the reserves required by Section 719.106(1)(j)(2), Florida Statutes, be reduced for the 2015 fiscal/calendar year to an amount determined by the Board of Directors?

YES

NO

WAIVING OF RESERVES, IN WHOLE OR IN PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

2. Should the Corporation opt out of the statutory requirement for fire sprinkler retrofitting?

YES

NO

3. Should the Corporation amend By-Law Sections 3.70 as shown on the enclosed **BALLOT INFORMATION DOCUMENT**?

YES

NO

4. Should the Corporation amend By-Law Sections 8.45 as shown on the enclosed **BALLOT INFORMATION DOCUMENT**?

YES

NO

5. Should the Corporation amend By-Law Section 11.10 as shown on the enclosed BALLOT INFORMATION DOCUMENT?

YES

NO

6. Should the Corporation approve a new By-Law Section 12.11 as shown on the enclosed BALLOT INFORMATION DOCUMENT?

YES

NO

7. Should the Corporation amend By-Law Section 13.25 as shown on the enclosed BALLOT INFORMATION DOCUMENT?

YES

NO

8. Should the Corporation approve the proposed Fountain Project renovations and improvements as described on the enclosed BALLOT INFORMATION DOCUMENT to be funded entirely by donations?

YES

NO

9. Should the Corporation transfer \$157k from the Park Improvement Fund to Statutory Reserves, with these funds to be equally divided between the Roads and Drainage (50%) and Seawall (50%) Reserves Accounts? RECOMMEND TO DELETE; SEE "BID"

YES

NO

Dated: _____

SIGNATURE(S) OF STOCKHOLDER(S)

*Failure to check either (a) or (b) on Page 1 of this Proxy, or, if (b) is checked, failure to write in the name of the proxy is an appointment of the **Secretary** of the Association as your proxyholder.

DO NOT COMPLETE THIS SECTION. This section is only to be filled in by the proxyholder if they wish to appoint a substitute proxyholder.

SUBSTITUTION OF PROXY

The undersigned, appointed as proxy above, does hereby designate

_____ to substitute for me in the proxy set forth above.

Dated: _____

PROXYHOLDER

THIS PROXY IS REVOCABLE BY THE UNIT OWNER AND IS VALID ONLY FOR THE MEETING FOR WHICH IT IS GIVEN AND ANY LAWFUL ADJOURNMENT. IN NO EVENT IS THE PROXY VALID FOR MORE THAN NINETY (90) DAYS FROM THE DATE OF THE ORIGINAL MEETING FOR WHICH IT WAS GIVEN.

BID INFORMATION DOCUMENT
BRINY BREEZES INC. ANNUAL MEETING 2015

Ballot Item 1: Should the reserves required by Section 719.106(1)(j)(2), Florida Statutes, be reduced for the 2015 fiscal/calendar year to an amount determined by the Board of Directors?

Funding levels pending Budget finalization and receipt of "full funding 2015" level from Reserve Advisors

As reflected in the Approved 2014-15 Annual Budget, The Board has approved assessing the Stockholders for \$180,000 for Reserve accounts required by Statute over the 2014-15 Fiscal Year.

In 2014, the Corporation commissioned an updated Reserves Study to develop a third party, professional assessment of the amount of Reserves needed to maintain Briny Breezes Assets and Common Elements from 2014 through 2044. This Study recommends that the "full-funding" level for 2015 should be approximately \$337,000 in this fiscal year.

- Vote **YES** if you want the Corporation Board to assess the Stockholders for \$180,000 for Reserves as is approved for Fiscal Year 2014-15.
- Vote **NO** if you want the Corporation to assess the Stockholders for \$337,000 in Fiscal Year 2014-15. This will result in an increase of approximately \$10 per share over the approved level of Reserve Assessments

Ballot Item 2: Should the Corporation opt out of the statutory requirement for fire sprinkler retrofitting?

Under Florida Statute 719.1055(5)(a)1, Briny Stockholders are granted the right, until the end of 2016, to vote "to be exempt from" (to opt out of) the requirement to retrofit any common element "building that has been certified for occupancy by the applicable governmental entity" for fire sprinkler systems.

- Vote **YES** to "opt out" of the requirement to retrofit Briny's Auditorium and possibly other older common element buildings for fire sprinkler systems before YR 2020. This **will not** prevent the Corporation, **if and/or when it decides to retrofit**, from installing fire sprinkler systems at any time the Stockholders vote to approve the installation of fire sprinkler systems and the necessary funding.
- Vote **NO** to **require to the Corporation to retrofit our auditorium and possibly other common element buildings with fire sprinkler systems no later than year 2020**. At a minimum, a "NO" vote will require the Corporation and its Stockholders to install a sprinkler system in the Auditorium at a cost currently estimated at **over \$100k**. This requirement could extend to other common element buildings used for public gatherings / club functions that do not already have a sprinkler system further increasing future stockholder assessments.

Ballot Item 3: Should the Corporation amend By-Law Sections 3.70 as shown on next page?

Substantial Rewording of By-Law. See By-Law 3.70 for present text (copy below).

Prior Amended Version/pre Becker and Poliakoff:

SECTION 3.70: LIMIT ON MEMBERSHIPS: No person, either jointly or severally, and including the person's immediate family defined as their spouse, domestic partner, and their dependents, shall acquire or hold an interest in more than two (2) stock certificates, except that the member including his or her immediate family, who holds more than two (2) stock certificates on the date this By-Law was approved (February 25, 2015) shall

be permitted to continue holding same. For the purposes of this By-Law, dependents are persons that are under the age of 18 and/or receive more than one-half of their annual income from the person or persons that hold one or more stock certificates.

The above restrictions cover any and all forms of ownership including, but not limited to, estates and trusts in which the person, their spouse, domestic partner, and their minor dependent(s) hold an interest. However, a person holding an interest in two (2) or more stock certificates is allowed to acquire and hold additional stock certificates acquired through inheritance or marriage.

Also, members residing in Districts One, Two and Three, and desiring to increase the land area for the placement of a single trailer thereon, may acquire a maximum of up to four (4) stock certificates covering adjoining lots. Thereafter, said lots may not be transferred except as one unit.

As of the date of approval of this By-Law, no corporation or limited partnership or other business including for-profit and non-profit entities may acquire a stock certificate in Briny Breezes Inc. unless they are purchasing one hundred percent (100%) of the outstanding stock of the Corporation under an agreement with Briny Breezes Inc. as approved by the Stockholders in accordance with these By-Laws.

Current Version of By-Law

SECTION 3.70: LIMIT ON MEMBERSHIPS: No member, including their immediate family, shall acquire or hold more than one (1) stock certificate, except that a member, including his immediate family, who now holds more than one (1) stock certificate shall be permitted to continue holding same; providing that members residing in Districts One, Two and Three, and desiring to increase the land area for the placement of a single trailer thereon, may acquire a maximum of up to four (4) stock certificates covering adjoining lots. Thereafter, said lots may not be transferred except as one unit. An exception is also permitted whenever stockholders wish to change their residence from one location in the park to another. They may do so provided that they immediately place the stock certificate for the location they are leaving up for sale and abide by the rules governing rental at either location.

In Plain Language

This amendment...

- Clarifies and strengthens the By-Law Section 3.70 language that limits the number of stock certificates that can be held by one family (spouse/domestic partner & dependents)
- Increases the number of Briny stock certificates a stockholder and his immediate family may legally hold, regardless of the ownership vehicle or title language, from one to two stock certificates
- Prevents outside corporations and limited partnerships from purchasing Briny stock
- “Grandfathers” any stockholder not in compliance with the above, as of the date of approval of the amended By-Law Section

Reasons for Amendment

The existing wording of the By-Law is not sufficiently precise or legally strong enough to prevent ownership and control of multiple stock certificates by one family via alternate ownership vehicles such as trusts, estates or corporations or by slight changes in title description by the same individuals in one family. In addition, some stockholders read the existing By-Law to mean that adult children of a stockholder were prevented from holding a Briny Stock Certificate if their parents were stockholders. Finally, the pervasive practice over the years of allowing some stockholders to acquire and hold more than one stock certificate has weakened the Board’s ability to enforce the current By-Law Section as written and argues for an amended Section 3.70 that can be effectively enforced.

The proposed language allowing a family/domestic partnership to hold up of two stock certificates renders the requirements related to acquiring a new unit / stock certificate and selling a current unit unnecessary. Thus, that provision was deleted.

The language preventing outside corporations, limited partnerships, and other business entities from purchasing or holding stock certificates is intended to prevent these types of enterprises and their subsidiaries from acquiring multiple stock certificates and gaining control over the future direction of Briny.

Ballot Item 4: Should the Corporation amend By-Law Sections 8.45 as shown below?

Underlines indicate words added to the current Section of our By-Laws, strikeouts are deletions from the existing By-Law Section

SECTION 8.45: PROCEDURES FOR RESOLUTIONS: A petition originating with the stockholders for the placing of a proposed resolution on the agenda of any regular or special meeting of the stockholders called by the Board of Directors shall bear the signatures of not less than ten (10) percent of the total number of shares outstanding of the corporation and shall be presented to the Board of Directors not less than thirty-five (35) days before the date set for the meeting, with the exception of a petition for the recall of a director. The Board of Directors shall mail due notice to all stockholders not less than twenty (20) days before the meeting. Voting by stockholders shall be done by secret ballot, in person or by mail, and, except where a different vote is required by these By-Laws, the Proprietary Lease, or the applicable statute, as the foregoing may be amended from time to time, an affirmative vote of fifty-one (51) percent of the total number of shares outstanding of the corporation shall be required for the passage of a resolution. With the exception of Section 8:50 and the By-Laws referenced therein, the pass mark required to amend By-Laws shall be sixty-seven percent (67%) of the total number of shares voted, provided that at least 51% of the outstanding shares cast a vote on the proposed amendment.

If the proposed resolution originates with the Board of Directors, the petition from the stockholders is not required, but the remaining procedure outlined above shall be followed.

In Plain Language

This amendment **ONLY** changes the method of determining the results of **votes on By-Law amendments**. If sixty-seven percent (67%) of the number of shares voted to change a By-Law (*except Section 8:50*), the amendment is approved if and only if at least 51% (7851 shares) of the total outstanding shares cast votes on the amendment.

An example follows illustrating how the amended version of this By-Law would affect voting results for proposed changes our By-Laws (except for those By-Laws in Section 8.50 exempted from the new way of determining voting outcomes)

- Under this proposed amendment, if there were to be a vote to amend a By-Law and at least 8009 shares (at least 51% of our total 15,703 shares) voted one way or the other, then at least 2/3 of those votes must be **YES** votes in order for the amendment to pass.
- Under the existing By-Law, the amendment would fail if **less** than 8009 shares (51% of the total 15,703 outstanding shares) voted **for** the amendment.

Reason for Amendment

Currently, a majority of 51% (or higher passmark) of the **total** number of shares of Briny Stock must vote in favor of a proposed amendment to our By-Laws in order for the amendment to be adopted. Stockholders

shares that are not voted (abstained) either in favor of or against a Ballot Item are normally counted as **NO** votes against the proposal for determining the results of the voting.

In recent years, failure of many stockholders to return or correctly fill out Ballots recording their votes has made it difficult to make the amendments needed to update or improve Briny's By-Laws.

Benefits of Approving Amendment

- Stockholders that care deeply about making an amendment to our By-Laws have a better chance of passing the amendment in 'low-turnout/low interest' situations as long as 51% of the outstanding shares cast votes on the proposal.

Concerns with Amendment

- At the extreme, it will make it possible for 33% (=67%X51%) of the outstanding shares to make changes in our By-Laws.

Ballot Item 5: Should the Corporation amend By-Law Section 11.10 as shown below?

Underlines indicate words added to the current Section of our By-Laws, strikeouts are deletions from the existing By-Law Section

SECTION 11.10: ORDER OF BUSINESS: The order of business at Annual Meetings shall be as follows:

1. Roll Call
2. Reading of Minutes of Last Meeting
3. Reading of Communications
4. Report of Officers
5. Report of Standing Committees
6. Reports of Special Committees
7. Unfinished Business
8. New Business
9. Election of Directors

At all other Regular meetings, the order of business shall be the same as outlined above with the exception of election of directors. However, Special Meetings may have abbreviated agendas suitable for the purpose of the Special Meeting but must contain the following:

1. Roll Call
2. Approval of Minutes of Last Meeting, if available
3. Reading of Communications (directly related to purpose of Special Meeting)
4. Report of Committees (directly related to purpose of Special Meeting)
5. Unfinished Business (directly related to purpose of Special Meeting)
6. New Business (directly related to purpose of Special Meeting)

Special Meetings solely of the purpose of developing agendas for Board of Director meetings (Agenda Meetings) may simply contain the following Order of Business.

1. Roll Call
2. Discussion of Agenda Items
3. Agreement on Agenda

In Plain Language

This amendment allows the Board some flexibility in developing Agendas for Special Meetings so the resulting Agenda is “fit for the purpose” of the meeting. Regular and Annual Meetings continue to have the same agenda requirements in the current By-Law section.

Reasons for Change

Special Meetings are generally called to act on matters that cannot or should not wait until the Annual or Regular Meeting.

This proposed amendment allows the Briny Board of Directors to organize its business to make Special Meetings more efficient and focused on the purpose for which the Special Meeting was called.

Ballot Item 6: Should the Corporation approve a new By-Law Section 12.11 as shown below?

SECTION 12.11: QUALIFIED MODULAR HOMES A “Qualified Modular Home” is considered equivalent to a mobile home in Section 12:10 and elsewhere in our By-Laws and may be placed on a stockholder lease or leases.

A Modular Home is defined as a building which is assembled on an approved building site from components manufactured off-site in the form of separate elements or modular units produced in standardized sizes and designs which can be arranged and fitted together in a variety of relationships that, upon completion, form a detached single family residence.

A “Qualified Modular Home” is considered equivalent to a mobile home and may be placed on a stockholder lease or leases if it meets each of the following requirement(s):

- 1) The structures or sections are designed and built so that the exterior of the finished housing unit is similar to a (Briny) mobile home in look, architectural style and appearance.
- 2) The manufacturer or company selling the modular home provides a letter to the Corporation stating that the “Qualified Modular Home” to be placed in Briny is built to equal or surpass Federal HUD standards/codes for manufactured homes built in the US.

Underlines above indicate that Section 12.11 is an entirely new By-Law

In Plain Language

The proposed new By-Law states that new modular homes that look like Briny mobile homes and are built to standards equal to or better than new mobile homes are considered the same / used interchangeably with the term “mobile home(s)” as used in By-Law SECTION 12:10 and elsewhere in our By-Laws, are allowed to be placed in Briny.

For clarity, the term “Mobile Home” was replaced by the term “Manufactured Home” when the US Federal Construction Safety Standards Act codes requiring HUD safety standards for constructing mobile homes were adopted in 1976.

Reasons for Change

A new Section of our By-Laws is needed to document and control placing modular homes in Briny. A “Qualified Modular Home” built and installed in conformance with Briny’s Corporate (i.e. “Greensheet” or Building Permit Application as documented in Appendix 2 of the Briny Rules) and Town building codes and ordinances, architectural style and appearance will not materially change the look or continuity of the housing in Briny.

Modular homes offer an attractive alternative to manufactured homes to our stockholders:

- Unlike manufactured homes, modular homes are considered single-family homes for insurance purposes. This means that they can be insured at or near replacement value and not depreciated annually for insurance purposes as is done for manufactured homes by Citizens.
- Modular homes can be built with higher wind resistance characteristics than manufactured homes. Modulares are currently available with wind resistance capabilities of up to 180 mph versus Manufactured Homes that are only required to have up to 120 mph wind resistance capabilities under HUD requirements.

Ballot Item 7: Should the Corporation amend By-Law Section 13.25 as shown below?

Substantial Rewording of By-Law. See By-Law 13.25 for present text (copy on next page).

Amended Version

SECTION 13.25: DISPOSITION OF YEAR-END BUDGET OPERATING CASH SURPLUSES:

When the final audited financial results of the prior fiscal year are presented to and approved by the Board of Directors and the audit indicates that there is prior-year cash remaining in excess of the operating expenditures for the year after depreciation, the Board of Directors will vote to transfer these funds to one or more of the following current year accounts based on the needs of the Corporation:

1. Catastrophe Fund
2. Briny Breezes Reserve Accounts
3. Park Improvement Fund
4. Prepaid Assessments to reflect a reduction of the Stockholder Operating Assessment

The Park Improvement Fund shall be maintained in an interest-bearing account and no monies can be disbursed from this fund without the approval of a majority vote of the stockholders. However, in the event of a catastrophe, when funds are needed immediately, the Board of Directors may temporarily borrow funds from this Park Improvement Fund which shall be reimbursed from the first of any insurance proceeds.

Current By-Law

SECTION 13.25: BRINY BREEZES IMPROVEMENT FUND: Any monies from assessment or other income, with the exception of the restricted funds, in excess of operating costs as shown in the audit at the end of the fiscal year, shall be placed in an interest-bearing Park Improvement Fund. No monies from this fund can be spent without the approval of a majority vote of the stockholders. However, in the event of a catastrophe, when funds are needed immediately, the Board of Directors may temporarily borrow funds from this Improvement Fund which shall be reimbursed from the first of any insurance proceeds.

In Plain Language

This proposed change to By-Law Section 13.25 means that every year after the audit is completed, the Board of Directors will vote to use any remaining / surplus operating funds for one or more of the following purposes. 1) Add to the Catastrophe Fund 2) Deposit in Statutory Reserves accounts 3) Deposit in Park Improvement Fund 4) Transfer to Prepaid Assessments to reflect a reduction of the Stockholder Operating Assessment.

Reasons for Change

The By-Law 13:25, as currently written, requires that “Any monies from assessment or other income, with the exception of the restricted funds, in excess of operating costs as shown in the audit at the end of the fiscal year, shall be placed in an interest-bearing Park Improvement Fund.”

The purpose of this amendment is to authorize the Board of Directors to have the option to use all or a portion of prior year-end surplus operating funds to provide a way to fund our Emergency Operating Account (auditor recommended level is 2-3 months of operating expenditures) and to create an additional way to fund Statutory Reserve Accounts besides direct Stockholder assessments.

Funds transferred to the Briny Breeze Improvement Fund cannot be disbursed for other uses without a stockholder majority vote. This requirement essentially “sequesters” excess prior-year shareholder assessments in a savings account which currently pays only **0.05%** annual interest. The Park Improvement Fund now holds over \$236k.

Any disbursement of these funds from the Park Improvement Fund for any purpose, except as a temporary loan(s) to be used for emergency expenditures for insured common elements in the event of a catastrophe, requires a vote of approval of 51% of the Stockholders. (See Ballot Item 9 below). In the catastrophe case, any amount spent must be replaced when insurance proceeds are received. Nothing in the proposed amendment changes these restrictions for the current Park Improvement Fund monies.

BALLOT ITEM 8: Should the Corporation approve the proposed Fountain Project renovations and improvements to be funded entirely by donations as described below?

Reason for Vote

The Briny Landscape Club has offered to provide 100% of the funding necessary to renovate our 50 year old Community Center Fountain. Although changes / improvements have been made to the Fountain in the past, some stockholders have indicated they are opposed to this project.

The Corporation’s Law Firm, Becker and Poliakoff, have advised the Board that the proposed Fountain Project constitutes a material alteration of Briny’s common elements. Statute 719.1055 Article (3) (a) states that, “unless other procedures are provided in the cooperative documents”, any material alteration of common elements requires a two-thirds (2/3rds) majority vote of the stockholders to approve the project.

Project Description

Built in the mid-1960s our Community Center Fountain has been modified several times over its 50 year life span. Individual stockholders have agreed to raise an estimated \$30,000 needed to complete the project and “gift back” to the Briny Community, a repaired and renovated fountain resembling the original structure with a sculpture in the upper waterfall basin. Thus, the stockholder will not be assessed any funds to complete this project. The project elements include

1. Moving the Fountain Pump out of immediate planter ring to a more secure place,
2. Resurfacing Pools - upper & lower basin,
3. Resurfacing painted volcanic rock “water-fall” surface with a smooth surface coral rock,
4. Installing a symbolic Briny Sailfish Sculpture, and
5. Resurfacing surrounding street asphalt with Pavers similar to those used for the Pool Deck.

The footprint of the fountain remains the same and a 10' ring of street pavers will accent the existing planter and two-tiered basin. In addition to enhancing the structure, the defined ring should encourage additional Golf Cart parking spaces for community functions.

The newly formed Landscape CLUB has already raised more than one-half of the funds necessary to enhance our Fountain. A "NO" vote on this Ballot Item will result in return of these donations.

~~BALLOT ITEM 9: Should the Corporation transfer \$157k from the Park Improvement Fund to Statutory Reserves, with these funds to be equally divided between the Roads and Drainage (50%) and Seawall (50%) Reserves Accounts?~~

Reason for Vote

~~As mentioned above, By-Law Section 13.25 requires a majority vote of the Stockholders to approve the transfer or use of any funds deposited in the Park Improvement Fund, except in a catastrophe situation. The Park Improvement Fund now holds over \$236k.~~

~~Using \$157k of the \$236k Park Improvement Funds for funding for Reserves Accounts used to mitigate street flooding in all Briny Districts reduces the size of future increases in Stockholder assessments needed to prudently fund these Statutory Reserve Accounts. Without a vote of the Stockholders, Statutory Reserves Accounts can only be used to repair or replace existing the class of common elements for which they were created (i.e. Roads and Drainage, Seawalls)~~

Removed from 2015 Vote by Unanimous Vote of the six Board Members present at the Jan 14, 2015 Board Meeting at the time the question was called. (Secretary Note)

*****END OF 2015 BALLOT INFORMATION DOCUMENT*****

