



President's Letter- 2025 Year in Review

A structured process is key to achieving strategic objectives

Your Board of Directors continues to advance the long-term objectives established several years ago: the preservation of a well-maintained property and the consistent delivery of high-quality services. To that end, the Board has undertaken initiatives to rationalize and streamline administrative functions, including collections, compliance enforcement, and work order management; integrate a greater number of vendor services into our in-house maintenance operations to improve efficiency and cost control; and to ensure that unanticipated but necessary repairs and replacements, such as those resulting from hurricane damage or unexpected tree removals, are appropriately budgeted and addressed.

In pursuing these goals, the Board remains mindful of its responsibility to avoid imposing undue financial burdens on our owners. Recognizing that the majority of owners prefer to avoid substantial increases in dues or special assessments, the Board has acted in accordance with this directive.

Through steady, deliberate progress, we continue to move toward the realization of our long-term vision for the community.

Looking Ahead with Confidence: The 2026 Budget

As we wrap up the planning process for our 2026 Association Budget, I want to take a moment to thank everyone involved for their dedication, patience, and thoughtful input. Budget planning is never an easy task, it requires careful balancing of current needs, future priorities, and responsible stewardship of our community's resources.

Our Finance Committee hosted an informative Budget Workshop and we were pleased to share that after a thorough review and countless hours of analysis, our 2026 budget reflects only a 1.94% overall increase. In today's economic climate, this modest adjustment represents a meaningful achievement and demonstrates our continued commitment to fiscal responsibility while maintaining the quality and integrity of our community.

As always, it's important to remember that a budget is an educated estimate, our best projection based on current information, anticipated expenses, and reasonable forecasts. We'll continue to monitor actual costs closely throughout the year and make adjustments if needed to ensure our community remains on solid financial ground.

Delinquency

A primary responsibility of our management team is the effective administration of HOA dues collection. Timely collection of budgeted cash flows is essential to maintaining Summer House and delivering consistent service levels. When dues are not paid, the financial burden shifts and service levels may be impacted. Our management team remains fully focused on this critical function.

I am pleased to report that, due to the dedication and diligence of our staff, current dues delinquency stands at just 0.97% of 2025 revenue. That's less than 1% of our annual budget. This outstanding performance demonstrates the strength and effectiveness of our financial management and collection processes.

Architectural Reviews

This year, we've seen a notable rise in Architectural Review Requests, as many owners invested in improving their homes. Kitchen and bathroom renovations, along with window replacements and paver installations, were among the most popular projects. The Board enthusiastically supports these efforts, recognizing that each enhancement not only benefits individual homeowners but also strengthens the overall appeal and long-term value of Summer House.

As a friendly reminder, please be sure to review the Association's Covenants and Restrictions and submit your ARC application for consideration prior to beginning any project. Doing so helps ensure that all improvements align with community standards and maintain the harmony and beauty that make Summer House such a desirable place to live.

Collectively, these investments continue to reinforce Summer House's reputation as a community of exceptional value, where price reflects cost, but value reflects lasting quality, comfort, and pride of ownership.

Rule Enforcement- Maintaining Order and Value

The purpose of rules enforcement, and of the rules themselves, is to ensure that all residents can enjoy a pleasant, safe, clean, and comfortable living environment. No one wants to contend with the hazards and inconveniences of vermin, fire code violations, or

improper waste disposal, and no one wants property values diminished by unapproved alterations, visual blight, or commercial uses in residential areas. While the Association's authority is limited in certain areas, our vigilance within those boundaries protects both the financial interests of owners and the everyday quality of life in our community.

Rules enforcement goes far beyond addressing basic issues like trash, although that remains important. One of the Board's and staff's most critical responsibilities is to develop and uphold rules that preserve the character and long-term value of our community. Everyone within the organization approaches this responsibility with the utmost seriousness and commitment.

Vision for the Future

The Board remains focused on long-term capital planning, while the staff oversees the operational execution of day-to-day activities. While no process is without challenges, both the Board and staff are committed to maintaining precision, efficiency, and accountability in all aspects of planning and operations. Together, we are aligned in achieving the strategic objectives of the community.

Ponte Vedra Beach is experiencing a period of significant growth and transformation, positioning it as one of the most desirable locations in the United States to live and work. While this growth presents both opportunities and operational challenges, the Board and staff are actively engaged in addressing these issues through disciplined planning, strategic investment, and coordinated execution.

Thank you for your trust and support

James Galloway