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HUNTINGTON ESTATES HOA - MINUTES
FEBRUARY 13, 2018

1st Qtr. Supplemental Board of Directors Meeting

Location: FELLOWSHIP BAPTIST CHURCH

3705 N. Monroe Street

Tallahassee, FL 32303

Members in attendance: (6) Scott Strand, Anton Hurst, Pat Page, JuDee Dawkins, Chuck Cook, and Barbara Hudson

Board of Directors in attendance: (9) Jon Holtom, Andra Hurst, Candy Strand, Dave Whestone, Terry Maier, Bill Lowman, Debbie Page, Jason Bonner and Wes Robinson.

President called meeting to order 7:04 p.m.: Jon announced Barbara Hudson was stepping aside to resolve concern about having one too many directors, however, Barbara wants to remain on Nominations Committee. Bill will look into availability for reserving room for future meetings at St. Louis Church, near enough to walk to. Jason inquired how many directors terms are up at the end of 2018 and will need to be filled. Due to the unique situation we experienced with the election(s), this will need to be addressed in about 6 months or sooner.

1/9/18 Minutes approved after corrections made: noted Terry Maier was on both ballots and new Nominations Committee chair, Jason Bonner.

Motion #1: Dave Whetstone Motion #2: Andra Hurst (Accepted & approved by all 9 directors)

Secretary's Report: Secretary records turned over included years 2007-2008, 2011-2012, 2014-2017 and the beginning of 2018 (*missing years 2009, 2010, 2013*). The books contained approved minutes, newsletters, a few emails and the original corporate seal. Discussion: What do official records consist of? (A list was previously emailed to directors) It was determined that the annual Not-For-Profit Report filed with the State Division of Corporations is important to have in the records to verify the **accuracy** of who served on the Board (addressed further under old business). Debbie said annual NFPR's could be found online, which Candy had looked into already and printed up copies to go in the secretary's books. In doing so, she found filings that had two specific people listed as secretary and president two consecutive years (2011 & 2012) when *neither* was even a member on the board. Typically, this is filed by the registered agent online after the first quarter board meeting, when the board determines who the officers will be. It is electronically signed and dated, and a filing fee is paid at same time. Architecture, maintenance, audit, contracts and other important records need to be kept for past and future reference, including liens, and legal matters. Jon kindly asked that directors and members present assist any way possible in acquiring the missing years noted and all other records. Where are they? Who has them?

Treasurer's Report: Andra reported the Sun Trust checking account balance was \$7,249.83 as of 2/13/18. As of October 31, 2017 Raymond James (Road Fund) account balance was \$152,220.74. She is getting new name and address on all accounts of record (i.e. City, Esposito, etc.) Three homeowners have paid 2018 annual dues. Several members inquired about the

amount actually due or why they were different. Andra explained that with dues still \$400 annually, those who had paid \$450 in 2017 were given credit of \$50 this year (\$350). Treasurer records turned over only go back as far as 7 years. It has been difficult for Andra, even with the help of JuDee Dawkins, to determine *how far in arrears* or *exact amounts still owed* by some members (89 members own 91 lots). Past accounting for members dues payments was done in independent years, independent of the year before and the year after. Most members have made one payment in full each year, while others have paid installments. It's not always clear if the member was current and maybe past dues are not carried over. Then there are some members showing no payments at all, even all 7 years. Andra will be creating an excel spreadsheet to keep a running account of all members payments year after year. This will be time consuming, but when completed should make it easy for future years to keep current accounting on each members annual payments. Also, no records of liens (which when filed, are good for 5 years) on properties were included in the turnover. Candy inquired if Andra had sought assistance from Jennifer Britt, (past treasurer/accountant/agent) for the HOA. Andra confirmed she had. By text, Jennifer replied she only knew of two lot owners who were *more than 7 years in arrears* and told Andra she could go online to find who has liens.

Committee Reports:

Nominations: (chair) Jason Bonner. Barbara Hudson had in the meantime rounded out the Nominations Committee with 3 volunteers who previously served on the board* and 3 who've never served on the board. Barbara*, Anika Fields*, and Marisol Roberts*, Lesta Mami, Dorothy Edwards and Grant Kimball.

ACC: (chair) Terry Maier, reported Dave Davis inquired about what kind of fencing he might consider for keeping the family dog in their backyard and they discussed some options, as other neighbors have dogs and would like "wire-style" fencing. Terry mentioned trailers of various kinds throughout the neighborhood and felt we needed to work on how to resolve this as it could create an issue in the neighborhood. Candy suggested that with each ACC request/submission, a photocopy of the property survey be included to indicate for clarity where on the property the request was being made and may also help to ensure trees/landscape on outer perimeter actually belong to the lot owner making the request. It was deemed this might be something to consider and discuss further at another time. Also, Terry has been working on a large scale map of the neighborhood placing exactly where storm drains sit, speed bumps, street lights, utility boxes, etc. Additionally, he has reviewed records of our utility bills through the years and worked hard to determine details of our expenses. Terry brought to our attention there are 4 lights along St. Louis Church Way that light the roadway from the backyards of Calabro, Britt and Coughlin. These lights are costing our association about \$511.00 a month and each bulb costs about \$50.00 to replace, which HEHA is charged (using about 2,446 KWH monthly). He wondered why our association was paying such a large sum for something that he wasn't sure we really should be paying for. Jon reminded Terry that several years back it was suggested we could save significant electrical expense by turning off every other lightpost throughout the neighborhood. When it came down to where to begin turning which light off, no one wanted the light near their home

turned off. Terry agreed he could understand lamps **within** the neighborhood "in front" of our homes and along our streets, however, these were lighting up a public/county maintained road and wondered where they were hooked up that HEHA was being charged and why, considering the major expense! One lightpost on Carrington Place has stayed lit 24/7, need to fix that, too. Terry had difficulty getting through to anyone by phone at the City to help answer his questions or assist him in his inquiry. He also pointed out that the LED light at Old Bainbridge entrance was costing us \$18.00 a months versus \$31.00 at the Fred George entrance without the LED bulb (in the future, if fits into budget, we may switch to LED fixture). The Board is grateful to Terry for his dedication in isolating these lights, which may cut down greatly on our budget. The Board agreed these matters needed to be researched and resolved, with Terry agreeing to take the matter up with the City as soon as possible.

Maintenance: (chair) Jon Holtom, had nothing to report at this time.

Public Relations: (chair) Bill Lowman, had nothing to report at this time.

Recreation: (chair) Debbie Page, wants to get letter or survey out to members for ideas. Terry, Bill and Debbie, did comment that they were looking forward to creating a survey to be distributed to the membership. Results from the survey, they felt, would enable us as a Board to better represent their needs and desires. Jon mentioned MRTA (Marketable Records Title Act of 1963), in which the association needs to be aware of. It's doubtful we've ever revitalized C&R's/Bylaws, thereby compromising our ability to enforce them. The answers combined through the survey will surely help us in moving forward with revitalization and considerations for possible modifications and such.

Audit: (chair) JuDee Dawkins, submitted a written report performed by the Audit Committee (members present-Andra Hurst, JuDee and Robert Edwards) held January 18, 2018. The report was handed to those present to review as JuDee read aloud from it. In part: Until an independant CPA outside of the Associations's membership reviews the books (required in our Bylaws) for 2017 fiscal year, the Committee recommends utilizing the 2018 annual budget as presented November 14, 2017 at the Annual General Meeting until such time the Board of Directors determines that adjustments are warranted. JuDee stated that CPA fees ranged from as little as \$500.00 to as much as \$10,000.00 for this service. Through a DBPR research, JuDee found no derogatory history on a prospective CPA, Amy Bentley, who was willing to perform this service as soon as needed, the *most* her fee would be was \$500.00. JuDee disclosed that Amy is a niece of Dorothy Edwards, and wanted us to know this in advance of making any decisions. Discussion: No one felt there was a conflict of interest concerning Amy's relationship to Dorothy. We liked the fact that her price was well within reason for our small association and her availability. We advised that at the 2nd quarterly meeting April 10, 2018, a vote would need to be taken about who we'd hire at what cost to our association and most likely proceed promptly thereafter with an official audit.

Under Old Business: Many of the agenda subjects were covered already in reports listed above and/or during discussion.

A Registered Agent and Office of the Association needed to be determined by the new Board:

(The registered agent receives all formal service of legal papers on behalf of the association and is an important link for the homeowners association. Many formal and important communications will be received by this association officer which must then be brought immediately to the attention of the board of directors. The board of directors may choose to assign this responsibility to a member of the current board or to the association's legal counsel.) To avoid any further legal expenses incurred by an attorney to take this title and responsibility, Jon and Candy both expressed their willingness to be the registered agent. Discussion: Since the secretary is the custodian of the minutes and other official records of the association, as well as ensuring access to those records by members and their authorized representatives, it seemed most reasonable that the secretary (Candy Strand) be the Registered Agent and Office of the Association.

Motion #1: Jon Holtom Motion #2: Terry Maier (Accepted and approved by all 9 directors)

Determine who controls Corporate Seal and when to use: The emboss-style seal was located and turned over at same time as the past records from the secretary. Discussion: Due to the age of the seal (though in excellent condition) and times today, it was determined that this seal would be an excellent way to certify valid ballots and/or proxies for authentication. At this time, we couldn't validate expense or any other reason for developing a seal (i.e. rubber stamp, etc.). The board agreed that any "Board Approved" mailings, flyers and/or postcards that were distributed to the membership would have the names of the 9 directors and appropriate return address included on such mailings.

Determine due dates and payment methods for all recurring [association] bills: Andra reported that the City of Tallahassee (electric & water, paid electronically) and Esposito's (HOA landscape maintenance, paid by check) are the only two recurring monthly expenses at this time. Esposito's was overdue with a balance of \$825.00 (@ \$409.75 month). Andra said she'd send a check the next day for payment in full. Since no copy of a contract with Esposito's was turned over with the financial records, Andra spoke with John Penn hoping he could find a copy. While Mr. Penn agreed to do further research in helping to locate any contract we may have entered in to with them, he was able to describe the services they have provided year after year to help provide an idea of what we're paying for. Their service includes approximately every other week of trimming center islands near Old Bainbridge, laying mulch and/or pulling weeds (as needed), and weekly mowing and edging (only of the commons grounds and entrance at Carrington Drive). The cul de sac near Anderson & Whetstone at end of Carrington Drive is also often "weed-whacked" to keep the wild shrub and vines back and off the road, according to Dave Whetstone. Discussion: Once we are able to determine exactly what areas are included in the price of the service and more details from Esposito's, Terry suggested any work or bid in excess of \$500.00 will be requested in writing from at least 3 sources. Those responses or offers to perform said service shall be in writing, dated and signed by the appropriate company official (vendor), which must be licensed & insured.

Motion #1: Terry Maier Motion #2: Dave Whetstone (Accepted and approved by all 9 directors)

Determine status and appropriateness of outstanding legal fees: In the financial records turned over to Andra were a couple of unpaid invoices from Jennifer Winegardner, HEHA attorney for many years. These charges included 4.20 hours regarding: Emails related to proposed new election & request for review of legal requirements, prepare legal

memorandum regarding election challenge & remedies; conduct legal research of DBPR database for prior arbitration decisions, and follow up emails related to facts and events surrounding November 14, 2017 election dated November 30, 2017 for a charge of \$945.00. On December 26, 2017 a charge for \$135.00 for .60 hours was to complete updated memo regarding election issues. Grand total \$1,080.00. A third invoice arrived addressed to Andra in late January 2018 for: (January 8, 2018) Review inquiry related to quorum & activities of the old board and the new 2018 board, review rules & statutes related to corporate process, emails to Barbara Cook regarding same, (January 9, 2018) respond to email inquiries & follow up from Barbara Cook about board meeting, an additional .90 hours for a charge of \$202.50. The grand total amount due: **\$1,282.50**. Discussion: Much discussion with many emotions. [A statement was made and recorded in the presence of more than 23 members on December 4, 2017 by Phil Spooner, that he, along with Barbara Cook and Mike Flury, had hired their own attorney to give them a legal opinion re: November 14, 2017 election, which would be shared with the members next day. Phil confirmed several times the association would not be charged, even after he acknowledged their attorney was Jennifer Winegardner. That would specifically be the \$945.00 invoice.] Anton Hurst pointed out that by January 2018, Barbara Cook's term expired on "the Board", which was cause for concern that Winegardner was still performing work at Cook's request January 8th and 9th of 2018. The new 2018 board had to decide if the association was truly responsible for paying any portion of these outstanding invoices. What would the consequence(s) be if their decision was to refute any or all of these charges? Interest fees? More legal fees? Court costs? We ended our relationship with Ms. Winegardner and the parting seemed mutual. As Andra stated, this was a bitter pill to swallow, however, we needed to put it behind us and move forward. Candy agreed and suggested the board had an obligation to pay their bills. Although the majority of the directors did not agree the association was responsible for these charges, we could not financially risk adding more. She suggested that if the members agreed the association shouldn't be responsible for (any/all part) these invoices, they could take that up with the individuals who incurred them. (Very disappointing the opinions and/or work that was performed by Winegardner at Cook's request was not kept or turned over in the secretary records, other than the letter itself distributed in November, also.) Dave Whetstone made a motion, seconded by Bill Lowman, that Board of Directors pay for the entire billing statement from Jennifer Winegardner based on her 1/23/18 letter included with the final outstanding invoice in the amount of \$1,282.50.

Motion #1: Dave Whetstone Motion #2: Bill Lowman (Approved by 8 directors*)

*Jon Holtom was AGAINST paying the invoices through Association funds. He was adamant that members relied on us to protect their financial interests. *In good conscience he could not approve paying the entire outstanding balance.* He felt a letter should be sent to Ms. Winegardner explaining why we disagreed with the charges, and wait for her response. He felt we should have at least tried to reject a good portion of it due to statement on record 12/4/17 by Spooner & Cook.

Start search for new legal counsel: Three attorneys up for consideration: Karl Scheuermann, Kristin Gardner and Garvin Bowden. Proposal received by one and waiting to receive the same from other two. Discussion: Directors still interested in taking board certification class, most likely use Karl, fee is free. We aren't sure how many hours involved, but all agreed best to wait till around first week of April since Karl busy with legislature and we are in middle of tax

season. Jon gave some history on Gardner's experience with revitalization and why we should consider her, as her hourly rate at \$250 was reasonable, as well.

Board Certification Forms: Completed by all new board members and filed with secretary.

Develop questionnaire/survey to be completed by members: Need thoughts from members in preparation of necessary MRTA revitalization and upcoming renewal of C&R's (by 2023). It has been suggested by those familiar with these procedures, that revitalization should occur first for compliance with statutes, then make changes/updates with renewal second. Both actions get filed in separate places. Bill Lowman as PR chair and Debbie Page as Recreation chair, as well as Terry Maier the ACC chair, have all agreed to get their committees together and begin working on crafting a neighborhood wide survey.

Pursue multiple bids for road repairs/resurfacing: Jason Bonner is confident he knows whom to contact (Priemer Santo, CW Roberts) and what procedures to consider. Terry stated there is 9500' of road and will assist Jason. Discussion: Keeping private and continue increasing dues to simply maintain private road? At what expense, how soon and how often? What about old city waterlines that have needed repair/replacement throughout the neighborhood, causing unsightly patches? How to properly align storm drains during resurface and thereafter? Turn roads over to county/city to avoid those problems and lower HOA dues? Can't seem to get members interested enough to even attend meetings when officials have come to address this matter with our association. How much assessed per lot, at what interest rate and how many years to pay off on property taxes? Sidewalks necessary? Easements? Research and follow up will occur and be shared with membership as soon as possible. Bill and Candy had met with Karl Scheuermann to deliver our governing documents in January for review prior to giving board instruction. During conversation he had mentioned that private roads are antiquated and we'd never get ahead trying to pay for the roads through our annual dues. He thinks showing the members on a graph, making it visual, would help them to better understand the advantage(s) of turning the roads over to the city/county.

Under New Business:

Jon brought up an employee theft policy (effective for 3 year periods) that was taken out in 2011 by Jennifer Britt that covered \$10,000.00 (per occurrence) if missing or stolen by any employee, including volunteers, of the association. Discussion: This cost \$131.00 annually and renewable every 3 years. It was a drop in the bucket considering the amount of money in our accounts. The insurance company would replace any monies stolen up to that amount only and would do their own investigation, if warranted. The only ones who have access to the accounts or handling monies are the president and treasurer. Our goal as the new board is to cut back on unnecessary expenses as much as possible without risk of endangering the needs of this association. Consensus was this expense outweighed any benefit it offered. Jon made a motion we not renew the policy.

Motion #1: Jon Holtom Motion #2: Terry Maier (Accepted and approved by all 9 directors)

*Covered some subjects on agenda earlier- such as who'll serve short term and hiring CPA.

Association website: Anton had looked into developing a website for our homeowner's association. Some are free and others cost money. Anton went with a free site called "Go Gladly" after his research. He added pictures of entrances and such, along with email directory of membership and a copy of our Articles of Incorporation. There is a calendar that can be referred to, documents, pictures added, post comments, announcements/message board, as well as a way to make your dues payments online. There is a fee to use this site for that purpose, however, some believe people would pay that fee for the convenience. As for security, keeping non-members gaining access to the site, is still unknown, however, you must sign in as a member and use your own password for security. There are rules and guidelines for how the site is used, no angry rants or name-calling, etc. The goal is to keep everything friendly for open communication. Anton offered to send the link to entire membership or just the board for review first. We decided to let Board review first and then get their thoughts on whether or not we include the entire membership, especially with the pay-online ability. It would be nice for one spot to electronically deposit our governing documents in one depository for easy reference.

*Board certification course: can be done in one evening by Karl Scheuermann. He will let us know when he's available.

*More volunteers for committees: They are pretty well filled, however, most filled by directors! We always wish for more involvement and volunteerism from within the membership, which seems to be difficult to accomplish. Candy suggested that we may have to accept the best volunteering we may gain is in what the members tell us or are willing to share with us by word or in writing. An anonymous person sent identical letters to each director pointing out properties he/she felt were in violation of our C&R's, or was an eye-sore in his/her opinion. Candy said this was a member who was volunteering and offering their time in trying to assist the board or committees in doing their job. Whether we agreed entirely or in part with the letter, we should be grateful for the members input. Others agreed.

*Looking into more lawn service/landscape bids: Several homeowners have suggested their lawn service company, which is fine, however, implying we can get better pricing if many of us use the same company could be a conflict of interest. As explained in a well written HOA book, if someone ends up having a personal issue or gripe with that company, they could create problems for other members and the association. Once we determine what type of services are being provided in what areas of the community and on what schedule (per Espositos), we can then seek bids for the same from other companies (without divulging what we currently pay).

*Tennis court (crack repair/warranty) and possible other functions: McLean Tennis is now Premier Surface Solutions. The work they did for us in early 2016 was guaranteed for one year for cracks, which we're past now. A voicemail was left for Rodney Reams to return Candy's call to inquire about possible repair and use of the court for other purposes (i.e. basketball & pickleball, plus one backboard for single use practice). Companies in this area are very limited, however, Candy found another company called Sports Surfaces. They do work all throughout the state with their multiple satellite offices. She spoke with sales mngr. "Theo" about the

cracks and concerns. What they offered sounded like a better guarantee, but without knowing the foundation involved and what price(s) they might charge for their materials and labor, certainly no way to compare. He was more than willing to come look at the court and give us a free estimate for repairs and other items mentioned above. On both websites it was disclosed that tennis court resurfacing needs to be done every 4-5 years. This has never been shared with the membership and surely should've been (built into) part of the yearly budget. It was left that someone would get back in touch once we determined what we'd like to do or when. Discussion: How often does court get used and would it get used more as a multi-purpose court? Does it warrant putting more money into it for multi-purpose, future resurfacing? Dave thinks that basketball or backboard will create too much noise for the homeowners nearest the court. Candy said she can understand that, however, that is a risk you take living near the court and was one of the very reasons why Rules & Regulations were devised for the court. The hours of operation were meant to limit annoyance to the neighbors.

*Filing liens: Who can file liens? Director, attorney? How much to file? How long are they good for? Discussion: Jon was thinking maybe through a newsletter we could point out some infractions and just mention we'd appreciate coming into compliance if it sounds like it applies to them. (Always in a friendly manner.) Seeing as how our C&R's are ambiguous in many ways (no actual written guidelines defining what is in compliance) and even questionable enforcement due to MRTA, we have to tread gently and not be too aggressive. Candy has major concerns about cats she has seen roaming throughout the neighborhood and hanging around a couple of particular homeowners yards. She's had experience with how quickly the cat numbers can multiply when these cats are not sterilized. Our C&R's do state that pets must be kept on the pet owners property. Loose, they can carry disease, attack wildlife and breed, eventually filling a neighborhood with dangerous (mean) cats while the population numbers increase.

*Comments by members or directors: Terry had a great idea for having a mailbox available for the members to drop off ideas/suggestions/complaints, even ballots during election time. Candy liked that so much she added a black mailbox inside her front porch for that purpose. It can also be utilized for directors to pick up or drop off papers/documents if needed. Also, we want to try and bring neighborhood together again as soon as possible with a potluck style gathering. Time to get survey out and gather our members wishes and desires.