

Call
Approved
H. S. B.

HUNTINGTON ESTATES HOMEOWNER'S ASSOCIATION
OCTOBER 9*, 2019 - held OCTOBER 16, 2018
(*postponed due to Hurricane Michael)
4th Quarter Board of Director's Meeting
Fellowship Baptist Church (Fellowship Hall)
3705 North Monroe Street

1. **CALL TO ORDER:** Jon Holtom called meeting to order at 7:06 p.m. Welcome all who attended. (8 Directors: Jon Holtom, Dave Whetstone, Nick Calabro, Candy Strand, Debbie Page, Bill Lowman, Terry Maier, Wes Roninson. Members: Travis Pilewski, Travis Johnson, Sam Marshall, Grant Kimball & Jordan Pearlman, Bob & Dorothy Edwards, Barbara Hudson, Clay Whitaker, JuDee Dawkins, Scott Strand.) Jason Bonner was absent from the board this evening.

2. **REVIEW AND APPROVAL OF JULY 10, 2018 MINUTES (3rd Quarter Board Meeting):**

Motion #1: Jon Holtom

Motion #2: Nick Calabro

8 Approve

3. **COMMITTEE REPORTS:**

Secretary: Nothing new, just wanted it known that past missing records *still missing* and will be recorded as never turned over to the new Board of 2018. Jon asked Dave to make one last request to past board (particularly with Barbara Cook), which Dave said he'd do.

ACC: Jon said the new owners George & Hilda Jackson of Lot E10 are about ready to begin construction of their home. Numerous trees are marked for removal and neighbors should be prepared for upcoming activity there.

Maintenance: Jon replaced LED at Old Bainbridge/Danesborough entrance and feels the smaller bulb puts off adequate light. He also treated an underground hornets nest multiple times at the Danesborough Place turn-around, which JuDee agreed was finally resolved. No more bees! Scott Strand expressed concern about neighbors near storm drains that do not keep them cleared of debris, especially important during hard rains. Also, he pointed out that Asiatic Jasmine has grown out into the street in front of the Connors' residence (on Westmorland). The groundcover reaches out easily 4' into the street and stretches about 10'+ around the corner, hindering stormwater runoff and narrowing the road. Committee members would check it out, but easily corrected by an electric/gas hedger or edger.

Nominating: Candy had sent "sample evite" for the Annual Members Meeting & Holiday Potluck to Debbie & Jon for their approval, but they weren't able to get in. Jordan needed to invite them, but now it was agreed that all was approved and Jordan could send out evite to entire membership asap. Candy asked that Jordan make mention that members weren't required to bring food for potluck or in order to attend the meeting. Jon clarified all members were welcome to attend the potluck and/or the meetings regardless of their standing, however, they would **not** be eligible to vote for directors or any subject requiring a vote of the members, if they aren't current on their annual assessment(s). It was agreed we'd email members ballots & info, exactly what would be mailed to them by USPS, at least 14 days in advance of the meeting. Jon mentioned he wished we could do away with costly mailings and rely more on email and a dedicated HEHA website. We'd have to get members permission in writing that they agree to email communication, so this will be something we need to address with the new board. Candy & Debbie agreed to format ballot info and have ready to place in mail by Mon. 10/22/18.

- * Dave Whetstone inquired at this time about which or how many trees Jackson's intended to actually remove. Discussion ensued between Terry, Grant, Jon & Dave about this. Candy suggested that due to time and the property owner not being present to address their questions or concerns, they end their discussion and meet with the lot owner at their convenience. They agreed to this.

Treasurer: Nick presented to the board draft copies (generated through Quickbooks): Profit & Loss (January-September 2018), Balance Sheet (as of September 2018), Profit & Loss Budget vs. Actual

(January - September 2018), as well as Profit & Loss Budget Overview (January - December 2019). Copies will remain with Minutes, as they may require fine tuning (after final Audit Committee meeting, and before the annual meeting). Discussion: How much actual income we could rely on for expenses. Candy confirmed there are 91 (payable) lots, of which five (5) are in arrears *at this time*, one (1) of which is only for 2018. Discussion about separating expenses from others, more itemization (i.e. professional vs legal), looking to continue to minimize expenses and placing more into road fund, if possible. Board knows that while striving to achieve this, they have a large expense ahead for this Association, beyond the Boards' *absolute* control. The expense will definitely fall under legal or corporate. The expense will need to be justified through explanation and members hearing and understanding. Also, Nick confirmed with Jon the Association would have to file income tax, but any taxes owed would be minimal.

- * Jon decided he wanted to discuss New Business (f.) Marketable Records Title Act (MRTA), and how it relates to Huntington Estates Homeowner's Association. *Members can't always stay the duration of the board meeting and he felt this topic needed to be addressed in front of those in attendance.* There was a bit of tension in the air about the members in critical arrears and "what could be done to get them to pay" so the rest of us weren't burdened...*

Jon explained how for years it was questionable if our C&R's/Bylaws were even enforceable due to being over 30 years old, extinguished (or expired) according to MRTA. A couple of attorneys had reviewed our governing documents and strongly suggested this was, in fact, the case. Once we hired the current law firm (Sax Sachs & Caplan), under the guidance of Karl Scheuerman (who passed unexpectedly in September 2018), the Articles of Incorporation, Covenants & Restrictions, and ByLaws, were fully reviewed and warranted basic research regarding how MRTA affects Huntington Estates HOA. We are not in a favorable position where we can go after anyone for violations or threatening liens because we have limited, perhaps zero, legal recourse. Jon is hopeful that all homeowner's will realize why we need to preserve and revitalize our C&R's, and that those in arrears may find they want to remain here and be part of the community by contributing their portion. We must make everyone feel welcome first! Some suggestions were made as to how we could help further the additional needed monies for the benefit of our private roads "current and future" maintenance and certain resurfacing in just a few more years. It was determined a moot point until we get new directors on board and the members have been advised and noticed about the Marketable Records Title Act.

Terry expressed concern that Louis Caplan (attorney filling in for Karl) mentioned in an email he didn't have access to all our governing documents, yet he was under the impression Candy & Bill had given Karl Scheuerman paper copies, as well as electronic copy, of our Articles, C&R's and ByLaws. Candy said Terry was correct and she understood his concern! Since Karl passed away, another attorney by the name of Michael Ungerbuehler has stepped in. Jon thinks that they were having problems getting into all of Karl's records but were getting it worked out. In the meantime, Candy offered to simply email Michael our governing documents the next day. Terry also questioned whether we hired Karl or the firm itself, which deserved clarification. We hired the law firm. Discussion: Nick described the format he'd be referring to in his presentation of the upcoming annual budget. He's willing to help the next Treasurer with these Quickbook records. A ledger is also in the works for recording each members individual information, particularly running record of assessments paid. Jon and Nick explained how we've managed to cut back on other expenses allowing some cushion for this expense (and will be explained during the annual meeting), which can be as little as \$6,000 or as much as \$10,000. The Audit Committee needed to finalize their report based on the CPA's (Amy Bentley, CPA) report, however, Nick was confident we could accomplish meeting this expense without additional assessments. It was agreed we should stay with them since we've already engaged their services and the Board is satisfied with their service to date.

4. OLD BUSINESS

a. Update on road resurfacing bids as researched by Terry & Wes - Terry explained: Neither the City or the County want to or are willing to take over our private roads. If we ever got 100% of the membership to agree to turn our roads over, it would cost more money than we could imagine (millions\$), as well as have many conditions* attached, and still take 10 years or more, to complete. (*Sidewalks, road connections/through other neighborhoods, lose property frontage, property tax will go up 4.1% annually, etc.) In the meantime, we must still maintain our own roads! We appreciate the many hours they put into this to better help us understand how many years we have before we'll need to resurface (approx. 5 years or 2023) and at what fairly reasonable cost it would be (approx. min. \$250,000-\$300,000). Discussion: How much would need to be placed in road fund to accomplish this and can it be done without additional assessments? Other options for collecting (collect through increase of annual dues, one-time assessment, collect through property taxes?), especially since 5 members already in critical arrears and what incentive to pay their dues since they haven't yet? Jon is certain that more than \$125 per lot annually will need to be dedicated to the road fund (Raymond James) account, regardless. Guessing we'll need to resurface about every 20 years and budget for that. All present seemed to agree with him.

b. Update on collection of non-paid dues: Candy wanted to mention that Jon has personally reached out to all members in arrears. He's passed no judgement against anyone, but rather, shown willingness to hear why they've not made their annual dues payments, understanding people can experience hardship. Jon has sent several notices and made follow up calls, expressing HEHA's willingness to collect on a payment plan. Some members have responded kindly in return expressing their intent to get paid current by the end of (December) 2018, while others *have not* replied or responded. While Jon has compassion, he also fully understands we have an obligation to collect dues equally from **all** members of this Association. He's attempted to do so with respect and the members' privacy. At this time, there are 5 members in arrears and Jon will send out another notice to them, promptly, before the annual meeting (they are welcome to attend meeting but unable to vote).

c. Additional thoughts/discussion on Association web page: Facebook page does not seem to be engaging members, *at this time*, and some still question privacy. Clay Whitaker discussed private website with our own domain name and approximate expense (\$20 mo.) for a more professional site that possible home buyers could also visit. It would be a great way for members to review legal documents, notices/minutes, alerts, neighborhood topics of interest and possibly more... Board is interested in continuing to find ways to communicate with members and share information without the added expense of paper, stationary, ink and postage, in an acceptable manner to most members. Clay will research further and share with the new Board of Directors in 2019.

d. Develop ACC guidelines to comply with Chapter 720, Florida Statutes, based on results of membership survey: Jon explained how our (outdated) C&R's do not align with the Florida Statute 720.3035 Architectural control covenants; parcel owner improvements; rights and privileges. There has been strong opinion and the desire for detached structures (outbuildings) by many members, as well as become a popular question by people considering moving into the neighborhood (without the option, they aren't interested). Creating written guidelines according to county code and utilizing some setback language and such from our C&R's, we hope will encourage members to refer to and abide by. This will all become part of the revitalization process, however, in the meantime we need to encourage members to refrain from "doing whatever they want" by offering reasonable, acceptable guidelines that would be used by all members of the Association. Jon discussed (possible) details at length (require building permit) and answered questions from directors and members. This will be part of the MRTA discussion during the annual members meeting November 8, 2018.

e. Purchase of Association printer and dedicated office supplies: Jon looking into which printer is most likely the best printer for our HOA needs. (Might complete after January 2019 Board Meeting)

f. Reminder of date of annual meeting and neighborhood potluck dinner, election tabulation to be openly performed during meeting: Debbie confirmed annual meeting will be Thursday, November 8, 2018 at 7:00 p.m., potluck begins at 6:00. Announced the candidates, introducing those present: Sam Marshall, Travis Johnson, Grant Kimball, Clay Whitaker and Candy Strand. Marisol Roberts was on a well deserved vacation in Mexico! Although the Board is not required to choose which candidates on the slate may actually volunteer to serve on the Board of Directors, Jon made a motion to approve the entire slate presented. Motion #1: Jon Holtom Motion #2: Bill Lowman 8 Approved

5. OPEN DISCUSSION & QUESTION PERIOD FOR MEMBERS: Nothing - move forward.

6. NEW BUSINESS

a. Nominating Committee to present slate of volunteers for November election: (already covered above).

b. Audit Committee results and recommendations: JuDee reported that Amy Bentley, C.P.A., dropped off her completed report late afternoon the day before our scheduled Board meeting, which also happened to be as everyone was preparing for the upcoming Hurricane Michael. Secretary Strand tried to copy all directors and Audit Committee members by email the same evening (Monday 8th), not all were in receipt of the email report, primarily Nick. Secretary provided Nick with the original report, including invoice, keeping photocopy for Association records. JuDee gave a summary of the report and highlighted some points to review for moving forward (respond accordingly) to present at the Annual Meeting. The Audit Committee, including Nick (ex-officio), agreed to meet within the week to finalize the Treasurer's Report and the Audit Report to present to the membership for the 2019 Budget approval. Terry inquired what exact issues Amy pointed out. In short, JuDee reminded everyone this audit was based on the year 2017, not the current year 2018, however, those records were also turned over. Current Board is virtually all new directors and officers, and has incorporated a new approach to recording. Record of Amy Bentley's report is filed with secretary records, however, Audit Committee will be responding to issues cited and will present at annual members meeting November 8, 2018. JuDee is comfortable and satisfied with Amy's report.

c. Louise Locke home, 4000 Danesborough Place, sold. Closing on Friday, October 12, 2018: Jon said a tree possibly hit the house and with the damage from the hurricane, it was questionable what would happen now. Barbara Hudson believed damage was slight and Jon confirmed the closing date would be later in November, maybe the 30th? Candy would need to follow up on this before sending out ballot mailings.

d. Future mailing of courtesy dues notices vs. email notifications?: (covered under Old Business c.)

e. Discussion on budget and possibility of depositing surplus into road fund: (covered under Treasurer's Report and Old Business a.)

g. Other new business from Directors and/or members?: The floor was opened. With no other business or comments, Jon took the floor. He suggested with our private roads we have some control over what is allowed on the roads. Jon painted a picture of a cozy, friendly neighborhood with owners of many different ages and lifestyles who enjoy visiting briefly with each other. Some people walk, some run, while others ride bike... he suggested more people might get out and visit or enjoy the outdoor activity going through the neighborhood if we allowed golf carts. This idea created a lot of curiosity and questions, but also interested several more people. (Candy half-joked that she'd help keep the storm drains clean if golf carts were allowed and we could use the worm-filled compost at the tennis court or entrance gardens.)

Dave Whetstone brought up the storm drain situation, again. This has come up several times and we have not been able to resolve this issue. Dave recently drove over one on Dorset Way by Robinson's. It jarred his vehicle and scared everyone in the car. Perhaps Maintenance Committee should look into orange cones that can be placed strategically over the drain to visually alert neighbors to the danger.

Travis Johnson suggested knowing someone in real estate that could provide us information on all homes up for sale in the neighborhood, helping to see what values are in this neighborhood and how quickly they sell, etc. Dave Whetstone will check with his daughter about something like this.

JuDee Dawkins brought up burning in the neighborhood. She wasn't sure if it was allowed, but also was concerned because some neighbors were burning yard waste while the air and landscape is very dry (wandering embers, etc.). The smoke filled the air so much it still lingered in the air the next day! Not sure if the owner is using proper caution and many find it offensive for several reasons. At JuDee's request, secretary Strand agreed to email all members and mail to those w/o email the information that was posted in the newspaper about "Know How to Burn" - the Florida Law. Article Nine, Section 6 of our C&R's address burning and we believe that means no burning on a homeowners lot or Green Areas. For now, this is the only way we can encourage members not to burn, but we can't enforce.

JuDee also suggested for "archival reasons", someone may want to go through the neighborhood with a video and record the streets and homes to show the damage from Hurricane Michael. Although a good idea, many felt people placed their own videos on social media already. Candy expressed concern for Machie/Metcalf whose home had a very large tree crash through the middle of it early on in the hurricane, wondering if neighbors might consider helping in some way. Jon said he spoke with Mike Machie earlier and he assured Jon their insurance was handling matters, including hotel & meals.

Candy thanked all the neighbors who went out and helped their neighbors after the hurricane. She also wanted to give special praise to Jon for going out during the storm and moving downed trees in the road off to the sides and turned off the water main at Machie/Metcalf. Karen realized the tree may have ruptured the waterline in the attic after emergency departure from their home and asked if we could turn off the water when we inquired if there was anything we could do to help. Jon immediately accepted responsibility for that! Nonetheless, we are sure many others were equally heroic and helpful, and we look forward to hearing more stories from our neighbors.

Jon let everyone know we have two "billy goat" blowers, one at his house and the other one at Roberts' residence. They are great for blowing large areas with a lot of debris.

Dave Whetstone asked if we could ask the property owner of empty Lot B03 to clean it up some. Jon has been meaning to call the owner about damage to the road from some of his trees, so he will follow up on this.

9. Adjourn

Motion #1 - Candy Motion #2 - Dave

8 Approve

Annual Members Meeting and election of new directors: Thursday, November 8, 2018 at 7:00 p.m.
Fellowship Baptist Church. Neighborhood holiday potluck dinner 6:00 - 7:00 p.m. in Fellowship Hall.

2018 TTD Summary and 2019 Budget

	<u>Jan - Sep 18</u>	<u>2018 Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>	<u>2019 Budget</u>
Ordinary Income/Expense					
Income					
Homeowner's Dues	\$ 31,957.94	\$ 38,700.00	\$ (6,742.06)	82.58%	\$ 36,400.00
Total Income	<u>31,957.94</u>	<u>38,700.00</u>	<u>(6,742.06)</u>	<u>82.58%</u>	<u>36,400.00</u>
Expense					
Insurance Expense	1,051.00	1,200.00	(149.00)	87.58%	1,200.00
Office Supplies	66.90	337.50	(270.60)	19.82%	500.00
Professional Fees					
Corporate Filing Expense	61.25	375.00	(313.75)	16.33%	65.00
Legal	1,734.16	3,000.00	(1,265.84)	57.81%	8,000.00
Meeting Space Rental	35.00	-	35.00	100.0%	75.00
Professional Fees - Other	-	-	-	0.0%	-
Total Professional Fees	<u>1,830.41</u>	<u>3,375.00</u>	<u>(1,544.59)</u>	<u>54.23%</u>	<u>8,140.00</u>
Repairs and Maintenance					
Entrance and Common Area	74.88	1,345.00	(1,270.12)	5.57%	1,680.00
Interim Road Maintenance	-	-	-	0.0%	1,800.00
Lawn care	3,466.95	3,780.00	(293.05)	92.25%	4,800.00
Total Repairs and Maintenance	<u>3,561.83</u>	<u>5,125.00</u>	<u>(1,563.17)</u>	<u>69.5%</u>	<u>8,280.00</u>
Taxes	-	-	-	0.0%	200.00
Utilities	5,514.85	6,000.00	(485.15)	91.91%	6,300.00
Total Expense	<u>12,024.99</u>	<u>16,037.50</u>	<u>(4,012.51)</u>	<u>74.98%</u>	<u>24,620.00</u>
Net Ordinary Income	<u>19,932.95</u>	<u>22,662.50</u>	<u>(2,729.55)</u>	<u>87.96%</u>	<u>11,780.00</u>
Other Income/Expense					
Other Expense					
Accrued Road Fund Expense	-	11,375.00	(11,375.00)	0.0%	11,375.00
Total Other Expense	<u>-</u>	<u>11,375.00</u>	<u>(11,375.00)</u>	<u>0.0%</u>	<u>11,375.00</u>
Net Income	<u>\$ 19,932.95</u>	<u>\$ 11,287.50</u>	<u>\$ 8,645.45</u>	<u>176.59%</u>	<u>\$ 405.00</u>

Bank Account Balances as of 9/30/18

SunTrust Operating	\$ 28,279.27
Raymond James Road Fund	<u>153,774.96</u>
Total	\$ 182,054.23