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Huntington Estates

Home Owner's Association

Neighborhood Newsletter

2018 Annual Neighborhood Report



Jon Holtom – President & Maintenance Chair, 556-6516

Dave Whetstone – Vice President, 570-8241

Candy Strand – Secretary, 445-4841

Nick Calabro – Treasurer, 519-2772

Terry Maier – ACC Chair, 562-2679

Jason Bonner – Nominations Chair, 524-9001

Bill Lowman – Public Relations Chair, 566-1179

Debbie Page – Recreation Chair, 514-3936

Wes Robinson, 562-3607

JuDee Dawkins – Audit Chair (non-Board Member)

Greetings Neighbors!

Thank you to all who were able to attend the annual meeting on November 8th. It was great to get together with the neighbors and share a delicious pot-luck dinner prior to the meeting. We had a decent turnout for the dinner and meeting and are all looking forward to even more participation in the future from all our neighbors. The quarterly meetings, which are held on the second Tuesday of each quarter, are open to everyone. We encourage you to attend so that you can be up to date on the issues involving your neighborhood and so that you can be a part of decisions that may affect you and your property values.

The annual meeting was conducted in a friendly and open manner that encouraged and welcomed much discussion from the members in attendance. The first part of the meeting was a re-cap of achievements made during 2018, followed by an informative discussion of very important issues to address in 2019.

During these discussions, the elections committee very carefully and openly verified the submitted ballots, separated the inner envelopes from the outer envelopes to ensure the anonymity of the votes, and then counted the votes for the new board volunteers. 48 ballots were submitted, which is a little over half of the membership. One ballot was not able to be properly validated according to instructions sent out by the elections committee with the ballots, so only 47 were counted. This is better than recent years, but we greatly need more neighborhood involvement in the future.

The newly elected volunteers to serve on your Board of Directors for calendar years 2019-2020 are: Candy Strand (reelected), Sam Marshall, Clay Whitaker and Travis Johnson. These new volunteers will be joining the following volunteers who have one more year left in their two-year terms: Terry Maier, Wes Robinson, Bill Lowman, Debbie Page and Jon Holtom.

The following notable achievements were made during 2018:

- Curtailed legal expenses for a pending lawsuit against a home-based child care occupation. Home occupations are provided for by Florida Law, with restrictions. While our C&R's prohibit commercial businesses, they do not prohibit the restricted home occupations that are specifically allowed under Florida Statutes and County Codes. Pursuing this lawsuit would have been a losing proposition that would have cost the members a lot of unnecessary money for unnecessary legal services.
- Sent a survey to the entire membership to obtain thoughts regarding neighborhood issues from all members. Everyone is entitled to a voice, not just the Board.
- Requested bids from 5 different lawn care providers to see if we could save money. Only 3 of the five submitted a bid after indicating that they would all do so. The highest bid was close to

\$14,000 per year. The lowest bid was from Esposito's, our current service, at \$3,675 per year. We accepted this new bid, which saved us a little over \$1,000 per year, and we secured a 3-yr. contract at this new rate.

- Combined 4 utility accounts into 1, dropped 3 lights from bill on St. Louis Church way, reduced utility bill by a little over \$1,000 per year.
- Recreation Committee organized an Easter egg hunt and party for the neighborhood kids.
- Hired new attorney to review and provide opinions on our governing documents.
- Board attended HOA training class presented by local Real Estate law firm Sachs, Sax & Kaplan.
- With the help of the training class and in-depth review of our documents with the attorney, we identified several needed updates to our governing documents that we will be addressing in 2019.

We then moved on to an open discussion with the membership regarding the Marketable Records Title Act (MRTA) and the impact it has on the HEHA governing documents. This issue has been discussed at great length with the association's current legal counsel. The main points we need to consider are as follows:

- Pursuant to Chapters 718 & 720, FS., which implement the MRTA of 1963, all C&R's, regardless of any expressed expiration date, expire 30 years after filing. They can be refreshed prior to 30-years but must be revitalized if more than 30 years have passed.
- Refreshing would have been easier and less costly. Unfortunately, ours were not refreshed, they must go through a difficult and more costly process to be revitalized. The current estimate by our legal counsel to complete the process and ensure the viability of our governing documents is \$6,000 - 8,000. Luckily, due to cost saving measures taken by the board this year, we have this extra money in our checking account.
- Until revitalized, the Association has limited ability to enforce the C&R's.
- To retain the ability to operate the association, we must revitalize.
- This will be a burdensome process and we will need several non-Board member volunteers to serve on a required revitalization committee. We have been told this will take 4-6 months at a minimum to accomplish, so we need to get started as soon as possible.
- Once revitalized, we can then explore revising/updating our governing documents to catch up with the times. Don't fret, though, any revisions or updates must be agreed upon by a majority vote of the members.

The bottom line is that if we wish to maintain a neighborhood with restrictive covenants, then we must go through the process of revitalization. A special meeting will be held to answer your questions and to hold a vote on this issue prior to moving forward with spending any money on the revitalization effort.

The Architectural Control and Maintenance committees also thoroughly explored the issue of the roads, including how much it would cost to resurface them and the possibility of turning the roads over to the City and/or County. In consideration of the following points, the roads will remain under our control:

- Unless or until we are annexed into the City limits, the City will never take over our roads.
- The County has absolutely no interest in taking over our roads. However, if we were able to get a commissioner interested in pursuing this on our behalf, it would require 100% of the property owners to approve deeding the right-of-way to the County (this means you give up 30 feet across the front of each lot), many upgrades would have to be made to meet the county requirements, total cost would be close to \$1 million, which would end up on our property taxes as a special

assessment (approximately an additional \$1,000 per year) for the next 10-15 years, and it would not happen for approximately 10 years from the date of approval to go this route.

- Keeping the roads private as they are now and paving them ourselves would cost approximately \$300,000 today. Since we currently only have about \$154,000 in the road fund, we will not be able to resurface the roads any time soon.
- The good news is that we have about 5 years before we will have to do something, which gives us time to keep saving. There are many shrinkage cracks throughout the neighborhood, but there does not appear to be any settling, so the base appears to be in good shape.
- The not-so-good news is that we will need to raise our dues approximately \$200 per year to reach the necessary goal. Overall, this is the best option for us to follow. We will be talking with a few investment advisors before finalizing the projected annual dues increase.
- The approval to raise the dues will also be presented in a special meeting to allow the members to vote on this issue, as required by our C&R's.

The audit committee provided a report summarizing the annual audit for calendar year 2017, which was performed by an independent CPA at a cost of \$500. Overall, the audit was favorable, citing no indication of financial malfeasance. Recommendations were made about how to better track expenses and collection of annual dues in software that can be continued from year to year, regardless of changes in treasurers. It was also recommended that there be more separation of responsibilities to ensure that whoever oversees the checkbook doesn't sign reimbursement checks to themselves. It was noted in the report, that although the review period was for calendar year 2017, it appears that the current board has resolved these potential issues in calendar year 2018.

The audit committee also prepared and presented a budget for calendar year 2019. This budget is \$2,300 less than the budget for 2018 and it includes \$8,000 for the revitalization of the C&R's. Because the money needed for the revitalization is already in the checking account, we may well be able to transfer the budgeted amount into the road fund after the revitalization effort is completed. The audit committee also provided the following recommendations to ensure best operation practices for the association:

- Continue to maintain a separation of duties regarding the HOA financial activities.
- Continue to document dues accounts receivable and payments utilizing QuickBooks or other automated accounting system.
- The Board should develop written procedures to deal with collection of past due payments as well as how the invoice process will work. These procedures must be documented and followed with respect to the timing of first reminders, subsequent attempts to contact homeowners and at what point legal action be taken.
- The Board should develop a form to be sent to all homeowners requesting their approval to have invoices sent by email, thereby reducing cost to the HOA.
- The Board should amend existing By-laws to eliminate the requirement for an audit by a CPA to conform to Chapter 720, F.S., and to reduce costs to the HOA. (Pursuant to Chapter 720, F.S., an audit by a CPA is not required for associations that have less than \$150,000 in annual income. All that is required is an annual profit and loss statement that can be created by the association treasurer using the accounting software.)
- The Board should develop a procedure to specify when transfers should be made to the road fund throughout the year.
- Recommend that Board members not be compensated solely for serving on the Board as has been done in the past. Board members should, however, be reimbursed for incurred Board-related expenses as authorized by the Board.
- The audit committee should regularly review profit and loss statements for adherence to the budget.

A copy of the 2019 budget is included for everyone's review.

It was also reported that the Board acknowledged at the October quarterly meeting that, to get into compliance with the requirements of Chapter 720, F.S., guidelines must be developed for the Architectural Control Committee to follow when acting upon members' requests for property improvements. These guidelines will include specifications for approvable detached structures, which are allowed by our C&R's with ACC approval. Detached structures are also allowed by the county municipal codes in residential protection zoned areas, with restrictions, which the ACC guidelines will reflect. In addition, it was recognized that properly muffled gas and electric golf carts are not prohibited on our neighborhood roads. Neighborhoods throughout Florida that have become golf cart communities have experienced a resurgence in neighbors getting out to visit with each other, as well as a positive boost in neighborhood moral. All who choose to embrace the golf cart community idea are reminded to avoid nuisance noises by maintaining proper mufflers on all gas-powered carts.

Following the hurricane clean up, we have noticed several neighbors burning yard trash. Please be reminded that open burning of yard debris is not allowed in Huntington Estates. Please be respectful of your environment and of your neighbors' respiratory systems by hauling your hard trash to the road for pick up by the local collection service. Small piles will be picked up with the normal garbage collection weekly. However, if your pile is bigger than about 5' x 5' x 5', then you will need to call Waste Pro and schedule a large load pick up. It also appears that FEMA may still be sending people through to pick up piles, so please let them pick it all up rather than burning the limbs in your yards.

Lastly, we had a lively discussion from the members regarding the desire to see our neighborhood return to the festively decorated houses and yards of years past to celebrate the holiday season. Everyone is encouraged to decorate their homes for the holidays. Our neighborhood is blessed to have a wide variety of nationalities and faiths represented among our neighbors. Whatever your beliefs, you are strongly encouraged to display your personal holiday spirit for all to enjoy. As an extra measure of neighborhood unity, many of our long-term neighbors have requested that we revive the practice of everyone placing luminaries along the front of their properties on Christmas Eve. It was suggested that the white lunch bags work better than the brown ones and that it only takes a little bit of dirt or gravel in the bottom of the bag to keep it from blowing over. We would love to see the roads outlined in a continuous stream of glowing white lights on Christmas Eve. I have heard many comments in recent years that our neighborhood used to be much brighter at the holidays than in recent years. If you are getting to the point in your life where it is more difficult to decorate than it once was, and you would like some help, please reach out to your board members and neighbors for a helping hand. Even if it is only a little bit, it would be wonderful to see some sort of holiday decorations at every house this year!

If it makes it easier for you to participate in the luminaries, Candy Strand has ordered extra bags and battery powered tea light candles (stated to last 100 hours) that she is making available for her cost of \$0.50 per pair (bag + tea light). If you are interested, please email candy at 19cns@comcast.com or call her at 850-514-0515. Wal-Mart also sells white bags for \$1.96 for 50 bags and tea light candles for \$3.97 for 100 candles. This equates to only \$0.08 per pair but the candles will likely only last 2-4 hours, each.

The 2018 Board of Directors thanks everyone for working together this past year to improve relationships throughout the neighborhood. We are all looking forward to an even better 2019 with even more neighborhood involvement in the Association meetings.

Thank you once again for all that each of you do to make Huntington Estates the premiere neighborhood in Northwest Tallahassee and a great place to live!

If you have any questions regarding this annual report, please feel free to contact Jon Holtom at (850) 556-6516.

Happy Holidays from your 2018 Board of Directors!

	Jan - Sep 18	2018 Budget	\$ Over Budget	% of Budget	2019 Budget
Ordinary Income/Expense					
Income					
Homeowner's Dues	\$ 31,957.94	\$ 38,700.00	\$ (6,742.06)	82.58%	\$ 38,400.00
Total Income	31,957.94	38,700.00	(6,742.06)	82.58%	38,400.00
Expense					
Insurance Expense	1,051.00	1,200.00	(149.00)	87.58%	1,200.00
Office Supplies	66.50	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	1,830.41	3,375.00	(1,544.59)	54.23%	8,140.00
Repairs and Maintenance					
Entrance and Common Area	74.88	1,345.00	(1,270.12)	5.57%	1,000.00
Interim Road Maintenance	-	-	-	0.0%	1,800.00
Lawn Care	3,405.85	3,700.00	(293.05)	92.25%	4,600.00
Total Repairs and Maintenance	3,580.73	5,125.00	(1,583.17)	89.5%	6,280.00
Taxes	-	-	-	0.0%	200.00
Utilities	5,514.85	5,000.00	(485.16)	91.91%	5,300.00
Total Expense	12,024.89	16,037.50	(4,012.51)	74.98%	24,620.00
Net Ordinary Income	19,932.95	22,662.50	(2,729.55)	87.96%	11,780.00
Other Income/Expense					
Other Expense					
Accrued Road Fund Expense	-	11,375.00	(11,375.00)	0.0%	11,375.00
Total Other Expense	-	11,375.00	(11,375.00)	0.0%	11,375.00
Net Income	\$ 19,932.95	\$ 11,287.50	\$ 8,645.45	176.59%	\$ 406.00

Bank Account Balances as of 9/30/18

SanTrust Operating	\$ 26,279.27
Raymond James Road Fund	153,774.96
Total	\$ 180,054.23