

**Cottonwood HOA
Board of Directors and ARC Requests
Meeting Minutes
Monday November 15, 2021 (virtual)**

1. Call to Order

The meeting was called to order at 5:34 PM by, seconded by and approved by.

2. Directors Attending

Alfonso Robinson - Vice President
Jen Ruffini - Treasurer
Erin Cook - Secretary
Fred Hall - Director
David Satore - Director
Larry Blackwell - Director
Karen Williams - Director
Jim Belliant - Director
Kaley Wright - ARC Chairman

3. Approval of Minutes

Larry approved, Dave seconded.

4. Old business

○ **Reminders**

- i. Animals must be on the leash at all times unless in the back yard/behind a fence. We're still having a problem, and we don't want anyone getting hurt. So please make sure animals stay inside or in a fenced in yard.
 1. We've had several issues this year. If needed, Animal Control will be contacted.
- ii. Trash cans need to be put up promptly. Holidays may be an exception, with the trash companies behind schedule, but in general please bring in your bins.
- iii. Yard maintenance - please make sure to edge, mow, and remove cuttings from the street especially with the pressure washing if it kicks up anything.

○ **Front Gate**

- i. Everything is good and set up. Anyone who hasn't put in their code/phone number, email me and let me know and I'll get with the gate company to add your information in.

○ **Fall Yard Sale**

- i. It went well, lots of people came out and there were no problems.

○ **Finances with Jen**

- i. Nothing new really. I did have a question for EPM about something small but they've not gotten back to me yet. I'll let you know when they do.

5. New Business

- o Virtuous Management with Ms. Nicki (on the call)
 - i. **History on the company:** Nicki manages everything from Crestview to Biloxi. Dan Buttner is the owner, and has been in this business for over 20 years. This company has over 89 properties currently. All managers having servant heart; work in the direction of the board and within Florida statute. Communication is #1 priority along with transparency.
 - ii. Use appfolio software to let board members login and review documents such as invoices and allow us to pay directly from there. This sends payment requests to the accounts payable department and they send out the payment.
 - iii. There's a portal login for all homeowners and will have the CCRs and a section for the financials. Replaces the need for a website. Portal also allows them to communicate by email blast or text message to all homeowners. Homeowners can make payments and view their balance directly from the portal.
 - iv. **Services:** association manager does property inspections and visits every other week. A report is sent to the board including anything they see. Have the option to auto-send violation letters, or let the board approve/review before sending out.
 - v. **Finances:** the accounting team collects all the payables which are included on the board report each month. Provided 20 business days after the previous month. At the end of the year they work with an auditor if requested.
 - vi. **ARC Requests:** Process all ARC requests, compile it all, then send to the ARC board and then will send out the approvals/denials.
 - vii. **Questions:**
 - 1. Stated 89 properties; are any of those local that we would recognize?
 - a. In the Pensacola market, there are quite a few HOAs we cover. Condos in Perdido and Orange Beach area. In Pensacola we have 10-12 including DR Horton and quite a few of the developer accounts.
 - 2. How do you handle multiple time violations?
 - a. Boards will have their own policies depending on their strictness. Typically the first time is an email reminder. Second time's a letter. Third is a certified letter. HOAs can also start with a certified letter or regular letter, depending on their preference. Boards get to choose how this is handled. There can be a fining committee to handle violations and appeals.
 - 3. Cost?

- a. \$1200 monthly (\$14,400 year), we attend quarterly meetings, but we don't charge extra for attending additional meetings we just need some notice. The only additional costs would be postage/printing and copies (no markup). We don't have a bunch of other fees, everything else is included in the monthly/yearly cost.
 - b. At the end of year, the association manager will assist with the next year's budget, going over prior budgets, and handle the budget meeting itself.
4. Does the association property manager stay the same person?
 - a. Yes, unless the board is unhappy with that manager and then we'd accommodate the change.
 - b. All of them are Florida licensed, including all necessary training, inhouse training, and ongoing training plus the accounting team will work with them so they're always up to date on the needed information for the board.
5. Budgeting information a standard accounting format?
 - a. Yes.
6. Do you offer ARC support?
 - a. The Appfolio system allows owners to upload ARC requests to the portal and lets the board review and approve directly in the system even mid-meeting after they've been voted on. Some boards don't like that, so we can accommodate whatever the board wants including any ARC forms, and the association manager will receive all ARC info, make sure it's correct, then send it to the board.
7. What would the transition look like from our current manager to you guys?
 - a. 45-60 days is recommended before we begin, but we can get prepped in as little as 30 days. This gives us time to get owners signed up on the portal, get ourselves set up with your information coming from the other management company, and get everything in order. We've not really run into problems with this transition before.
8. Some homeowners are reluctant to give out their information. For those homeowners, how would they get in contact with you and also if the CC&Rs are behind a secure portal, how would they get a hold of those documents without registering?
 - a. Typically, if someone doesn't want to be emailed the CC&Rs, we mail them out. They're also on sunbiz.org, where all HOA documents are kept.
 - b. All homeowners are loaded into the system when we get your business, but it's on them if they want to activate it. If

they need help setting it up, then they can have the association manager help with that.

- c. Renters should be able to be added as a sub-owner to be included in any email blasts, but won't have the same access that the owner's do as they don't own the property.

9. Is this company privately owned?

- a. Yes, we're privately owned by a singular owner.

10. How do you handle delinquent collections?

- a. Depends on your documents, but in February a new statute dictates that a new letter must go out to homeowners before it can be turned into an attorney. Most HOAs we work with will dictate 30 or 60 days past due. Some will give a final notice before going ahead with the collections process. It's truly up to the board/document's discretion.

11. What is the contract cycle?

- a. Contracts are for one year. There's an out clause for either party, but in 4 years we've never been fired. 3% is built into the contract to increase, but we also negotiate with the board every year. This 3% is mostly so we can increase how much our employees get paid or bonuses they might receive.

12. Would it be possible for board members to look through the appfolio software?

- a. I can send you the link for it and you can look at the tutorials for a feel of it.

- o **Front Gate**

- i. The cost for the front gate to stay closed (wear and tear) would basically force us to replace the gates sooner rather than later. However, if we want to survey the homeowners it'll be about \$365 for drafting and mailing the letters.

- 1. The gates are extremely expensive to replace. Based on a conversation with the gate technician, it would be at least \$10k to replace what would be worn down by the additional wear and tear. Eventually it will need replacing anyway due to normal wear and tear, but that timeline is accelerated when keeping the gates closed full time.
- 2. The question is what the homeowners think and if that additional cost to their dues is worth it.
- 3. There's also the cost of having to reprogram the timer system if we go through with that option on keeping the gate open only to allow buses to come through morning/afternoon, because due to half days or other events that timer would either need to be reprogrammed for that day (maintenance cost) or those kids will

be left to walk home or the younger kids would be brought back to the school due to absence of parents and the ability to drop the kids at the front of their house.

4. Might want to reconsider closing in the sides, as a compromise so that when the gates *are* closed no one can walk through them and bypass the security of it.

- Street Signs

- i. Gulf Coast Traffic and Engineering says that the post is \$63 for one and \$105.47 for the stop sign. Second company was more expensive, and EPM is getting a quote from a third vendor who have sturdier signs. For the street signs, we'd need a total of 10 signs at \$42.50 so that's \$425 and the drive rivet (20 total needed) at \$1.10 each, which is \$22 total. So for the total all said, after tax, it should be \$480.53 for the signs and the rivets for them.
- ii. We discussed adding a 3 way stop on Iron Gate but it isn't going to deter people from speeding on the first part of that street. We might need to think about speed bumps in the future.
 1. Speedbumps are \$949 total per bump, Kaley's researched this before.

6. ARC Requests

- Steward - Heatherston - Shed

- i. Construction shall be of brick or "hardie board" siding and the roof constructed utilizing fiberglass shingles. The building shall be of a color and quality comparable to the main house and all colors shall be specified and approved by the ARC. No metal shall be permitted. The total area shall not exceed 400 sq. feet and shall be located no closer than five (5) feet from the side and rear property lines. No building or design shall violate the ordinances of Santa Rosa County. No more than one (1) outbuilding shall be allowed. No plumbing shall be connected or provided within this structure. Must include 20' setback from back of home. 8 feet height, 12 feet width, 16 feet length. Exterior is L/P Smart siding, tan color to blend with Brick on home. Shingled roof to match homes roof shingles. Shed will be anchored tie down to sustain 160 mile per hour wind load. Double Doors in front of shed with a 5 foot ramp. Two 2 x 3 windows in the front of shed. Location - Left rear of the backyard near the fence. The windows, door and trim are white.
- ii. All approved
- iii. Stipulation: Must be contractor grade construction with all new materials.

- Knight - Brighton - Swimming Pool

- i. Inground, 15 x 31 - Vinyl lined swimming pool in backyard. Kidney shaped was approved.
- ii. All approved

- iii. Stipulation: All pools and pool equipment must be installed by a professional contractor grade and must meet all of the Santa Rosa County Building codes.
- Ponti - Iron Gate - Pool
 - i. 46 Length, 13 width, flagstone type, grey colored
 - ii. All approved
 - iii. Stipulation: All pools and pool equipment must be installed by a professional contractor grade and must meet all of the Santa Rosa County Building codes.
- Stansbury- Heatherton - Shed
 - i. Construction shall be of brick or “hardie board” siding and the roof constructed utilizing fiberglass shingles. The building shall be of a color and quality comparable to the main house and all colors shall be specified and approved by the ARC. No metal shall be permitted. The total area shall not exceed 400 sq. feet and shall be located no closer than five (5) feet from the side and rear property lines. No building or design shall violate the ordinances of Santa Rosa County. No more than one (1) outbuilding shall be allowed. No plumbing shall be connected or provided within this structure. Must include 20’ setback from back of home. Per your ARC Request, this was approved, Shed will be 10 foot x 20 foot, color is heritage park. Roof shingles will be brown and match roof of home. Shed will be located on the back right side of lot. Shed will sit 6 feet from the side fence and 6 feet from the rear fence. 2 windows, roll up door sitting on a concrete slab. Shed hardie board will be painted heritage oak which will blend with the environment, and the trim will be stucco tan to match trim on the house.
 - ii. All approved
 - iii. Stipulation: Must be contractor grade construction with all new materials.
- Ruffini - Heatherton - Security cameras
 - i. 6 Security cameras for the driveway, front yard, backyard and front door area.
 - ii. All approved
- Maloney - Heatherton - Roof replacement on shed
 - i. Roof on storage shed replaced as it's worn and leaking. Intends to use a licensed contractor, replace with lifetime dimensional shingles that match the house shingles (black color).
 - ii. All approved

7. Homeowner Time

- Mr. Brimer -
 - i. Gate; every month we talk about this and I think the community needs to answer this question on what to do or else we'll just keep talking about it.
 - 1. We've agreed we're going to look at doing a survey for this situation.

- ii. I've asked for the financial information for months and no one is providing this. At the last meeting I said EPM is embezzling money because they're paying more to themselves than what is on the contract. I want to know what the board is going to do, because I think you should take it to the state.
 - 1. The HOA's lawyer said that the verbal agreement between EPM and a prior president was perfectly fine and allowable, so the board is going with that and will not be asking the state to come after EPM.
- o Mr. Nuckles -
 - i. I just want to point out that while the board is a thankless job, but as homeowners we have the right to our opinion and to state our opinion. If you don't want to listen to homeowners or complaints then please leave the board.
 - 1. We have been monitoring the chat board so that we can entertain questions during the time where we are going over agenda items so that if people want to speak, we can allow them to.
- o Mr. Brimer -
 - i. I don't believe that our finances are being managed correctly by EPM or the board. We would not run my household finances this way.
 - 1. We have recognized that and this is why we're having these conversations with other property management companies.
 - ii. HOAs don't need to have a property management company, it isn't required.
 - 1. At this time, no one on the board is willing or able to handle all the facets of running an HOA so we're still looking at management companies.
 - iii. EPM has not send me everything I requested, which is part of the problem.
 - 1. What do you want them to send you? We cannot assist if we don't know what's missing.
 - 2. I'll forward it back to you tonight.

8. **Adjournment**

There being no further business, the meeting was adjourned at 7:43 PM. Motion by Jen, seconded by Larry, and approved by Alfonso.