

**Cottonwood HOA
Board of Directors and ARC Requests
Meeting Minutes
Monday October 18, 2021 (virtual)**

1. Call to Order

The meeting was called to order at 5:33 PM by Jon Wright, seconded by Alfonso and approved by Jen.

2. Directors Attending

Jon Wright - President
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

David Satore made a motion to accept the September meeting minutes. Fred Hall seconded. Jon approved.

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 with this recently, including the last month with aggressive animals. Animal control, the homeowner, and EPM have been contacted about the matter.
 2. Fines for repeat offenders have been discussed with the attorney who is doing the research to see if this is possible based on our covenants, and potentially putting up a fine committee from the board for future situations.
 3. Since last month, Jon contacted Animal Services about the dog in question that was being aggressive and they advised they had looked into and resolved this.

- 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.
- **Ambulance Discussion**
 - i. Still up in the air between the homeowner's attorney and ours due to waiting on questions to be answered.
- **Speeding**
 - i. Continues to be an ongoing problem, but we decided last month not to pursue physical options (speedbumps) due to finances at this time.

5. New Business

- **Financial Discussion - Kevin Etheridge (Etheridge Property Management)**
 - i. Financial reports for period ending September 30, 2021.
 1. Annual Dues - \$429 represents what we've collected for annuals dues this month; to the right, year-to-date actual \$57,233.85 is the total amount collected in HOA fees for 2021. \$59,290 was the budget, what we expected to collect.
 2. Late fees - year-to-date actual collection of late fees is \$4510; interest income total for the year \$19.57; misc income, \$75; \$540 collected for gate openers giving us a total revenue of \$57,913.62.
 3. Expenses: road fund, \$15,000 for year to date actual; this is the amount of road funds transferred from operating account to road fund account for 2021. Year to date budget is \$5250; the 2021 budget called for \$15,000. Angie may need to adjust this number in the computer for the road fund budget. This \$15,000 has already been transferred.
 4. Insurance Locklin is our general liability \$1555; renewed earlier in the year. Directors and officers policy \$900. Insurance crime bond (required by Florida) \$226.
 5. Licenses and permits \$61.25 year-to-date actual paid to Florida's Secretary of State (Florida required).
 6. Street lighting purchases \$0 spent for the year; in years past we've had to buy 5-6 lights so we have this category but it won't always have purchases made.
 7. Legal fees - \$4417.60 year-to-date, nothing this month. Misc expenses \$75, \$222.64 for the year.
 8. Accounting fees \$0.
 9. Fence/walls/gates, \$7823.08 for the year. This includes Johnson Communications bills and we paid All Tech Systems \$2888 for the front gate repair this month, with the month's total being \$3328.99.
 10. Common area maintenance; nothing for this month, \$5211 so far 2021.
 11. Office expense \$109.34 this month, \$1359.09 year to date.

12. Postage and delivery; \$0 this month, \$674.08 for the year.
 13. Management fees (EPM's fees); \$675 this month, \$6075 year to date.
 14. HOA meeting fees, \$0 for the whole year.
 15. Lawn maintenance \$387.50 this month, \$3375 for the year.
 16. Landscape, \$0 for the year.
 17. Telephone/internet, \$0 this month, \$1268.04 for the year.
 18. Electric, \$ 958.04 for the month, \$8609.73 for the year.
 19. Total expenses for the year are so far \$57,187.80; total revenue is \$57,913.62. Net operating income \$725.82; expenses have been up a little this year, we've made our reserve transfer already.
There are some items pretty far over budget such as common area maintenance that have caused this.
 20. Operating account had \$23061.54; the road fund account \$44176.68. Aged receivables report showing total owed is \$1924.28; this is primarily 5 owners contributing this number, which have been turned over to the HOA attorney.
- ii. Questions for September Financials
 1. What date was this sent with the figures you're using?
 - a. 10/11/21 and sent to board same day, statement ends 09/30/21.
 - iii. Email with questions from Mr. Brimer:
 1. **Question #3**, the \$5000 from the road fund in 2020 was the amount transferred from the operating account to the road fund account. We've sent Mr. Brimer a list of all the expenses, but not the income since it wasn't requested but we can do that to clear the questions. When we pay the road fund we pay it from the operating account so it's on the income statement showing FROM operating TO road fund.
 2. **Question #5** - "\$3,788.96 was spent for legal fees, but invoices only total \$1,050.00". The difference of \$2738.96 is probably going to be the legal fees we paid for the lawsuit earlier this year. Will have to look into this further, but currently believe it's part of the settlement paid.
 3. **Question #9** - "The ledger identifies a dollar amount of \$1,825.18 was spent for postage and delivery, but invoices only total \$551.76, an unaccounted difference of \$1,273.42." We don't generate invoices for postage, but we do have postage logs I can find and provide.
 - iv. Property Management Agreement
 1. EPM has sent an updated management agreement with an increased monthly fee from \$675 to \$850; Cottonwood is currently paying less than what EPM would normally bid a neighborhood of our size since they came on before all the lots were built and had

an agreement with prior President David Ellis that if their involvement with meetings was primarily kept to the annual meeting then they could keep the fees minimal. This was an oral agreement.

v. Questions from the Board

1. Cottonwood has a website; is it EPMs responsibility to maintain the site?
 - a. We're not responsible for maintaining the site, it was added on after we joined Cottonwood. There's a site manager that we contract out and they update the site and she has her own separate yearly charge. We tell her what you guys request, but you have a separate web master.
2. Covenants and Restrictions on the site aren't up to date; one amendment is duplicated but labeled as something else, and another that's missing.
 - a. EPM will get with the HOA lawyer about our covenants and get them directly on the website.
3. There are other things on the site that aren't up to date, including a notice about a Quarantine Chat for April of 2020.
 - a. Send a list of the things that need updating and we'll send the request to the web master.
4. How often does EPM drive through the neighborhood?
 - a. Kevin comes through once every 45 days, but the inspector comes once every 10-14 days. Board members can provide input by email about specific things they want us to look at that they know of. Before letters are sent to homeowners they're sent to the Board so the Board can approve/deny the violation. EPM may not always know the full situation whereas the Board will, and this prevents unnecessary violation letters being sent for non-violations or exemptions.
5. It's difficult to justify an increase to the management fees when we feel like all our needs are not currently being met, such as the website being totally out of date - which may also be a Board issue - but there are other issues like this. Some new home owners don't get Cs and Rs and we might direct them to the site but then those aren't up to date so it creates further issues for that new owner.
 - a. They should get a copy of the Cs and Rs at closing, and we send a copy once we get the Estoppel from the closing title company, but we have no way to make sure that USPS delivers it or that the home owner even opens it. It's also up to the buyer coming in to do their own part for this. Either way, our main job is enforcement, accounting, and

bill paying which we do satisfy. The site is something we were asked to do but not given further compensation for, but we will look further into maintaining it more readily.

- **Gate Discussion**

- i. Front gate has now been fixed. They said to be patient for a few days while the gate gets used to being used often again. A small part needed to be ordered as well (they didn't charge us for it) but that shouldn't impact basic functionality.
- ii. Gate codes are uploaded and working. For those that haven't sent in remote or gate codes, please get those in so they can have it at the keypad otherwise you'll have to go through the back.

- **Fall Garage Sale Date**

- i. October 23rd with a backup of November 6th so we don't hit Halloween weekend.

- **RV Iron Gate Discussion**

- i. Resolved last month with a special meeting.

- **Food truck ideas**

- i. Just let a board member know if you have a recommendation.

- **Alternate Property Management Companies**

- i. We've gotten in contact with several property management companies, including one recommended by All Tech (our new gate company) that we will be discussing.
- ii. EPM is currently proposing \$850/month instead of their current \$675/month which means we'll be paying more than \$10,000 per year for them if we go with this new offer from them.
- iii. **Erin:**
 1. The cost differences between EPM's new proposed price and Elite Housing Management (whom we saw at the May meeting) is only about \$3000. This is based on the monthly fees PLUS the estimated additional expenditures we've seen EPM charge us for.
 2. For the companies I've spoken to, some were rental only, some were no longer in existence, and some I could not find working contact info for. However, I did speak to MyHomeSpot though I'm waiting to hear back from their owner to get a template contract and estimate from them. I've used them before and they were good at communication before, which is a boon.
 3. Secretary at MyHomeSpot stated that they do things a la carte. They have their monthly management fee (fixed cost) and we can add on additional services for things like covenant enforcement (since not all HOAs need this, they have it as a separate cost) and ARC assistance similar to what Elite proposed. I asked if there were ANY additional fees like EPM has charged and she said no, accounting etc is wrapped into the management fees and the postage is separate which is typical for property management

companies. I think their fees will be similar to what we've been seeing from these other companies.

4. Yearly estimates are: Elite Housing Management would be around \$14-15k, EPM would be around \$13k, and I think that MyHomeSpot would be around the same price. I'm personally willing to pay for what we need to get done so it actually gets done and we get our money's worth.

iv. Discussion:

1. We need to include with any of these conversations is the addition of a secure website that homeowners can go to where we can post the budget and expenses without fear of it getting out of the community. Larry had his CPA look at last year's budget, but it looks incomplete; having this in a secure place is preferable. It also lets us get a consensus from the community of our neighborhood.
2. **Mr. Brimer:** Keep in mind there's no requirement for HOAs to have a property management company.
3. **Jon:** Let's get our top 3 and then we can discuss this further in November.
4. **Jen:** We had MyHomeSpot before EPM and we had issues with them then.

6. ARC Requests

- **Dranginis - Heatherton - Pool**
 - i. Pool install, no Porta-A-Potty brought on property. Roberts Pools was the installer. Job is already done due to Roberts showing up one morning without her knowledge. 7 feet from the back fence, 8 feet from her existing back porch. It does meet the requirements of the neighborhood for proximity.
 - ii. **All approved.**
- **Harris - Brighton - Paint Front Door**
 - i. Color is matching their brown vinyl (Shaker Style) in Gables. Color is a Coffee House Brown, matching the house.
 - ii. **All approved.**
- **Heine - Brighton - Removal of Trees (multiple)**
 - i. Two tall pine trees within 45 feet of the rear roof. One may be disease, both are within range of damaging their house if winds become strong. There's also a small tree with some growth on the trunk that may need to be removed. Lastly, they have a tree leaning at a 45° angle that is frankly an eyesore to them. D's trees is the company that's going to be cutting down the trees. They're scheduled to give them an estimate on October 26. They are not sure at this point if the November 1 through November 15 dates for the work will be accurate but if approved they will schedule

as soon as D's trees can fit them into their schedule for their work. Will update us on the date once he has it.

ii. **All approved.**

7. Homeowner Time

- **Mr. Neely** - We're having a community yard sale on October 23rd? If this is going to be in person, can't we have a meeting in person too so we don't have all these technical issues? I also agree about the secure site proposed by Larry.
- **Mr. Ward** - Can we get stop signs added at Iron Gate and Broadfield to make it a 3 way stop? There's an issue with the people coming in and out of the back gate and speeding on Iron Gate.
- **Mr. Ward** - Can we get rid of the back gate keypad since all of Milton has the code?
 - i. We can't remove the keypad itself, but we are planning to update the back gate similar to the front gate once the front gate has been taken care of. This includes providing a specific code for things like pizza delivery, garbage, cops, ambulance, etc, so we can control it further, so we can avoid people's specific codes being given out and we can track it better who's coming and going.
- **Mr. Henderson** - From an outsider/new resident, we appear unorganized. Information is either not correct or needs to be updated on the website. We all have to refer to our attorneys, and refer to verbal agreements, etc, it's embarrassing. First concern is that a resident is bringing up more questions on finances than the board members have been. There feels like a lack of transparency regarding community finances. I also believe based on the information I have that we should not continue with EPM due to the conversations I've heard and what I've seen.
- **Mr. Henderson** - We have street signs that are faded and blown over, etc, and the back gate stop sign is only half the height it should be. Do we have insurance for our signs? And was a crash report ever put up for the half-height sign?
 - i. **Jon** - we have tallied up all the signs that need fixing/replacing and have sent out the information and we're simply waiting on a response for how much the cost will be, etc, before we can move forward.
 - ii. **Jon** - for the stop sign, we don't know who did it but we can see if it's still at a legal height or look into fixing it.
- **Mr. Henderson** - I've asked about sending a survey out to the homeowners about adding a timer to the gate system yet I've not heard anything about it.
 - i. **Jon** - I've asked about it and the cost would be somewhere between \$200-300 just to send out the questionnaire.
 - ii. **Karen** - We've also talked to the gate people and they cited concerns about the wear and tear on running it on a timer.
 - iii. **Kaley** - I will be talking to the gate company anyway today/tomorrow and I can ask your question and get back to you.

- **Mr. Brimer** - You all mentioned that we have to ask Etheridge about paying contractors/vendors. Do we not have a means to spend from the account directly, do we have to go through them?
 - i. **Jon** - That's correct, the board does not have access to the accounts, checkbook, debit card, etc.
 - ii. **Larry** - I believe this is pretty typical due to charges against other HOAs due to board members spending money inappropriately.
- **Mr. Randolph** - Just a reminder to anyone still on the call that the board is not paid at all for this job that they're doing. This is a voluntary position, we meet only once a month, and we've been talking about a lot of the same things in the years since I've been on the board but I can say there has been a lot of progress in the last few years so thank you to those board members doing this job.

8. Adjournment

There being no further business, the meeting was adjourned at 7:17 PM. Motion by Larry, seconded by Erin, and Jon approved.