

WHISPER CREEK HOME OWNER ASSOCIATION BOARD MEETING MINUTES

Date | time 9/12/2019 6:00 PM | *Meeting called to order* by Marc Smith

In Attendance

Four members of the Whisper Creek Home Owners Association (HOA) Board of Directors (BOD) were in attendance. Kevin Maxwell was unable to attend, he provided Marc Smith the architectural board data. Non-BOD homeowners, were also represented. Jim Steele passed away after our last meeting, and Joslin Ellis, Etheridge Property Management (EPM) attended as the new HOA Community Association Manager.

Review of Previous Minutes

The 6 June 2019 HOA meeting minutes were previously reviewed by BOD, motion was made by Paige Warren to approved minutes and Marc Smith 2nd the motion. Minutes were unanimously approved.

Budget

Joey Milstead provided budget status, as of 31 Aug 2019, checking account balance is \$4,802.49, beginning balance was \$1,074.63, \$5,214.56 was collected from homeowners and \$1,486.70 was credited for monthly expenses. Year To Date (YTD) revenue is \$39,357.00, with expenses of \$36,589.19. As of the date of the meeting, 9 residents had not paid their annual assessment and owed \$2,102.72 and 14 builder lots have not paid the 2019 assessment (\$750.00), for a total of \$2,852.72 in outstanding assessments for 2019 and prior years. Two accounts have been turned over to the attorney for collection. Review of budget line items continued as follows: HOA began the 2019 year with a \$13,881 deficit from 2018 unpaid accounts with Etheridge (\$1575); Gulf Power (\$6648) and Green Works Landscaping (\$5658). Joey reviewed the landscaping bills from 2017 to current and agrees with the amount of \$5,658 being due to Greenworks for services rendered. The difference was due to the submission and timing of bills from vender and the date of the turnover meeting. Gulf Power costs continue to be our highest monthly cost, and Marc Smith is working with them on street light placement and installation timeframe, this will help keep the cost as low as possible. Joey asked Joslin to provide all of the Gulf Power bills from 2018 to validate the amount carried into 2019. The 2019 budget for our HOA is \$40,750.00, with current Homeowner and Builder assessments of \$42,465.96. Using a straight-line projection of current costs, and the required Errors and Omission Insurance our HOA expenses will be \$52,251.87 at year end, over budget at the end of the year by \$11,501.87. Our yearly expenses would have been \$38,370.87, had we not started the year with the \$13,881.00 arrearage. EPM previously indicated we may see some relief in the budget variances with the closing of so many Holiday and Horton homes in the near future. Whisper Creek had originally 177 lots planned and the new plan shows 285 lots, of which 231 have been developed and 54 remain undeveloped.

Property Management Updates

Jim Steele had worked on a process for collection of fees and identification of builders' point of contact for payment of annual assessment. Joslin is continuing his efforts in collecting these funds and working with the attorney. She stated we had collected \$1800 from new home sales in the past few months. Joslin reminded the board of EPM's policy to not represent HOA's that do not have an Errors and Omission Insurance policy, and provided three policies for the boards review. Joslin will provide the board a list or copy of all CC&R violations, before sending to homeowners, the board will provide feedback within 3 business days. This is to maintain continuity and control costs.

Home Owner Discussions

- Marc Smith began the meeting with a Welcome and introductions. He also welcomed and extended condolences from the board to Jim Steele's daughter Kayte, who is now living in the neighborhood.
- After a thorough review of the HOA budget and financial situation the subject of a one-time assessment was mentioned, to get out of our financial deficit. A one-time assessment of \$50.00 per homeowner, would clear the expected 2019 budget arrearage of \$11,501.87. Frank Papasavas referred to the CC&Rs and reminded everyone that a one-time assessment would require a $\frac{3}{4}$ vote of homeowners/proxy, and we will be voting new board members in January with the same requirements, so we need to postpone until January.
- Frank suggested Gulf Power add \$5.00 to each residential bill to cover the cost of street lights, but when he called Gulf Power, found out this was not an effective solution.
- A homeowner asked if Gulf Power could remove and place lights in different locations, no one had an answer to this. Marc Smith will follow-up with a Gulf Power representative.
- A home owner asked how many street lights were planned for our subdivision, and Marc indicated a green box on the easement is an indicator of a planned light pole. No one knew how many green boxes there are.
- Marc brought up the 2020 Annual Assessment, and wanted to discuss increasing next year, to eliminate the financial deficit in the future. Frank Papasavas made a motion to increase the assessment by 25%, which would make the fee \$250.00 next year. Joey Milstead 2nd the motion, it was unanimously voted to approve.
- An increase in the annual assessment would provide a budget or projected income of \$57,750. Calculating 231 current improved lots, and knowing more homes will sell during the year, will get the HOA back to a positive financial status, and thus allow more street lights to be installed in areas that need them.
- When asked how much it will cost the HOA for EPM to send the annual letters and request for proxy, Joslin Ellis provided \$230.00 estimate for letter and postage.
- Marc Smith informed the board, that Kevin Maxwell, Architectural Control Board (ACB), had received 16 requests, all approved with zero issues, since the last meeting. The team plans for a one week turn-around-time for most submissions, with the average now at two work days. Kevin did not attend meeting.
- CC&R update, Frank received letter from county animal control regarding a Leach Law petition they received. It did not have enough signatures (14 signed but needed 18) Marc recommended modifying CC&R Article IV, section 19 to remove "as per county regulations" to require home owners to keep pets on a leach. Melissa Orr, then brought out the petition with the required number of signatures, to be sent to county offices. According to Ms. Orr our area will now be a leach law required area.
- Error and Omission Insurance, Joslin provided three quotes for this HOA board required insurance, Bankers Insurance Group provided the best coverage for the lowest cost, with options for payment. Frank Papasavas motioned to accept Bankers Insurance Group proposal beginning January 2020, Marc Smith 2nd the motion, all voted in favor to establish contract with Bankers.
- Frank Papasavas received via certified mail, letter from the City of Milton, addressing a new requirement pertaining to a Pressure Vacuum Breaker Assembly (PVB) backflow assembly that needed to be purchased, installed on the irrigation meter at Preservation Blvd and have annual tests/reports submitted to them. This is a city-wide requirement and failing to comply would result in fines. This assembly will need to be installed and tested by a certified plumber; we were provided a list of certified area plumbers. He was not provided an actual cost, but an approximate \$300-\$400 for the unit purchase, and about the same for the installation. Motion was made by Frank Papasavas to purchase and install assembly, Joey Milstead 2nd the motion, board voted unanimously to approve.
- Homeowners can reach the BOD at: whispercreekhoaboard@gmail.com. All BOD meeting notes can be found on www.epmfl.net/whispercreek.

OPEN FORUM

- Home owners wanted to know What EPM does for us? Joslin and Board, provided: Collection of annual assessments; paying our monthly obligations(general accounting services); driving through area every 10-14 days looking for CC&R compliance; sending letters for CC&R non-compliance; hiring and working with attorney to collect delinquent annual assessments; researching for board and establishing contracts for lawn care and liability insurance; sending letters and notifications of annual meetings as well as proxy information.
- Marc Smith contacted a local accounting firm, and they do provide services to HOA's that don't have property managers, so this may be an option going forward.
- Joslin was asked if we could modify the contract with EPM to lower the services and therefore lower the cost to HOA? She will discuss with Kevin Etheridge and provide answers at the January meeting.
- Home owner wanted to know why we don't enforce CC&R violations with fines? It was explained the cost of sending fine letters and the cost trying to collect fines, would add another financial burden the HOA cannot afford. Once our financial situation is positive, this may be addressed again.
- Home owners wanted to know why we continue to contract with EPM, instead of either going with another company or managing ourselves. Marc explained the board did look at other management companies, but there are not many local, and most were more expensive. He agreed the board would look at other management companies again, as well as accounting firms and attorneys that may work for HOA's on a retainer. The board will report findings during January meeting.
- Suggestion was made in June to email violation letters to homeowners with email addresses on file, vice mailing to save money, but didn't follow through. Can we change the process? Joey Milstead will discuss with Joslin Ellis to review process to see if we can change. There is a form each homeowner must sign with approval to use email addresses. Form could be added to Etheridge website and posted to Facebook documents section.
- Marc Smith advised homeowners every January new HOA board members are elected. He also informed everyone he would not be seeking re-election.

Next Meeting

- The next meeting is tentatively planned for 23 Jan 2020 at 6:00 p.m., location to be determined at a later date, due to room size expectations.
- Motion to adjourn was made at 7:50 p.m. by Marc Smith and was 2nd by Paige Warren