



First Quarter Meeting Minutes June 16, 2021

The meeting was called to order at 6:31pm by B. Brown via ZOOM.

2021 Board Members present:

- Ben Brown – President
- Charlie Commons – Vice President
- Michael Dohner – Treasurer
- Julian Blanco - Secretary
- Marisol Ramos –Director

Staff present:

- Tonia Bascom

Others present:

Billy Martin – Comegys Insurance

Shawn Brown – Attorney, Kay Bender Rembaum Attorney at Law

Dustin Orr & Michael Wells – Hamilton & Associates CPA LLC

A quorum was established.

Condo owners present via Zoom:

- Sign in sheet on file in the COA Office

Reports by Officers – None were given. The Board voted to approve the minutes of the annual meeting as written. B. Brown shared that due to the time commitments of others, he would start the agenda with the new business and then move back to the old business. The meeting began with the 2020 Financial Audit.

New Business:

2020 Audit - Dustin Orr & Michael Wells, with Hamilton & Associates CPA LLC., D. Orr shared that his CPA Office was contacted by Dan Raulerson with Raulerson, Castillo, Westlake & Company and asked them to take on the audit as their firm would no longer be doing audits. He contacted Tonia.

D. Orr shared that his firm gave us an unqualified opinion, which is the best you can get in the form of an audit. He stated that his firm does not suspect any fraud and that there were no material misstatements on the financials, and all corrections have been made with their audited financials.

Orr and Wells reviewed the 2020 Audit with the Board of Directors and the Owners. Orr highlighted several points:

- He reviewed page 3, Statement of Financial of the Balance Sheet. The association is deemed to have three foreclosed units that have not been previously listed on the balance sheet, but they are now. The association took position of these units in 2016; these units total to \$126,698. The units should have been added to the balance sheet in 2016-2017, but they were not. This should have

been booked by the prior Auditor. The units are 1-648, 17-225 & 18-217, so we booked them as proper accounting procedures call for on the Financial Statements as estimated value (Fair Market Value), plus any closing cost at that time. This is different from what you are used to seeing on the prior financial reports and audits. This because the association does own these units.

- A major change on the accounting policy is that the Reserve Fund (for roofs and/or other common property) that are being held is now shown as a Replace Fund and Contact Liability. It does not mean that you owe this money (\$150K), it just means that the revenue that has been accumulated is shown on the Balance Sheet.
- Statement of Revenue Expense changed Fund Balance to Profit, and Loss Statement looks similarly to the budget. Nothing is going to stand out differently from what you are used to seeing.
- We talked to Tonia about the fact that the association is billing itself for member assessments on the foreclosed units and that the association will never be able to collect the funds from itself. This needs to be considered when doing the budget. The Board may consider offsetting the expenses of these three units. Be aware that the rental of the units can cause a tax consequence and it could eventually become a tax liability. Also, if the Board sells the unit(s), it can become a Capital Gain. Hamilton & Associations suggest that the Board keeps 10% of the proceeds to offset its expense should you choose to sell one or all the units. Orr suggested that the Board keeps Hamilton & Associations in the loop of their decision. B. Brown suggested that Board review this again at the next meeting.
- Statement of Cash Flow - Essentially, the cash flow statement is concerned with the flow of cash in and out of the business. It shows what funds came in and how the funds were spent.
- We worked with Ramona and Tonia to make sure that our financials match theirs. We reviewed the foot notes and discussed the changes. The owners' monthly statements will be redesigned to have a new look based on the new GAPP Requirements. Owners will have a breakdown of the COA Dues, and what it is going to.

Dustin asked if there were any questions and there were none.

2021 Insurance Renewal – B. Martin shared that the insurance market has increased across the board, with the average increase about 20%. But he and his team did their due diligence to shop for multiple carriers for the best prices for our 2021 insurance renewal. In the end, Billy felt that financial savings would have been too costly because it did not provide the same coverage that we currently have. He shared that when they were done, that our insurance premium increased by 16% percent. Martin said that we would remain with our current provider (ICAT) with the same coverage.

B. Martin said that the property is due for an updated Replacement Value Insurance Inspection. This inspection is required every three years. The importance of having this inspection done is because it provides the replacement cost value for the roofs, fences, pools, light poles, playground, and all common grounds of the property. This inspection is done by a professional engineer, they take into consideration the cost to replace items at the current cost. By having this inspection, it helps the Board know if we are covered properly or if we are under insured. He shared that the cost of the inspection is \$1,301.15. **The Board voted 5 to 0 to have the inspection completed.**

Owners Proof of Insurance - B. Martin and B. Brown discussed the importance of unit owners providing proof of insurance to the association. T. Bascom shared that a letter requesting proof of insurance has been sent to all unit owners/property managers multiple times and that while some owners are complying, others do not respond. B. Brown asked Bascom to send out another letter to all owners requesting proof of insurance for their unit. B. Brown suggested that we send letters to unit owners twice a month about the insurance.

B. Martin stated that he is working on software that will be able to send notices out on the behalf of the association to the unit owners/property managers to remind them of their renewal time. This will save Bascom the time of having to do this manually. Martin also shared that unit owners can have their insurance provider send proof of insurance directly to the association. Brown asked if Martin could add a link annually to all unit owners/property managers for them to be able to check. It will state that they have informed their tenant(s) that they cannot flush paper towels down a toilet. Martin agreed to add that box.

Question: M. Ramos asked if the association's insurance covers a backup inside a unit.

B. Brown explained that there is a difference when it is tree roots, versus items that are being put down the drain/sewer lines. Lately, it has been everything but tree roots. It has been paper towels, wipes, female products, and personal items. Brown said that each time there is a backup in a unit, the unit owners all want to say that it is not their problem and/or not their tenant.

B. Martin explained that sewer/drain backups are common and that they are not covered under insurance. Martin stated that sewer/drain line backups are written on insurance policies as an exclusion.

Change in the insurance stature – S. Brown and B. Marin briefly shared one of the changes with the insurance stature as it relates to subrogation. B. Martin shared that if your insurance policy does not allow someone to subrogate against you, then you cannot subrogate against someone else. B. Brown said that we need to learn more about this at the next meeting.

Required Notice of Rental Housing Rights and Resources – S. Brown shared that unit owners are required to comply with Hillsborough County Ordinance 2021-21-7, landlords and other lessors/residential rental properties in unincorporated Hillsborough County to provide a general overview of rental rights (tenants' rights) and related resources.

Pest Control – Brown stated that unit owners must share with their tenants that they cannot feed the cats and other wildlife. Brown explained that feeding animals outside is attracting rats and other wildlife, making it possible for them to enter a building. Bascom said that residents feeding the cats and other wildlife is out of control. B. Brown stated that this is costing all owners.

Soffits & Gable Ends – Brown shared that although we have replaced the roofs, that soffits and gable ends need to be replaced. He shared that we have one bid so far that is upward of 150K to 200K. Brown stated that we are going to be seeking additional quotes. We will also ask what the cost will be if they did one to two buildings at a time. Keep in mind that you may lose any discount by doing one to two buildings at a time.

Reopening of the Amenities- Brown said that the staff has been working hard to comply with the rules of Code Enforcement, Hillsborough County, and the CDC Guidelines by doing the extra cleaning/tracking. He stated that if we opened the back pool, it could be costly. It would result in the association having to hire staff and/or pay the current staff overtime to keep up the requirements from Hillsborough County COVID Guidelines.

S. Brown shared that all emergency powers will end on June 27, 2021. Once that ends, the board would have to vote to keep closures in place. Starting July 1, 2021, all emergency powers will go away and if the Governor says that you are open, then you are open. No one will be able to hide behind the emergency powers.

Old Business

Condo Documents – S. Brown stated that there are no updates to the condo docs. We are waiting on the signature from the governor.

New Playground – The new playground was a huge success; it is being used daily. Brown shared that there have been a few requests by parents for benches at the playground and that he does not have a problem putting in the benches.

He asked Bascom to get a quote for some benches.

Resurfacing the Back Pool – Brown shared that due to COVID, this project is on hold and that the Board will revisit it later.

ADA Compliance for the Parking Lot – Brown shared that the Board would revisit this project later.

Tennis Court – Brown asked about the bid. Bascom shared that the bid is \$27K. Brown shared that we would revisit this project later.

Open Forum -

- B. Brown – Stated that he has a request from two of his units. They want their balcony screened in. While he asked the Board for permission, he also agreed to abstain from voting since he was making the ask. **The Board voted and approved Ben's request 4 – 0. Ben abstained.**
- M. Ramos – Stated that the association needs to have all owners/residents remove the tents, as they become an eyesore over time. It was suggested that they may be able to use an umbrella instead of a tent, but the umbrella must be lowered when not in use. However, the condominium documents state that neither item is allowed. The community needs to abide by the Condo Documents. Therefore, all residents will be asked to remove their tent effective immediately.
The Board voted to revisit this issue at the next meeting.
- M. Ramos – Stated that there were a lot of doors that have not been painted and that owners/property manager must paint their doors within two days of changing out a door.

Bascom shared that twice a year, the staff go through the community and notify owners/property managers if the doors need to be painted and/or window blinds need to be changed. This was last done in December. In December we had 63 doors that needed to be painted and the owners/property managers complied.

Since the Board Meeting, we now have notified 11 owner/property managers that the door(s) to their unit(s) need to be painted and nine owners/property managers have been notified that their window blinds need to be replaced.

- M. Ramos – Stated that we have a unit owner in Building 6, that has French windows and that they do not comply with the windows for the community. Also, that the association must address this issue with the owner. She stated that these windows have been installed more than three years. Bascom stated that the unit owner was informed about the windows in 2018. B. Brown asked T. Bascom to send another letter to the owner and if the owner does not comply, to send the letter to legal counsel for follow up. Bascom also stated that the Fire Inspector was made aware of the windows and per the Hillsborough County Inspector, the windows do not meet the new Florida Code Requirement. All replacement windows must slide horizontally as opposed to a vertical opening. Ramos suggested that if the owner(s) do not replace the windows, that the association fines them.

The meeting was adjourned at 7:36pm.