

**Sparkling Waters Homeowners Association (SWHA)
Board of Directors (BOD) Meeting
October 1, 2023**

Participants:

Barry Graham, President
John Totty, Vice President
Alicia Graham, Secretary/Treasurer
Michael Manion, Director-at-Large
Jimmy Berridy, Member
Lloyd Burroughs, Member and Dockmaster

1. Meeting conducted via Zoom video conference and commenced at 9:00 PM CT.
2. BOD approved the July 30, 2023 minutes without any stipulations.
3. Meeting was properly noticed with notices posted on website September 27, 2023 and also near the mailboxes on September 27, 2023.
4. Director Insurance Update. Harris Insurance, our broker, has recommended director liability insurance. Barry took an action at the last meeting to ask the HOA attorney if our governing documents adequately protect the directors from charges of gross negligence. In researching the topic to prepare for the attorney, he found that the SWHA by-laws require purchase of directors insurance. So if/until we change the by-laws, we must purchase this insurance. We are awaiting a second quote from Harris Insurance. Alicia mentioned the first quote from USLI was \$869.04. Along with the cost of our other policies, that totals almost \$3K annually for insurance.
5. Alicia took an action at the last meeting to draft procedures for speaking at meetings, records inspection, and election procedures.
 - a. For the draft meeting procedures, time limit for a member recognized by the chair to speak is 5 minutes. It also limits BOD and annual meetings to no more than 2 hours. BOD delayed the meeting procedures approval until all directors are able to review.
 - b. Regarding the proposed procedures for records inspection: members have to right to request to physically inspect official records as defined by Florida 720.303(4). Proposed procedures set limits on the number of requests per household, time limits on directors' time spent on record inspection requests each month, costs and gives SWHA ten business days to comply with a request. All four directors voted in favor of the proposed records inspection procedures.
 - c. Barry made significant changes to the proposed election procedures, primarily due to conflicts with the by-laws. Since our by-laws allow nominations from the floor, e-voting in compliance with Florida statute 720.317 which requires advance ballot preparation is not possible. Revised election procedures allow for five types of voting: Voice vote, secret written vote, proxy, vote by video teleconference, and written ballot. The board may appoint auditor(s) to validate election results. BOD agreed to delay approval of the election procedures until they are finalized and to make it a voting item at the next annual meeting whether the membership desires a by-laws change to allow for e-voting.
6. Electronic Payments. Alicia briefed that we have established a treasurer@sparklingwatershoa.com email account and registered it with Synovus Bank to accept Zelle electronic payments for the main checking account. One person successfully used Zelle to pay a SWHA fee. Zelle service is now free to us. We need a second email established that will be linked to the dock checking account. Jimmy Berridy asked if setting up credit card payments was an option. Barry said that setting up a way to accept credit cards was costly and given Zelle meets the requests to be able to pay electronically and is free, it is the best option.
7. Alicia briefed based on the template from HOA.com and the Becker and Poliakoff attorneys' disaster checklist the content of Disaster Plan/Continuity of Operations Plan: Assessing Disaster Risk, Financial Planning in the Event of a Disaster, How to Safeguard Documents, Insurance Audit, Communications Plan, Evacuation Plan, Inventory of Physical Assets and Recovery Plan. Attorney checklist advises directors to share next-of-kin information with each other, to enable continuity and access to HOA assets in the event of death or disability of a director. Alicia took

an action to work with Jose Quinones to get a draft plan available for review by the end of the year. Barry stated that three plans are needed: a disaster plan, continuity plan in the event of disaster, and a peaceful transition plan if a new BOD or management company were to take over Sparkling Waters Homeowners Association.

8. Cloud-Based Options. Basic requirements discussed at annual meeting and summarized by Jose Quinones at May 2023 BOD meeting: document safeguarding, HOA-controlled video teleconferencing, electronic voting, electronic payments, official email account, website and security. Costs for Various Options:
 - a. Just Host. Our current vendor that supports our sparklingwatershoa.com website and email accounts. We pay \$155.88 a year plus an additional \$19.99 for re-registering our domain name. Allows for 50GB for website storage and a basic Secure Socket Layer (SSL) certificate. Premium SSL is \$80.04 more per year.
 - b. Google Workspace. Alicia briefed that the cheapest option is called Business Starter which allows for 120 GB of shared storage, 2-step security, standard helpdesk support, email accounts and video teleconferencing. Cost is \$288.00 per year.
 - c. Pay HOA. Software as a Service (SaaS) solution. Key features revolve around financial tasks, billing, electronic payments, violation enforcement, calendar, website and email. Minimum cost is \$588.00 per year.
 - d. HOA Start. Software as a Service (SaaS) solution. Provides: Event Management, email, website, e-Voting and polling, secure database, online payments, shared documents and folders. Cost: starts at \$540.00 per year.
 - e. AppFolio. Software as a Service (SaaS) solution. Provides Resident Portal, Owner Portal, Texting, Email, Document Management, Automated Late fees, Owner and Vendor echecks, Loan tracking, Online Maintenance Requests, Mobile Apps, 2-factor authentication, Marketing and Leasing Tools. Cheapest option is \$3,360.00. Electronic payments are extra.
 - f. Given that: 1. HOA electronic files currently sit on the Grahams' personal NAS which could theoretically fail or be destroyed by fire/flood, 2. Synovus bank now offers small businesses electronic payment services via Zelle for free, 3. E-voting isn't currently possible for us, but if we ever decide to implement it, there are a la carte services like Election Buddy that charge under \$100 per election, Alicia recommended the BOD approve establishing a Google Workspace account to ensure document protection and immediate backing up of Sparkling Waters documents and providing HOA-controlled video conferencing (vs. depending upon Alicia's personal Zoom account for meetings). All four directors voted in favor.
 - g. Jimmy Berridy asked what happens in the event of a tie with an even number of directors. Barry explained that we have never had an impasse, but in the event of a tie, we would limit the votes to one per household.
9. New Business:
 - a. Alicia reminded BOD that Fall Workday is October 28th. Barry took an action to draft a workday announcement email that included a summary of what in-kind work is required to earn the \$100 credit towards the annual assessment. Jimmy Berridy asked how long the workday is. Barry said 3 hours and that 6 total hours is needed to earn the credit.
 - b. Michael Manion said that we will bring up adding a fifth board member at the April 2024 annual meeting. Barry explained that the BOD has the power to appoint a fifth member, but since distrust of the board was voiced at the annual meeting, the BOD felt that the decision to add a fifth member should be left to the full membership.
 - c. Barry said we should have one more BOD meeting before the end of the year to resolve the outstanding actions.
10. BOD meeting adjourned at 10:04 PM CT.

Minutes as recorded by:

Alicia Graham, SWHA Secretary/Treasurer

Approved by:

Barry Graham, SWHA President

Attachment: BoDMeetingCharts20231001v2 bg commentsv2.pdf

BOARD OF DIRECTORS MEETING OCTOBER 1ST, 2023

Sparkling Waters Homeowner's Association

AGENDA

- Meeting notice
- Approval of July 30, 2023 BOD Meeting Minutes
- Director Insurance Update
- Draft Rules/Procedures for Speaking at Meetings, Records Inspection and Elections
- Electronic Payment Options
- What does FL Statute 720 declare as Official Records?
- Content of Disaster Plan/Continuity of Operations Plan
- Cost/Benefit Analysis of Various Options
- Recommendation for Immediate Needs
- Schedule for Continuity of Operations/Transition Plan (Jose Quinones)
- Next BoD meeting

MEETING NOTICE

- Meeting properly noticed
 - At least forty-eight hours notice to all members required
 - Posted on webpage September 27, 2023
 - Signs posted near mailboxes and entrance sign (prominent places) on September 27, 2023
- No objections to notice

REVIEW OF MINUTES TO JULY 30 BOD MTG

- Comments
- Approval

DIRECTORS INSURANCE UPDATE

- Barry took an action to ask the Association attorney if additional insurance is needed for the Officers
 - He noted that the By-Laws indemnify the Officers from liability
 - The question was: Is that adequate against lawsuits alleging “gross negligence”?
- In doing research for the question, Barry reviewed the By-Laws
 - By-Laws require purchase of Officers and Directors insurance: “Association shall”
 - By-Laws also state that the Association “may” indemnify officer by majority vote of the other directors or majority vote of the other members
- Harris insurance is getting a quote for integrated insurance: liability, surety bond against theft, and Officers and Directors insurance
- We could always change the By-Laws if we desire to do so

DRAFT PROCEDURES FOR MEETINGS

- Meeting Notice Procedures
- Members can speak at BOD meetings during “open forum” and only on topics on the pre-published agenda
- Time Limit: 5 minutes per property
- Member must be recognized by meeting chairperson
- 2-hour time limit for BOD and annual meetings
- For members to video record a meeting requires advance permission

DRAFT RULES FOR RECORDS INSPECTION

- These procedures protect SWHA from abusive requests, such as during litigation.
- Members may request to inspect SWHA “Official Records.” Certain records, such as those containing Personally Identifiable Information, are off limits to inspection.
- Sets limits of 2 requests per owner per month, 8 total hours of Directors’ time dedicated to fulfilling inspections requests
- SWHA has 10 business days to comply
- 25 cents per page for printed documents, and actual costs for electronic media and photocopies.
- For voluminous requests, SWHA may charge up to \$20 hour for labor costs.

WHAT DOES FL STATUTE 720.303 DECLARE AS OFFICIAL RECORDS?

Record Maintenance, Including Owner Access to Records – Con't

The Official Records of an Association Must Include Certain Documents

- Plans, specifications, permits, and warranties
- Bylaws/amendments
- Articles of incorporation/amendments
- Declaration/amendments
- Current rules and regulations
- Minutes of all board and member meetings (7 years)
- A roster of all members
- All association insurance policies (7 years)
- All contracts (Bids -1 year)
- Financial/accounting records (7 years)
- Disclosure summary described in FS §720.401(1)
- HOA = All other written records re. operation of association
- Condo = all other written records related to operation of

Records not Available for Inspection by Owners

- Attorney-client privileged records
- Attorney work product records
- Records obtained in connection with screening process
- Medical Records
- Personnel Records
- SS #'s, driver's licenses, credit cards, emails, emergency contact info or any other "personal identifying information"
- Assn security/passwords
- Assn software/operating systems
- Opt-out instead of Opt-in on member directories for telephone numbers

DRAFT ELECTION PROCEDURES

- Officer nominations may be received in advance or from the floor by member for themselves or others
 - If advance, candidate will be “qualified”, and then if more than 7 days prior to meeting will be included on ballot
 - If from floor, candidate immediately “qualified”, name will not be listed on the ballot (write in)
- Resolutions identified to the Secretary from the BoD, from members in advance, or from the floor
 - If from BoD or member more than 7 days in advance, resolution will be included on the ballot
 - If from floor, text must be specified, motion seconded, not be included on the ballot (write in)
- **Voting procedures:** No vote needed for non-contested Officer positions, members may waive written secret vote if approved by a majority of those attending. Five types of vote:
 - Voice Vote: If members have voted to waive secret vote. Vote is public. Not secret, not auditable.

DRAFT ELECTION PROCEDURES (CON'T)

- **Voting Procedures (con't):**
 - Secret Written Vote: Assoc will pass out ballots without distinguishing markings for members to use. Members place in a collection vessel when time to vote. Vote is secret and auditable.
 - Proxy: In writing and filed with the Secretary. Effective for only one meeting. If proxy is not specified then awarded to President. Proxies procedures same as Secret Written Vote. Vote is not public, but is not secret. Vote is auditable.
 - Vote by Video Teleconference: Member participating by VTC can vote by voice vote, or using vote function. If using vote function, the vote is not public, but is not secret. Vote is auditable.
 - Written Ballot: Used only after the meeting to achieve a quorum. Vote is not public, but is not secret. Vote is auditable.
- **Electronic Voting.** Not allowed by our By-Laws since they allow nominations from the floor.
- **Election Auditor.** The Board may appoint one or more election auditors to conduct or audit the election as needed.

ELECTRONIC PAYMENT OPTIONS

- Synovus Bank now allows businesses to use Zelle for electronic payments **for free**.
- BOD has established a treasurer@sparklingwatershoa.com email account and registered it with Synovus Bank to accept Zelle electronic payments for the main checking account. Slip owner successfully paid a fee using Zelle and it was deposited in the HOA main checking account the same day.
- Will need to establish a second email account for Dock checking account.
- Direct transfer into checking account did not work well. Synovus allowed an accidental withdrawal of \$400 by J.P. Morgan vs. a \$400 deposit.
- [Paypal](#) charges 3.49% plus a small fee for Commercial transactions. For a \$550 dues payment, that amounts to \$20.00 per transaction.

ELEMENTS OF A DISASTER PLAN/CONTINUITY OF OPERATIONS PLAN

- Assessing Disaster Risk
 - Flood-Prone areas of neighborhood, What is Vulnerable to Damage?
- Financial Planning in the Event of a Disaster
 - Sinking Funds to Cover Costs of Repair/Rebuild of: Dock, Boardwalk and Roads.
- Safeguarding Documents
 - Cloud-based storage for both Official Records and important “Unofficial” Records. Official Records are defined as records that must be made available for inspection to association members.
- Insurance Audit
 - Liability insurance to protect HOA and BOD from Litigation
- Communications Plan
 - Roster with every members email and phone numbers. Prior to major storm, collect temporary contact information at evacuation site. Directors should share next-of-kin contact information with each other.
- Evacuation Plan
 - Assist mobility-impaired with relocating vehicles to higher ground, and loading their vehicles
 - Provide members sufficient notice to secure their home, vehicles and watercraft.
- Inventory of HOA Physical Assets: Gazebo, lawn mower, filing cabinet, chairs, lumber. Include photos.
- Recovery Plan: After county officials have lifted road closures, restrictions and curfews, notify residents when they should return to their homes. BOD arranges with county for debris removal and notifies residents of debris procedures (e.g. separate organic from inorganic waste, separate piles for masonry, etc.), dates of expected debris pick-up, numbers to call for assistance, priority repair and reinstatement list as well as cautions such as wildlife warnings, and fire/safety hazards.

- [Becker Disaster Checklist](#) for Condo Associations and HOAs

Disaster Preparedness Checklist for Associations

Sentry Management has collected best practices identified by Community Managers for hurricane preparedness. These managers were privileged to have thoughtful and dedicated boards that planned ahead for the hurricanes and other disasters that could happen on their property.

- ✓ Establish and maintain good relations with emergency services
- ✓ Pre-contract with vendors each year with details on how soon they will arrive after the “all clear”
- ✓ Pre-determine a staging area for debris
- ✓ Pre-contract for dumpsters for debris
- ✓ Purchase battery powered walkie-talkies for communicating to employees and vendors when clean up begins (cell phones may not work)
- ✓ Pre-determine a remote office site; reestablish office routine as soon as possible
- ✓ Use the association’s telephone voice mail outgoing message to give information to residents who will undoubtedly be calling you
- ✓ Use the Association’s website or mobile app to keep evacuated residents informed (designate a volunteer to do this) OR have a volunteer from each block or building make phone calls to alert owners
- ✓ If you have a manned gate, make sure the attendants and the residents know at what point the attendants will be sent home and that the gates will be locked in the open position to provide emergency ingress and egress
- ✓ Inform residents ahead of time what the Board and management staff will and will not be doing for them before, during and after the storm event
- ✓ Encourage residents to make their own preparations and evacuation plans to have their own NOAA radios; www.weather.gov/nwr
- ✓ Board members should have a list of each other’s phone numbers, next of kin contacts, and vital information (type of vehicles, tag numbers, etc.) to enable contact and for security purposes.
- ✓ Be aware of and publish the locations of emergency shelters and local evacuation routes
- ✓ Pets should never be left behind; be aware of shelters for pets or that allow pets with owners
- ✓ Make plans to shut down and secure clubhouses and other amenities; furniture storage; electric shutoffs; water shutoffs are a must
- ✓ Make sure copies of important papers and files are kept safe and can be moved at a moment’s notice
- ✓ Publish a priority repair and reinstatement list, to inform residents of what will be restored first in the community.
- ✓ Stock a closed utility trailer with emergency supplies, recovery equipment and tools, such as first aid kits, chainsaws, ladders, rope, tarps, tape, hammers, flashlights and lanterns, extension cords, squeegees, mops, gloves, boots, rain slickers, etc.

CLOUD-BASED OPTIONS

- **Requirements**

- A. Document safeguarding for both Official Records and important “unofficial” Records
- B. Video conferencing
- C. Electronic Voting
- D. Electronic Payments
- E. Email
- F. Website
- G. Security

JUST HOST

- Current vendor that supports www.sparklingwatershoa.com website and mail@sparklingwatershoa.com and treasurer@sparklingwatershoa.com email addresses. Current plan (Basic) allows establishment of 3 more email accounts.
- Mail@sparklingwatershoa.com is auto-forwarded to all BOD members but only when president logs into the account.
- Costs: Basic Plan \$12.99 a month (\$155.88 per year) plus \$19.99 per year for domain registration. Basic plan covers: 5 email account, 100 MB email storage, 50 GB website space. Free SSL certificate available (but currently not used). Security additions available: Premium SSL for \$80.04 per year, SPAM Filtering for \$2.99 a month.
- Plus Plan is \$17.99 a month (\$215.88 per year) plus \$19.99 per year for domain registration. Allows for unlimited email accounts, unlimited email storage, and unmetered website storage. Provides SPAM Filtering.
- Choice Plus is \$19.99 a month (\$239.88 per year) plus \$19.99 per year for domain registration. Same as Plus Plan but has automated back-ups.

GOOGLE WORKSPACE

- Business Starter. Costs \$6 per user per month (**\$288.00 per year** for 4 BOD members). Provides email accounts, video conferencing, 30 GB per user pooled storage, shared calendars, Forms survey builder, Security (2-step) and management controls, and standard helpdesk support. (*HOA Electronic File Storage currently totals **13 GB***)
- Business Standard: Costs \$12 per user per month (\$576 per year for 4 BOD members). Same as Business starter but with 2 TB per user of pooled storage. Can pay extra for enhanced helpdesk support.
- Business Plus: Costs \$18 per user per month (\$864 per year for 4 BOD members). Same features but with 5 TB per user of pooled storage. Can pay extra for enhanced helpdesk support.

PAY HOA

- SaaS Solution. Features include invoicing, payment processing, full accounting, document management, violations, event management, website, property database, HOA violation enforcement, Work Order management, Calendar management, requests, text, email, direct mail, lockbox, CRM, website.
- Cost starts at \$49 per month (\$588.00 per year)

HOA START

- SaaS Solution. Provides: Event Management, email, website, e-Voting and polling, secure database, online payments, shared documents and folders.
- Cost: Flat Rate starts at \$540 per year.

APP FOLIO

- SaaS Solution. Provides Resident Portal, Owner Portal, Texting, Email, Document Management, Automated Late fees, Owner and Vendor echecks, Loan tracking, Online Maintenance Requests, Mobile Apps, 2-factor authentication, Marketing and Leasing Tools.
- Cost: Minimum \$280 per month for Core Plan (cheapest available) or \$3,360.00 per year. Online payments cost extra.

RECOMMENDATION

- Just Host plan provides website and email. We currently don't take advantage of SSL.
- E-voting is restricted by FL statute 720 and SWHA election procedures which will reduce potential usage to once or twice a year. Use of A la carte voting sites (e.g. Election Buddy) as needed are cheapest option (\$29 per vote)
- Synovus Bank now offers Zelle for electronic payments for free. Billing is still manual and the task of the treasurer.
- Unmet requirements: Document safeguarding, Video Conferencing.
- **Recommendation:**
 - To meet immediate need, retain Just Host for website/email, use Zelle for electronic payments, and authorize account initiation with Google Workspace (Business Starter) at \$288 per year for document safeguarding and video conferencing. (**BOD Voting Item**)

SCHEDULE FOR CONTINUITY OF OPERATIONS/TRANSITION PLAN

Recommendation:

- Complete Draft Disaster Plan/Continuity of Operations Plan by January 2024 and present final plan to membership at April 7, 2024 meeting.

NEW BUSINESS

- New business from the Directors
 - Schedule for finalizing rules for speaking at meetings, records inspection, and election procedures.
 - Fidelity bond insurance requirements FL statute 720.3033(5)
- Report on Home sales, new owners
- New business from the Members

BACKUP SLIDES
