

Causton Bluff Annual Meeting Minutes

Date: November 18th, 2020

Time: 6PM

Called to order: 6:10pm

Total attendees: 105 people or by proxy

Alan: Introduced the MSM team in attendance Jodi Harstine (CAM over COA) Tracy Smith (HOA assistant) Gary Kornegay (Owner of MSM). He also introduced the board in attendance David Knox (President) Susan Brinkley, Selena Brown, Steve Miller. Joe Rahimi Attorney for lawsuit, Margaret Clark (Covenants), Tracy O'Connell (General Attorney) Don was unable to attend in person.

We have met quorum, so we are able to proceed

David Knox:

There are things that I want to talk about. This will be my last time as outgoing President so I wanted to say a few things. Particularly about the board, this board made all their decisions based on one single thing. How's it going to affect Causton Bluff? They also did it trying to gather information before we made any decisions for Causton Bluff. In doing that we have accomplished a lot in the past year. I just want to let you know what some of those tasks are. If you go to the gazebo, which I'm sure a lot of you do, we made some real upscale renovations to the bathrooms that were sorely needed. We now have internet in the gazebo, we have a deep well that will supply common area sprinklers, and we have a sidewalk that is actually usable going from Bartow to the Harbor. I'm sure there's a lot of you, especially those with golf carts are happy about that. I think that's a great thing. This year we replaced a lot of planking in the Harbor that were deteriorating. In the last 2 years we have been replacing planking and there's still more to go so we will continue with that. We had electrical pedestal failures and water supplies issues which we had fixed. Tree maintenance was a big thing this year. We had pine straw that was put in the common areas and had about 20 trees that were identified as needing to come out that have been removed. The one main thing we will continue to do is tree maintenance. The Fire marshal came by and gave some info on the trees that were hanging too low. The clearance needs to be at least 10 ft. high for the trucks. Many Cottages that had stucco repairs. Cameras coming in to help identify people coming in and out. The reason is to identify anyone we have causing any damages. Margaret Clark helping with delinquent accounts. Only 1 person that is delinquent in the community. Lot of work between her, Jodi and the board to get this accomplished. We've been taking care of the community as if running a business and it shows in the budget. Support the board, it is an incredibly hard job without a lot of benefit for doing it.

Alan: Requested to rearrange the agenda to have Margaret Clark to talk covenants

Margaret Clark:

Your current covenants are very unruly with many supplements, amendments, various amendments related to dock slips. The documents are very old, outdated and unruly with many paragraphs and sentences that run on endlessly. Would take a super lawyer to go through them to read and understand. The Board has hired me to draft a new proposed version to be voted on.

Some of the specific reasons I was hired, the Covenants refer to declarant the original builder and has been out of the picture for some time. Removing declarant will make document easier to read. Also asked to remove Yacht club. It was originally set up for a yacht club that never happened so we need to remove that. Also some concern about short term vacation rentals. Consider banning short term vacation rental. Neighborhood would fall under Georgia property owner's association act. If you adopt that act as part of the process, you will be able to prevent short term vacation rentals from coming into the neighborhood.

In the Cottages section, maintenance obligations were not very precise as to what the individual homeowners provide versus what the association provides as maintenance. So we wanted to make this more precise and less confusing. I know we have a quorum tonight, which is a huge testament to the management and the board for getting you all here and for you all for showing up. The quorum percentage is pretty high so look at bringing the percentage down a little bit which will allow the association to function easier. There is a process we will go through and I know you all are anxious to see a 1st draft. This has been a large undertaking and took me awhile to get a first draft ready. We are looking at this now with the board and the committee and will be hopefully getting this out to the owners very soon. The approval process will look like this... once you get the draft and can make comments on it... then it will go to a vote, the homeowners will then approve by a 2/3 vote. So 2/3 will have to approve the new proposed document before they can become the new governing documents.

Alan:

Thank you Margaret. It is a lot of work and we've worked through this with other associations and it is never easy. Thank you for your hard work. And for the committee and board working through this.

Situation of the bulkhead in the lagoon and some of the Cottages. Joe and Tracy are here to talk about this

My name is Joe Rahimi... hired by the Homeowners Association insurance carrier to defend the lawsuit brought on by three homeowners. I spoke with the association at the last annual meeting to bring up every to speed as to where we were with the litigation process. Based on the support issue there is a need for work on the bulkhead, work was approved, and funding for it was obtained. Frankly, for the last year we have been in limbo. Waiting on drawings, DNR approval for the drawings and the construction. And covid hasn't helped the situation obviously. So we are still waiting approval. Jodi has much more information on where that stands because I have not been involved in the approval process. I know that there was an issue with someone in DNR switching jobs & the approval process wasn't handling by DNR. They blamed covid. There is now someone else looking at it approval is anticipated this year within the next 30 days or so. In anticipation of the approval of the plans I have made arraignments for experts that will come in hopefully if I can get approval from homeowners they will go ahead and get set up an inspection of the property & set up some devices that will measure that will

measure any changes that come up if any there's none anticipated from the bulkhead so that everything is monitored properly and we know the work is done properly. And there is no damage done to the bulk head construction. Hopefully the work on the bulkhead and the surrounding area will shore up the area for the foreseeable future. That is the intent of the work that the HOA is currently seeking approval for. Once that occurs the lawsuit isn't going to be over. Hopeful that once the work is done that steps that I take without any involvement of the HOA will then resolve the lawsuits and it will be a thing of the past. I was asked to additional short update and answer any questions. But I am going to let Tracy speak first and then take questions.

Tracy: We have an engineer who is hired by the insurance company that is interacting with DNR which is what you want in case of technicalities. The engineer was trying to get DNR to approve this. Unbeknownst to all stepped down and the file ended up in limbo at DNR. Again, it wasn't that the engineer or the management company there was just no one looking at this. Then Covid hit and they didn't do anything for months. We have now gotten the right person at DNR back and they have assured us it is on the right person desk and Joe is correct we anticipate we will get that approval shortly and construction can begin to address those repairs. Which should go fairly quickly and Joe has in place what we need to protect the homeowners association. To monitor that construction and any impact it might have. So we should be good to go. Wanted to let you know the delay is with DNR and was out of our hands.

Reiterate, as part of the process I deal with a lot of these on a regular basis. The problems with DNR are not out of the ordinary right now.

Question: Is the lawsuit between the homeowners and the insurance company or the HOA and the insurance company? (Rahimi) There were three homeowners that filed a lawsuit against the HOA and I represent the HOA in the lawsuit. Since the lawsuit one of the homes sold and that homeowner was removed from the lawsuit. There has been some discussion between the new owners about claims that he had but to date there hasn't been any claims presented to date. So currently there is two homeowners that are suing the HOA.

It is related to soil erosion behind the bulkhead. The allegations are initially a dike broke and caused the water to come into an area that was not intended to be acre and that the tide, over a course of time, eroded the soil underneath the wall causing wash out of the land into the tidal.

Question: Was there an original engineering report when the lawsuit was filed initially, to determine the cause of the breach? (Rahimi) Several reports were performed prior to the lawsuit relating to the cause of the issue. After the lawsuit started, I hired experts out of Charleston to come in and examine the issue. The initial determination was that there is a problem with that wall that is causing soil to erode. And if that wall fails, it's going to create a much bigger problem. So it needs to be addressed. The cause of the problem is multifaceted. And I think it's one where experts disagree. But you can go back to issues with the original construction, the still water becoming a tidal, I can also argue that the lack of gutters of those Cottages had something to do with it. But I think it's going to be an issue that relates more to the tidal situation. I think it's going to be a multi-faceted issue and I don't think you can hang your hat on one thing as causing and contributing over a long period of time.

(O'Connell) The bulkhead is the property of the homeowners association, and it needs to be addressed by the homeowners association. Without getting into litigation, because it hasn't been finalized yet. We have looked at the issue and while we understand the effect that it had initially, we also understand the issues that were raised by initial construction and the tidal creek that was allowed to go on for a long period of time. All that has been analyzed by the experts and the determination was made. The best course of action is the one we are taking right now.

(Rahimi) Okay, so I am going to excuse myself now if you don't mind. Thank- you

Alan:

Thank you Joe and Tracy. I was asked to go ahead and do a brief summary of the financials. I will go through and some of the big ticket items. If there is enough time at the end to have questions. I think there was a sent out recently where a few people asked questions and the board responded to that. If you are unable to ask a questions email Jodi or contact one of the board members and they will go through the same process and get the answer out to everybody.

So the really big picture items for your financials: The largest thing that's going on right now is associated with the bulkhead itself, and the dredging for the Causton Bluff Homeowners association, which is sometimes referred to as the common. The big picture as of right now, at the end of Oct. is just over 182,000. You're operating split between two different banks. And just over 213,000 in your reserve accounts. I like to always pull out some of the big ticket items, and the big ticket items for the homeowners association.

In special projects, where you are spending the most is the Harbor dredging as well as the bulkhead. Those are your two largest projects right now. For 2020 into 2021. Moving on to the Cottages, so you know where you stand if you are a Cottage owner. You have just over 14,000 in you operating account and just over 692,000 in your reserve account. One thing to learn is if you're looking at the balance sheet, there is an ICS account you'll see on the balance sheet. What the board has instructed us to do is make sure that your money is protected under 250,000 FDIC insurance account. One way to do that is to place it into the sweep accounts that can then be spread out over multiple bans so that your money is protected. The largest expense on the Cottages is actually your savings. That is savings for both the reserves and unallocated. The second largest expense is going to the stucco that was done this year. And then your third largest expense was the landscaping.

No HOA fee increase for the Common or for the Cottages. But there is Slight increase of \$20 for the boat slips.

Looking at the boat slips they are operating in cash right now at just under 10,000. Reserve cash is almost 114,000. The big ticket, largest expense this year for the boat slips was electric work that needed to be done on some electrical wiring. And that may be stepping on some toes here. You're going to hear a little bit about what is happening there. There's electrical wires that had to be dealt with going into the boat slips and some boards as well. That is a brief synopsis of the financials.

I want to take just a minute to talk just a little bit about Market South Management, and let you know how happy we are to be here with you at Causton Bluff. And if you remember last year's meeting things

are a little different with the masks, social distancing and being spread apart. So I appreciate your willingness to come here and sit with the masks. We've been on top of making sure that we can continue to operate and serve you during this time. There was a brief period when Jodi and I were both working from home but we were still trying to get out onsite and visit. We put in the procedures to the board on how to open the pool and your board was very agreeable. I think your pool was one of the first to open up. We've worked with and learned from something we never thought we would be able to do. Believe me, I think we're all tired of it. But we're going to continue to look how we can continue to serve you even through this period. Let's continue on. So thank you Jodie for all the work you're doing here and we are going to move on to some of the committee reports.

Harbor Committee: Brian

Been doing this for up to 17 years now. Following the 2002 dredging that we did, Spencer, I wouldn't have handled that. And at that point in time, he asked me to find a system with trying to take over the harbor committee files that I have had my fingers in and ever since then the various committee members assist and so on during the period of time. A couple of items on general harbor maintenance have already been mentioned, so I won't try to repeat that. But each year we attempt to do a fourth for each dock. We attempt to do a walk of the docks, including Jody from Market South. And several board members typically join us when we do a walk. We try and identify items that are in need of immediate maintenance, for the most part that typically relate to boards that have become rock and splintered in disrepair and attempt, if possible, try and flip those boards so that we get to the other side. When that is not possible then replacing the boards. Our docks are getting to be extremely old. The A docks are in excess of 20 years old with B docks a couple years behind that and C docks a couple of years behind that one. So there are going to be some major expenses coming up in the future. And two years ago, the board hired a consultant to do a reserve study and started putting some of those funds away to take care of some future expenses that will be more major and major rather than the continuing maintenance items like boards, electrical & plumbing. Every year we seem to have one or two issues with plumbing, where we get a frozen line and cracked pipes and we have to bring in a plumber to handle it. But in the general scheme of things, those are family small items in comparison to some of the bigger items that need to be taken care of. One of them... question from audience (Who pays for that? Is that the boat slip owners?) Yeah, everything that happens relative to the dock happens out of the harbor funding. And I'd really prefer to let the board deal with the financial end of it but in general. Repairs for the docks slips, water, electricity not the dock, and things along those lines are paid out of the harbor funding. Just a couple of years ago we hired several different pile driving companies to come in and assess the condition of all of our piles and got told that should we get a major wind or hurricane event, and we have failure of the pile system on the docks, our insurance would not cover us if there was no evidence that we had been doing continuing maintenance, ensuring the integrity of the dock system. So in 2016, thankfully, two months prior to hurricane Matthew, we went to replace 21 piles in the harbor. And that was done by a survey of five different pile driving companies that we went through, and we tried to fly an estimate of remaining life, all the piles from the harbor. At that point in time, we had 21 piles, that the various pile driving companies said this has to be replaced immediately. This is subject to fail at any time, because of wood boring worms that were getting into the piles. So in 2016, replaced 21 piles and I made a recommendation to the budget committee this year that we again do that at the end of the five year cycle. So that every five years, we are replacing some segments of the piles without having to do 100% of the harbor at a single time. I've gone through on a personal basis,

based on the last reports that we did back in 2016 and I'm estimating someplace between 11 and 17 pile are going to need to be replaced next year. I asked Jodi to put something away on that and compare what we spent in 2016. During the spring, we need to get some formal votes in here, some pile driving companies in and do a more formal assessment on what that costs. Some of the items that the reserve company did put into the harbor are items, in my opinion, and my recommendation to the board are that these are items that will probably never have to be replaced. The aluminum ramps that go down to the docks, they made the recommendation that this one has 5 years remaining, that one has 3 years remaining. The reality is those aluminum docks are going to last us another 10, 15, 20 years. What we have to worry about more than that, we have to worry about the structure of the wooden frame on the docks over the next couple of years, that's going to start to be expensive. It's going to have to be dealt with, several fingers on the docks have already become extremely unstable. We've spent some money over the last 2-3 years strengthening those by putting double boards on the side and carriage bolts though them to try and maintain as best we could with what we've got without wholesale replacement of structure on the docks. Those are pretty much the major items that I've got to report relative to the harbor. One outstanding, which isn't a harbor, it's more of a common thing that I've had my fingers into heavily is the dredging. In 2006 I was able to just write a letter to the DNR and the Corps of Engineers to extend our prior permits. We were able to do our maintenance dredging based on nothing more than a letter. I did the same thing in 2011, I wrote the letter we got the permits necessary to do that. In 2012 I attempted to extend our permits and they told me a new kid was in town and we now have to go for a nationwide permit in order to get our grants. Since 2017 we have been working with various agencies, Corps of Engineers, with DNR and most recently, the State Property Commission, with the end has more to do with where to put the spoils and the sediment that we dredge out. We previously have had a very good relationship with another company until they went out of business. That's going to destroy the relationship that existed. And we always have this good neighbor arrangement where for a five year lease of time for 1 dollar a year or 5 dollars a year we leased that spot. That site is now owned by the Department of Natural Resources. The Good Neighbor Policy for the government agencies is just not what it used to be with our adjacent neighbors. Up until this afternoon we were on telephone calls trying to get through that next step of how we deal with state property information that says that the use of that now has to be predicated on a fair market value. That we've never done before. The last lease we had I did with Chris Buckley the president of the association at the time, we did a three year lease for 1 dollar. This will probably not going to happen that way and we're going to have to get a fair market value assessment on determining what it is the state's going to require in order to use that site. So that's the big holdup on that's been happening with the dredging. Most of our permits are in hand right now. That's our last permit we are waiting on now.

Question: About how many pilings do we have? I am going to say we are pushing a hundred. If you include the number of piles that are underneath the fixed docks, which are not subject to the same strain that the floating docks are. There's about 100 out of which the 21 that we replaced, 1 was underneath the fixed dock while the other 20 was at the floating docks. Which is the area where we've seen the most tidal effect on the wood boring worms affecting the area between the low tide and the mud line is where those wood boring worms are in there. So just based on the data that I had from 2016, I've still got the charts from 2016. I went through them when I did the ones that had an estimated life of between five and ten years remaining on it. I've circled all of those, and I came up with a number of between 11 and 17 that is going to be necessary. So next year, they'll be an expensive, I'm going to

say 30,000 to 40,000 dollars for piling replacement would be my scientific guess. As to what it's going to actually be, I'll leave the actual dollar amount up to the management company to get firm, fixed quotes from contractors to do that. With that, can I try and answer question on Harbor, Dredging, and docks, whatever?

Question: Will you clarify one thing? You mentioned starting the application process, and we all got notifications. Now were expected to get approval a couple months ago, will you go into detail about how this went into the last minute with the DNR? We're talking about September 17, we received a letter stating that the poor agreement on which we were going to lease the site for a \$650 Revocable License Agreement. This would have covered our next Dredge, which is the one coming up. And then we would have to make a long term arrangement. They actually want us to prepare a 20 year plan for way our future dredge spoils are, where they're going to have to go. That is a major undertaking. And unless we can get some long term arrangement with the state property commission and the Dept. of Natural Resources on continued use of that site, Which is probably going to be on a lease basis, at a much higher fee then the 1 dollar every 3 years that we used to pay. We're going to have to find another location to dump our spoils. Anything that we do that is not in close proximity to our Harbor is going to be extremely expensive. For Example, When Sea Pines does the dredging of their harbor they bring in barges, dump the spoils into the barge and then they have to take it 12 miles offshore and dump out there. We need to and somehow recapture the relationship we had previously where we can get permanent use of the spoil site that's immediately for us on the island road. I actually had the board, in 2011 to draft a letter to attempt to purchase the land so that we would have a long term solution for it. We were denied at that point in time because Tronox was under bankruptcy. It was actually the local management here under Savannah Acid, who was managing the facility at that point in time. They came to me and said if you want a long term solution, why we don't plan to buy the site. So again, Chris Butler was the president at that point of time and I had dredged up all this history here within the last two months to try and build our case with the state property commission. But we actually went in and we made an offer to purchase that land and it had made it all the way out to Texas, to the recovery company that was handling the bankruptcy for Tronox, at that point have Greenfield trust is the name of the agency. And they would not allow us to purchase at that pointing time because Tronox was still in bankruptcy. When they settled the bankruptcy Delaine Corporation bought all the high ground property but they didn't want anything to do with the wetlands in the areas so they deeded the wetlands to the Department of Natural Resources. It's not the same as dealing with the Department of Natural Resources as it was with the poor owners. We have an excellent relationship, we just deal with her because every time we try and step forward we get hit with anything. Like Susan just said, on September 17, we thought that we would be within a week of being able to turn on the contract and start the dredging. We mailed the check for \$650, which we thought was the fee that was going to be necessary to accomplish it. We received the letter back that said, it's been reviewed by other people and we have to get a fair market value for it. So in order to determine fair market value we have to do an assessment of the property. We're talking about wetlands out there, and trying to do an assessment on soil cycling and wetlands. It's an expensive proposition to just start the appraisal process and they'd already cashed the check that they have already gotten. Yes, they already cashed the check. We'd like to believe that they have stepped back on that agreement. So unless we're willing to go to legal battle with the state of Georgia, that more cost effective way of doing it, is to go ahead and get this

assessment and see what they determine the property is valued at that point in time. Hopefully the state will come up with something that is fair for us to lease that property.

Question: How deep will the Harbor be when it is dredged? What we requested. All of our prior maintenance graduates were given to us in a format of to allow times 8,000 cubic yards and other time 14,000 cubic yards. And we were able to work with the contractor and pick the area that we concentrated on trying to achieve that volume. That volume usually concentrated on the main entrance coming into the intercostal waterway, the fairways and between the docks. This time around, we actually made the request to go back to the original design depths of the harbor. Which will be minus nine feet at low tide. This is what we requested and that's going to take 22,000 cubic yards to accomplish. That's exactly the capacity that remains in the soil segment.

If we have one more question we will take that and then wrap it up. Again, another question? Trying to do an hour and 30 minutes.

I have had a lot of cooperation over the years and I've had numerous other people assisting me on committees and stuff like that. I want to thank them and later in the agenda I'm hoping somebody's going to announce that I'm essentially retiring from the harbor committee and that Brett Buoy has agreed to take it over for the committee. He's got a couple of committee members who work with him. But I have agreed not to abandon the dredging project. I will stick through the dredging project until we see it through completion.

Joel Moore ASC:

So as time turned the industry, the wants and desires of Causton Bluff residence change. With that the AC has evolved. How can we make your project work for you while protecting the integrity and beauty of our community? The common question is always can I? If change is designed, visually or structural, and professionals are needed or normally needed, the answer is yes to your approval. You must fill out the ASC request, send it to market South care of Jodi. Many times the process is more of a notification as some request are readily accepted. However? The experiences of the ASC will address the potential impacts to your neighbor for proper approval. So many things go into this because it's not just about this wonderful little structure you've got, or the fireplace, it's how does that affect us down the road? One of the biggest things that we run into every day that makes some of us very happy, some of some of us very sad is that predecessors that may have owned your house before you have made another addition. Maybe they did it really well maybe they didn't and did it on the fly. Once a homeowner reconstructs in particular the Cottages like with the blue is developed for us to begin with, then it belongs to that house and we can no longer expect the association to take care of your house because things change. Is it your fault that you are absolutely an author probably not but it's also not the association's responsibility to take care of your home? These are the things we run into all the time and particularly on screen porches, glass porches, patios etc. So we always have to be mindful of that. So if it's not part of the original UI design, then we probably don't take care of it, but we try to work with you as well as we can. Same thing with landscaping changes. Well it's great, this is the perfect place for a tree. And I agree. But guess what happens? You put the tree here, a lawnmower can't get through and the people can't get to your backyard and all of a sudden things are happening again. So those are the things that the ASC can

help you with. OK great. It's a wonderful tree, let's move it. 4 inches over here, so that this 52 inch lawnmower can get through. Those are the kind of things that are the reasons we need to be aware. In the past few years, we've seen many improvements that have added to the pleasure of our community. Different or new it's not always a bad thing. Just ask you know there's no one on this committee that has ingenuities, your personal taste and my personal taste are probably different but if it works and then enhances the value of the properties you're probably going to get a yes. As Jody and I have gotten together she just said 30 some this year and out of those 30 some forms there was only one that was a denied. And it really wasn't denied, it was a suggestion. We worked with the person to come up with a solution that worked for everyone. That's why the ASC is here, so that you don't create a floodplain in your neighbor's property. To make sure that that we all work together and create a wonderful space for each other. These are the kind of things that we are doing. Trees are sacred, but so is your home and safety and love this area but sometimes a tree just outlived his purpose. Many times there are trees that are interfering with other trees and you have to get rid of the scrubby trees so that you have one beautiful tree. And so we have to dress that as well. And we want you to as well and you know, when you see something in your property please let us know. When dealing with Trees we get together with licensed arborist. Keyword licensed arborist. We evaluate trees, trees that are over 6 inches at 4 feet may not be removed. Unless we know we have to at least know about it chances are it's going to all work out. One of the biggest things we find with this whole community is that we are not getting out there we are not volunteering and doing our part together. We want volunteers, but we don't want people unbridled and running around doing crazy things that might be harmful for themselves and maybe irreversible to the community. It's important. Together, we can get there. It's a new day across the Bluff, we can impact and expect everything out of life we would expect. It's a lot. Change makes us better when we improve and enhance our values. The resounding answer, generally, ASC is always approved. Respectfully submitted, Your ASC committee

Cottages Committee: Susan

What we're going to start with on the Cottages and the big thing that we have over and over, but we're really making headway on is the stucco. We have out of 112 Cottages 86 has either been to the stucco work has been completed or there's been no work needed. There were a couple that were less than a handful that nothing was required they were only 26 Cottages that are left on the list that are not in the process of being done now or have not been done yet since 17. As of today we spent \$300,000 on stucco repairs. Stucco wasn't touched for a long time, stucco was mended, stucco was band aided, and stucco wasn't really fixed or repaired like needed. We've got a great stucco contractor in here now and they are really doing a very good job. Landscaping, we recently sent out a letter discussing landscaping with the community that sort of touches a little bit of what Joel is talking about we hear people occasionally who want more done on their Cottages were paid between \$11.50 and \$11.75 a week to have our cottage lawns maintained. We're getting feedback from the letter that we sent out to our cottage is not very long ago and we will be discussing that on Monday at the cottage steering committee meeting and then get back to all the cottage owners with the feedback basically what we've gotten back so far is we don't want to discontinue anything with landscaping. We want to keep landscaping services, there was never a question about discontinuing the landscaping in the Cottages it's about what are we willing to pay for as Cottage owners because as Joel mentioned things change over the years people add to we want more but in order to get more we've got to be ready to pay for it. Any level of service can be

provided with it is we're looking for in the Cottages it's going to take the community involvement and everybody's got to agree. Well not everybody would have to be voted on I should say in the Cottages any changes increases etc. for the services that are provided by the landscape company. We also are often whether it's landscape or some type of maintenance or soft washing whatever it is we often here I've been here 20 years and my HOA dues continue to increase well we live in an aging community our homes and our community are aging we don't get anything today for the same price we got it for 20 years ago whether it's milk bread or anything else a five-year-old home or community has much different needs and costs then a 20-year-old home or community it's similar to a nine-year-old child versus a 20-year-old people are Cottages are in college and again we can provide whatever level service people want but we can't provide everything that has to be done everybody has stucco we have to maintain that stucco. we've got to maintain the integrity of the structure when it comes to the Cottages the HOA away can provide any level of service that the community votes to approve it's not just deciding that we're going to provide these and go up or down we don't do anything arbitrarily everything is very thoughtfully put out there and decided again all of the Cottages has stucco and that has certainly been a priority for the last couple of years one of the things that we have on our radar that we're working our next big thing is going to be some fences that are within the cottage community we have some fences that are failing we have some properties that have fences that are two sets of fences some have none that's one of the things that we're looking at moving forward for next year we're taking care of fences that are in the worst shape just like with the stucco we started with the worst and then we're moving down the line but fences are the next big project when it comes to maintaining the cottage community we will be having some more tree work done mid-December we were holding back some other money appropriated for the trees just in case of a hurricane that would've come our way luckily we were safe and we have some tree work that still needs to be completed there are other small things that are continually going on but landscape seems to be one of the big issues where people might complain about something not being done a certain way in their yard and at the same time we've got to recognize and understand and keep in perspective that for our 11.50 a week it's really hard to complain that they don't get off their mowers and pick up a stick, a pinecone or 50 pinecones. It doesn't matter. But you know we got to keep it all in perspective and again we can provide any level of service and getting prices from any of our vendors that cottage owners want us to investigate and again we will be back be providing the landscape feedback results pretty soon again we have a meeting on Monday and it should be able to put some things out Jody actually will be out of town next week is Thanksgiving so more than likely it'll be mid-December. That's your cottage report.

Question: Is it possible to make the incoming speed bumps the same size as the outgoing speed bumps? We will look into that and take into consideration the safety of all involved to make that determination.

Alan: So we've heard from a lot and I'll take questions as we get through the elections and open discussion. But let's move on, because after hearing officer reports and all the work that's been done this year, the purpose of this meeting is to elect the board of directors. So let's go along with that business. What you're going to find is that there are three board members that need to be elected this go around. Three of your members coming off the board right now are David Knox Selena Brown and Steve Miller now Steve Miller is still on the ballot though the board has asked that market South management help count ballots that's going to be Tracy Smith and Gary Kornegay is going to help what

you're going to do you can market for three names and the two that receives the most votes will be elected for three-year term and the person who receives the third most will be elected for two years.

Question: What are the blank lines on the Proxy? Ok, we are getting to that. In your documents there is a provision for nominations to come from the floor at the meeting. And will take any nominations from the floor and you can write those in those blank lines and at this point I'll open the floor for nominations is there anybody that wants to be nominated to serve on the Board of Directors? If there is nobody to be nominated from the floor is there a motion to close the nominations motion from Al and a second from Joanne. All in favor say Aye... no opposition's nominations are closed. With that being said we do want you to cast a ballot. You can vote up to 3 names. And then turn these in so Gary and Tracy can start counting. This way we will know by the end of the evening.

Question: if voting for just your resident there will be no number on it? Correct. The only ones that will have numbers on them will be if you have been designated a proxy by someone and we have that proxy in hand.

You are voting on who will be three years and who will be 2 years.

Alan: Okay, why we're waiting on that there's one thing that you know you've heard these reports you've heard all the work that's been done this year and all the work that's being done by the volunteers we are so excited to work with Causton Bluff and one of the reasons for that is because of all the work that your community puts in volunteers on the committees volunteers on the boards that are getting paid zero. Please give a round of applause to all of the volunteers that work around your community.

Jodi: there's a couple of members who are going off the board this year David Knox and Selena Brown I have had the pleasure of working with you guys since we started with market South management before I was the manager I help them untangled money or finances but since I've been helping and I have been working with you also closely David and Selena have been putting in many hours of hard work to make everything better for everyone and they've been important part of a team because it definitely takes a team especially to manage your office or mini minter intricacies to your associations so we have from market South management we have a gift for you guys David let's start with you David thank you for still working so hard with us and Selena Brown she makes amazing ginger jam. Thank you very much for your all of your hard work.

Question: When will the maintenance of the pool start? Will the water need to be drained? What's going to be done? Susan is the best one to answer that. There are several things that are going to be done that are based on the reserve study. And part of that is the need from some draining. We found back in the summer two slow leaks that need to be repaired. I believe that they're also calling for a resurface of the pool. Instead of just relying on the bids to combine from different vendors, I've asked Morgan Derst and Buzzy Weimar to work with and to talk with those people. They both know more about pools than I do personally. I've had a personal pool but it was maintained by a company. It's not something that I think any of us will want to have full responsibility of making the calls on, so Morgan and Buzzy agreed to work, at least, talk to these vendors who are giving us proposals on not only what the reserve studies call for but for other things that need to be done at this time. As far as when it will

get started, I can't give you a date on that as we haven't met with them yet we need to get through the annual meeting. But it will be certainly the pool will be open on time in late spring.

Question: You said there are 26 Cottages left to be done, how many of those do you expect to be completed for the remainder of this year? That is totally dependent on the weather. Last week we had rain almost every day. That is not something we can control so it proves to be difficult to project a completion date. We should like to get about 15 more done that doesn't mean it's going to happen. So, 2021 they will all be finished for sure? Well, again, anything can happen but that is the plan.

Question: And on the fence project you mentioned for 2021 where in the budget have you allocated the money for that? That comes out general maintenance. There is a reserve option for fencing but that is only for replacement. The maintenance for the repairs come out of the regular operating maintenance fund.

Question: What do you have planned for trees that made the budget go up by 2,000 dollars? Just aging trees that haven't had much done on them. We've run tight on budget for the trees for the last couple of years and we are trying hard to not do that this year.

Question: I concerned about the fact that the number of times per year that the Cottages roofs and gutters are scheduled to be blown off being reduced to two, that is really not enough to keep our gutters working properly and the stuff from building up in the grooves. So I move that the 2,000 dollars from the trees be put over into the roof maintenance to allow for the blowing to be done 3 a year. If you'll email that we can discuss that at the steering committee meeting. We can certainly make some adjustments and get some feedback like we are trying to get on the landscaping and everyone is willing to pay more. Not everyone has a heavy tree canopy. There could be a way management to identify which houses need it and adjust that accordingly. But we started out with roofs being blown off 4 times a year. Took a conscious decision to do three and Jan, May and Dec. Now going to 2 you are creating more problems. I understand. That's a great thing for the committee to look at and a good suggestion. Make sure you email that so we have that notated.

Holly: Several neighbors on my street ask about getting a paper directory back like we had. The last time it was printed in 2017. Is everybody listed, where you live and your phone number on it? A lot of people aren't into technology and all this stuff. They want paper copy with the information on there. Personally if I had a neighbor that needed a copy. I would just print her a copy. But I don't even know what we paid in the past of the cost of getting that printed. I would guess that 90% of the people that live here either have a printer or have the ability to have somebody who might print it for them, whether it's one of their children or otherwise. It can be printed off our website any day. It's on there and has been. Can it be emailed it out? Jodi, can you email it out every 6 months? That's a great idea, Selena can you write that down.

To Marion Leith regarding her questions proposed to the new board when pre-meeting questions were requested. The responses will go out to everyone in the community as well as to the person asking the question. And if it is asking for the new board that has to be done when they take over Jan 1. I would just like to say, could consideration please be given to the tree root near the entrance gate be repaired

now from the road reserve. The reserve study... why is so much money being stucco reserves? Wouldn't it be more prudent to do stucco inspections every few years making it more realistic to do a much smaller sum rather than such a large reserve? Lastly, I am saying this cause I feel strongly about it and keep getting struck down. Could the new board please consider using some of the stucco reserve money towards soft washing all of the Cottages? It is a stucco related project. The cost is should be 17,000. We have been advised to do it ourselves but that's for sure many units will be neglected and I do feel the quality of our product and overall condition of the Cottages would be brought down by them not being done. Collectively becoming an eyesore and bringing down the value of our units. We have literally been spending tens of thousands of dollars on repairing our units but we are now allowing a number of contractors to come in and work on our homes literally of course down the road. Thank you Maryanne we will make sure the new board has this in place.

New Board Directors:

Steve Miller: 3 years

Warren Thrasher: 2 years

Al Parnell: 3 years

Just a procedural, help me understand how the board of directors elect their officers. The assignments are chosen within the board. You're bylaws go over the fact that the members elect the board and the board elects the officers.

Why does pine straw only go at the entrances? It looks like a half way job being done. It's supposed to look better. We will put that with the board to instruct the landscapers to do the job correctly.

Everybody who's here recognizes that Francine Knox who is not here to night has been a power house for the community when it comes to the financials. She and Jodi straightened out a tremendous amount of muck together. Francine, that's what she does, she is good at and she's fast at it. It's not something I would ever consider doing. I would like for us to appreciate what she has done for the community she sort of fell into it because she knew what she was doing and David was on the board. Moving forward we will still have a finance committee but the finance chair moving forward will be Cindy Miller. And she and Francine has been working together for quite some time and is well equipped that if something comes up that Francine will help her. But we feel that Cindy is ready to take on the role.

Is there other developments for the entry systems? A lot of options that are out there and I just want to put that out there. Yes, Jodi has forwarded that to the board for consideration. This is the kind of thing that the upfront cost will be high but we have this on our radar for the future.

Motion to Adjourn... YES. We are adjourned. Thank you for coming.