

COTTON BAY HOMEOWNERS ASSOCIATION, INC.

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City of Gulf Shores Activity Center

260 Clubhouse Drive

2021 Special Assessment Meeting

May 8, 2021

John Paul Jones Called to Order at 3:49 pm

John Paul explained meeting rules/Quorum Count

Special assessment meetings must meet a greater size quorum. Regular quorum size is 30% of property owners (in person or proxies). Special assessment meeting must meet 51% of property owners (in person or proxy). To pass, 2/3 of the quorum must vote in favor of the assessment. If quorum is not met, another special assessment can be called at a rate of ½ the first called meeting and then 2/3 quorum must vote in favor. Quorum count is by property owners present and by proxy vote count. The second special assessment meeting must be within 60 days of the first meeting date. The Secretary authorizes the Quorum.

John Paul explained damages and expected costs

For the most part, the greatest expense is the removal, and replacement of the fence along county road 4. (The subdivision front perimeter fence) Quotes were from \$36,000-42,000. There is an updated design. It is with 6x6 posts and board and batten (board on board) design. This should be stronger and easier to maintain and will not need to go in back yards to repair fence boards.

Discussed the grading (tree holes) and concrete in the park that needs to be replaced. Fema trucks broke the concrete when removing the trees. There is silt in drainage ditches that needs to be cleaned out and graded.

John Paul Jones Explained Assessment Dues and collections

If the special assessment passes, the property owner's will be billed for the assessment. The due date will be July 1, 2021. Failure to pay passed special assessments can lead to legal action against the property and owner as per the Bylaws and Covenants. This can lead into expensive legal fees and interest added to the assessment. The Covenant requires the funds be accounted separately from the general fund. It does not have to have a segregated account but must be kept in an accounting system as a separate fund. The board will have to decide whether to use the regular account or the reserve account or even a totally new account for this purpose.

Discussion

Discussed options on fence posts several members used Eddie Sims with S & S and really thought he did a great job on their fences. Members suggested having more time paying for \$500.00 assessment. Members wanted to know what would happen if the assessment did not pass. The fence in front would fall down and the only way it could be fixed would be with volunteers fixing the fence. Discussed Cotton Bay Homeowners might get back the \$500.00 assessment fee from their Homeowner insurance policy to pay for common area repairs.

Voting and Tallying Quorum met with 67 votes.

Vote Results by Mrs. Campbell and Dennis Bulen; 1st count 42 yes, 25 no votes assessment did not pass. Homeowner who has (3) houses in the Cotton Bay subdivision asked to change his votes from no to yes. 2nd count with Dennis Bulen and Mrs. Campbell observing 45 yes, 22 no votes for the \$500.00 assessment. The assessment passed.

Motion was made to adjourn at 4:17 pm by Mr. Campbell, Tony Seconded motion