

**Regulatory Council for
Community Association Managers**
Telephone Conference Call Meeting Minutes
Friday, November 4, 2005 @ 10:30 a.m. est.
Meet-Me-Number: 850.414.1706 or Suncom: 994.1706

CALL TO ORDER:

The meeting was called to order at approximately 10:35 am by Mr. Reginald "Reg" Billups, Board Chair. The meeting was opened with the roll called and a quorum was established.

ROLL CALL: (Council Members Present)

Reginald "Reg" Billups, Chair
Chris Brown, Vice Chair
Steven Czonstka
Debra Glass
Edith Yates

STAFF PRESENT:

Anthony B. "Tony" Spivey, Executive Director
Renese Jones, Administrative Assistant
LaDasiah Jackson, Assistant Attorney General
Jessica Leigh, Prosecuting Attorney

OTHER PRESENT:

Molley Foley Healey, Vice President of Government in
Public Affairs and General Council for Community
Association's Institute
Craig Gray

REVIEW AND APPROVAL OF THE AUGUST 31, 2005 MEETING:

MOTION: Mr. Czonstka moved to approve the minutes with the following correction. On page 4 of the minutes, second paragraph should read "*Ms. Glass requested that all documents will be in place with the language at the next meeting so that there will only be a vote on the logistical data for doing the study.*"

SECOND: Mr. Brown seconded the motion and it passed unanimously.

CHAIR REPORT:

No report.

BOARD COUNSEL REPORT:

Ms. Jackson stated that Ms. Barbara Edward most likely would not be in attendance at the next meeting. She also stated that she will talk with Ms. Lannon, Administrative Law Bureau Chief regarding Ms. Edwards' condition and if for some reason she will be returning for the next meeting she will have the proposed language ready for council review. Ms. Jackson gave her approval to table the proposed draft language to change Rules 61-20.508(6), Florida Administrative Code (FAC) to the next scheduled meeting. Rules reads as ("*A licensee shall not be required to comply with the continuing education requirements prior to the licensee's first license renewal*"). *There were concerns that those who obtain a license during the 90 day window during the renewal cycle may go beyond 24 months before it is necessary that they meet the continuing education requirement*).

PROSCUTING ATTORNEY REPORT:

Ms. Leigh gave an updated status of the October 17, 2005 reported as follow:

Status 30 – Legal

The report showed that there were 17 cases reported, as of today there are 7 cases pending in status 30 in legal, of the 7 there are 3 cases set for probable cause;

Status 45 – Sent to Consultant/Expert

The report showed that there were 4 cases reported, as of today there are 5 cases in status 45 sent to consultant/expert;

Status 321 – Supplemental Investigation

The report showed that there were 3 cases reported, as of today there are no cases in status 321 supplemental investigation;

Status 36 – Administrative Complaint Filed

The report showed that there were 4 cases reported, as of today there are 6 cases in status 36 administrative complaint filed.

Status 145 – Pending Informal Hearing

The report showed that there were 3 cases reported, as of today there are no cases in status 145 pending informal hearing;

Status 55 – Stipulation or Request for Informal Hearing Received

The report showed that there were 1 case reported, as of today there are 1 case in status 55 stipulation or request for informal hearing received;

Status 43 – Formal Hearing Requested

The report showed that there were 4 cases reported, as of today there are 4 cases in status 43 formal hearing request;

Status 58 – Case Considered – Awaiting Final Order

The report showed that there were 1 case reported, as of today there is 1 case in status 58 cases considered - awaiting final order; and 1 case reported as of date that's schedule for formal hearing exam challenge.

Mr. Billups wanted to know the progress of how these cases are being handled verses last year compared to this year. Ms. Leigh stated that she was not sure how the cases were handled last year. She agreed to complete a comparison status report for the agenda to be reported at the next meeting.

EXECUTIVE DIRECTOR'S REPORT:

Mr. Spivey provided a five year revenue projection plan and informed the council since their last meeting Finance and Accounting updated the statements. He also stated that he provided the last report to serve as a comparison.

Ms. Yates stated that she had concerns to where council are now, verses where they were told they were in 2001-2002 when they collected an additional 1.5 million dollars. After looking at the current projected net assets periods for FY 06, 07, 08 and 09 columns projected one million sixty-six dollars and now we are going to two million and five in 09. She wanted to know was the data they were given in 2002-2003 inaccurate.

Mr. Spivey stated that the historical figures were changed because the department was not comfortable with the numbers. The methodology of reporting the financial information sometime the department uses an accrual system and sometimes a cash base system. After redoing the figures he stated that this is the report that was given to him to present. Mr. Spivey assured the board that the department is comfortable with the projections given.

After reviewing the five year projection report Ms. Yates voiced her concerns of being swept for another million dollars. She also felt as if something should be done with the extra cash by rewarding the effected licensee a rebate.

Mr. Spivey stated that a fee wavier rule is required to decrease the licensee renewal fee. He assured the council that he will bring their concern to the department. Also, he added that the Department has not been apprised of any information that a cash sweep from the legislature may occur.

Mr. Billups asked someone from the department to check and see what's required to do a one time fee wavier or partial fee waiver and report back to the board at the next meeting. Mr. Spivey agreed to check on the information for council and make a report at the next meeting.

RULES 61-20.5011(2) FAC, PART II CAM SCOPE OF PRACTICE:

Mr. Spivey wanted clarification on how council wanted to proceed with processing the individual who live within 70 miles of pre-licensure education provider. He noted in the rule that it states that *“Such documentation must be received and approved by the Council prior to enrolling and competing any correspondence or online prelicensure courses.”* He also stated that presently staff is performing these duties. He wanted to know if council wanted staff to continue to provide these services. If so, he informed council that he would appreciate a motion giving staff permission.

MOTION: Mr. Brown moved to approve staff to continue to perform these duties.

SECOND: Czonstka seconded the motion and it passed unanimously.

Mr. Spivey stated that Mr. George Ayrish brought to his attention that over fifty individuals attended courses that were approve by the department but not the provider. Mr. Spivey asked council to make a motion to approve the individuals or deny them.

MOTION: Mr. Brown moved to approve the fifty or so people that took the provider courses to receive continuing education credits for the course they have already taken.

SECOND: Yates seconded the motion and it passed unanimously.

REGULATION REPORT:

Mr. Spivey stated that the report was added to the agenda for information purposes and it reflects the cases added.

2006 LEGISLATIVE SUBMSSION:

Mr. Gray submitted proposed language for chapter 468.435 (1) (a-f), Florida Statutes to increase the range of the current fees. Also, he proposed four additional category of licensure fee to be added to the current fee range (g-k). After a brief discussion of the fees council felt as if they could vote on the fee change at the next meeting.

Mr. Spivey stated that the legislative session starts in March and the next meeting is schedule for January, 2006. He felt as if council should consider voting on any changes at this meeting.

Ms. Jackson stated if council does not feel comfortable voting on the fee change today she advised council that they could have a conference call in December to vote on the fee change rule. Ms. Jackson also explained that the information in

the packet now is not guaranteed to go through the department of business and professional regulation (DBPR) or before legislation.

Mr. Billups stated that council had already submitted this information and have gotten feedback from DBPR that we need to make some adjustments. He suggested that council take the second one and adding the fee structure taking out the changes we suggested for the fees to the individual licensees and the approval will be on inserting the fees in the second one.

468.435 Fees; establishment; disposition.--

(1) The council shall, by rule, establish fees for the described purposes and within the ranges specified in this section:

(a) Application fee: not less than ~~\$25~~, or more than ~~\$50~~ to exceed \$100.

(b) Examination fee: not less than ~~\$25~~, or more than ~~\$100~~ to exceed \$100.

(c) Initial license fee: not less than ~~\$25~~, or more than ~~\$100~~ to exceed \$200.

(d) Renewal of license fee: not less than ~~\$25~~, or more than ~~\$100~~ to exceed \$200.

(e) Delinquent license fee: not less than ~~\$25~~, or more than ~~\$50~~ to exceed \$100.

(f) Inactive license fee: not less than ~~\$10~~, or more than ~~\$25~~ to exceed \$100.

(g) Management firm license fee: not to exceed \$250.

(h) Prelicensure education provider fee not to exceed \$250.00.

(i) Prelicensure course approval fee not to exceed \$250.00.

(j) Continuing education provider fee not to exceed \$250.00.

(k) Continuing education course approval fee not exceed \$250.00.

MOTION: Mr. Brown made a motion to approve the fees of the second version with the changes to include the management companies 468.435(1)a-f adding g-k.

SECOND: Mr. Czonska seconded the motion and it passed unanimously.

OLD BUSINESS:

In council meetings dating back from October 8, 2004 there have been discussions of completing a business case to study the privatization of the Community Association Managers (CAM) profession.

Mr. Spivey stated at the last meeting the question was ask to whether council can enter into a contract study of privatization of the CAM. He also stated that he had exchanged several e-mails to the attorneys in the department and Ms. Edwards on whether are not council can pick someone to do the study and have a private source pay for it.

Mr. Healey stated that they do have the funding available for the study of privatization of the CAM. She stated that Mr. Don Bauman and the vendors are ready therefore she suggested to council to make a motion.

Mr. Czonstka had a problem with the wording in Ms. Edwards e-mail to Mr. Spivey that states *"may not contract with anyone"*

Ms. Healey stated that council will not be contracting with CAI. Council would only be giving CSI permission to contract with the funding vendor to do the study.

MOTION: Mr. Brown made a motion to give CSI permission to complete the privatization study for the CAM.

SECOND Mr. Czonstka seconded the motion and it passed unanimously.

Discussion on who would pay the monies for the privatization study Council had concern that it may seem as if the study may look fraud.

Mr. Healey stated that they have enough money to complete the study. However they do have some contributors that were in the hurricane zone that they haven't been able to finalize with yet. She stated that the contributors are banks, "Smart Sheet a division of First Capital Bank, Colonial Bank, Community Association Bank and Community Institute. She stated that there are others but at this time she did not would to go on record with them. She stated that as soon as she is provided with the list of all of the names she would be glad to put that in a list for Council. Whenever the study is published she believe that it would be a priority to have a letter outlining how this whole process was entered into. She thinks this document would be in the best interest of everyone.

NEWSLETTER DISCUSSION:

Mr. Spivey stated that he had drafted an article for the newsletter of some of the things he had seen for example "there is a lot of confusion among the home owners associations they think once the department license and regulate CAM we also regulate the home owner association " and that's not true. Homeowners association is regulated by section 720 Florida Statutes which you would see in the article. Mr. Spivey also stated that he had spoken to Mr. Jerry Wilson, Deputy Director regarding mailing hard copies of the newsletters and he gave his

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approval. Mr. Spivey requested council to give him some information to be included in the newsletter. He informed council that the next issue of the newsletter should be going out by the end of the year.

Council suggested that an article on privatization be add to the newsletter.

Mr. Billups stated that he would provide an article for the newsletter from the chair.

NEW BUSINESS:

No report

PUBLIC COMMENTS:

No report.

OTHER BUSINESS:

The next meeting will be a live meeting to be held on Friday, February 3, 2006 in Tallahassee, Florida at 10:30 am.

ADJORNMENT:

MOTION: Ms. Yates moved to adjourned the meeting

SECOND: Ms. Glass seconded the motion and it passed unanimously.

The meeting adjourned at 11:35 pm.