

Highlands Subdivision HOA Board of Directors Regular Meeting
Feb. 06, 2018 – 7:00PM-9:00PM – 200 N. Daniels Way, Rm 118. -- Bloomington, IN 47404

Minutes of the Meeting

I. Call to Order/Roll Call

President Mary Ann Williams called the meeting to order at 7:00pm. Directors physically present were: Mary Ann Williams, Adam Blazak, Davorin Skender, and Cindi Livingston; Dan Brown attended via telephone speaker due to being unable to be physically present.

II. Approval of Minutes from Previous Meeting.

Approved meeting minutes from 1/30/2018 Board of Directors special meeting, electronically submitted by Secretary Cindi Livingston and reviewed by all Board Members.

III. Reports of Officers

- a) **President:** Mary Ann Williams distributed a “Process Check” document to Directors and asked that each consider reviewing and filling it out prior to the next scheduled meeting as a type of self-check and discussion tool.
- b) **Vice-President:** Adam Blazak reported that the Communications & Engagement Committee completed distribution of the February newsletter between 2/2 and 2/6.
- c) **Treasurer:** Dan Brown indicated the items he would report on were parts of topics already present on the agenda; therefore, he had no report at this time.
- d) **Secretary:** No report at this time.
- e) **Member-at-Large:** No report at this time.

IV. Homeowner Open Forum

- a) **No homeowners in attendance.**

V. Open Business

- a) **Governing Document Revision:** Discussion of current status, future steps in the process of completing previously agreed upon changes to the by-laws, as well as considering future intentions regarding the Covenants, Conditions, and Restrictions (henceforth referred to as “CCRs”). Davorin Skender suggested that we finalize the by-law process and use that experience to help determine scope and expense of deciding if or when to move forward with changes to the CCRs. He also discussed that we should determine the specific steps to file; and if they only must be filed in the county that we complete that ourselves vs. engaging the Attorney to do so, in the interest of budget conscious spending. Additionally, he indicated that we should

request a cost estimate from Attorney on providing his feedback on our questions/edits to the By-Laws of 1/30/2018 and to provide clear instructions and costs on what is needed to file so we can use that information to make further decisions. Cindi Livingston and Dan Brown both indicated agreement with these suggestions. Adam Blazak also agreed, and asked that this include a specific determination regarding legal requirements as to what the Attorney must do and what we can complete ourselves. Mary Ann Williams asked that we make formatting changes prior to submission to Attorney for review; Cindi Livingston indicated she did not feel this was necessary at this time due to the assumption that we do a final proofread at the end as additional content changes/approvals may still affect format. Davorin Skender motioned that our process be: a)Cindi Livingston will compile the relevant comments, changes, and questions as produced by the Board and provide to Mary Ann Williams; b)Mary Ann Williams will act as point person in with the Attorney on this process, submitting the document to Attorney and requesting conference call(s) to obtain his feedback on the changes and determine filing process requirements (Board of Directors or Attorney involvement, cost, requirements for communication to homeowners); c)Board then will review responses, confirm final changes, update and proofread final document, and proceed with filing process. Cindi Livingston seconded; all in favor. Davorin Skender additionally motioned that we table further discussion of CCRs revision until after we have finalized By-Law process including legal requirements. Adam Blazak seconded; all in favor.

- b) Insurance Policy Status:** Dan Brown reported that he had contacted May Agency & Farmers with the further inquiries on required coverage and received additional quotes, which he will forward to the remaining Directors for review, but had not been able to meet with Tempo regarding the question of bonding and obligee as of yet due to unforeseen circumstances which prevented him from doing so. Dan Brown questioned the necessity of obtaining the relevant coverage if we were changing the By-Laws that require them; Cindi Livingston noted that the insurance requirements are part of the CCRs and as such are not in the process of changing in the near future, so coverage requirements must still be adhered to; this was confirmed by Adam Blazak. Davorin Skender motioned that Adam Blazak contact Dave Thornbury to follow up on the bonding question. Cindi Livingston seconded, all in favor. Mary Ann Williams reminded the Board that a decision must be made on a policy and confirmed by 2/25/18, end of the 30-day renewal period on the current policy.
- c) Architectural Review Committee:** Mary Ann Williams indicated we had 2 confirmed and 2 additional possible interested homeowner volunteers, and the main goals at this time should be updated the Architectural Approval Request form and establishing a process and committee. Davorin Skender commented the Board Member and prospective volunteers should now formalize the timeline and process for establishing the committee and how it would proceed from there, providing a

deliverable on these topics to the Board for review. Davorin Skender motioned that Mary Ann Williams reach out to the 4 possibly interested volunteers as she has their information, with the aim of convening and proceeding with this process. Mary Ann Williams seconded; all in favor

VI. New Business

a) Accounting Needs

- i. **2017 Audit:** Dan Brown discussed the types of audits as recommended by Accountant at meeting 2/1/2018. He stated that with some past records appearing to be incomplete it would be a challenge to complete a full audit in addition to high costs. Mary Ann Williams further reviewed the types and costs of the different audits. Davorin Skender suggested we consult Attorney to see if these types of audits would be appropriate legally and as per our By-Laws. Adam Blazak discussed the responsibility to the homeowners and to following the Covenants, Conditions, and Restrictions. Adam Blazak motioned that we get 4 quotes on completing an audit of 2017 records insofar as they are available, in order to be compliant. No second occurred; motion died. Mary Ann Williams motioned that she contact Attorney to set up a call to determine specifically what our actual audit requirements by law and Covenants, Conditions, and Restrictions, as well as what different types of audits would be suitable; following the call Davorin Skender to seek bids from 4 companies on all types of audits as appropriate per results of the call. Adam Blazak seconded; all in favor.
- ii. **2017 Tax Preparation:** Adam Blazak motioned that we request Tempo obtain 4 quotes on tax preparation to begin the process. Davorin Skender seconded. Mary Ann Williams spoke against the motion, stating that Watler (accounting firm) already had the required information and that they could complete and file for cost of \$250. Additionally, she indicated that this cost was already in the budget, and that the appropriate filing must be done by 3/15/18 so this is a time sensitive matter. Adam Blazak revised his motion to be 2 quotes instead of 4, reiterating that it is fiscally responsible to get completing quotes. Mary Ann Williams and Dan Brown voted against the motion, Adam Blazak, Davorin Skender, and Cindi Livingston voted in favor; motion passed. Dan Brown will contact Tempo regarding quotes.

- b) **Review of Operating Standards:** Davorin Skender opened the discussion, stating that he had not conducted a detailed study of the document recently, but indicated he did not recall having any major objections when he originally reviewed it, stating only that he thought the ordering and grouping of the points should be redone in order to have a more user friendly and easy to refer to document. Mary Ann Williams stated

that the Operating Standards document should be removed from the website. Adam Blazak commented the document should remain as it was duly passed and was not inordinately restrictive, but could be reviewed and updated; further noting the document had been created and passed to ensure the Board and Directors operated transparently and appropriately regarding HOA Business.

Davorin queried Mary Ann Williams regarding why she wanted the document removed and she responded that she did not like the document in general as well as the process by which it had been created. Cindi Livingston commented that procedures had been followed regarding passing the document, noting that Mary Ann Williams had an opportunity to review the document at the time it was passed. Mary Ann Williams stated that she had abstained from voting on the document.

Davorin Skender stated we should go through the document to review and discuss changes; Adam Blazak and Cindi Livingston indicated agreement. Mary Ann Williams restated she did not like the document. After additional conversation, Mary Ann Williams stated that she was resigning from her Office and the Board, and would provide her resignation in writing later. Upon retrieving her phone, through which Dan Brown was participating, she asked him if he was still present, and upon his confirmation, stated she was leaving the meeting. Mary Ann Williams left the meeting room at 8:51pm prior to the formal adjournment of the meeting.

VII. Close of Business/Adjournment

Following the events in section VI., b); Davorin Skender motioned that we: a)table remaining agenda items that had not been addressed as of yet during this meeting; with the exception of 2018 Lawn Care; b)Place the Architectural Review process development and further actions regarding the By-Law revision on hold; c)at present act only on the outstanding urgent issues of the 2017 Tax Filing, Insurance Policy Decision, and 2018 Lawn Care, and d)that remaining Board Members communicate as needed and act via written agreement as required and appropriate until the next scheduled Board Meeting. Adam Blazak seconded; all present in favor. It was noted that information regarding this motioned plan of action and next steps would be sent to Dan Brown since he was no longer present via telephone. The meeting was then adjourned by agreement of Adam Blazak, Davorin Skender, and Cindi Livingston.

Minutes submitted by: Cindi Livingston

DATE: 2/9/2018

Minutes approved by: Adam Blazak

DATE: 3/6/2018

Davorin Skender

Dan Brown