

Hill Pond on Spring Creek (Wallenberg Dr.) HOA Board of Directors

Meeting Minutes

**Thursday, Nov. 30, 2017 – at 1825 Wallenberg Drive
Chaired by Mary Catherine Murphy – current HOA President**

Call to Order

Meeting was called to order by President Mary Catherine Murphy

Board Members Present: Mary Catherine Murphy, Rick Hoffman, Carrie Eagan, Jeff Eagan, Sam Cooper, Lee Cooper, Julie Savidge

Other HOA Members Present: Dave Dornan.

Invited Guests: Bill Cofer – State Farm agent for Hill Pond insurance policy (for first part of meeting.)

Approval of Minutes

Minutes from the Aug. 23rd HOA meeting had been reviewed & approved through electronic communication.

Business completed during interim since last meeting

- 1) Mary Catherine contacted Bill Cofer to review adequacy of HOA insurance coverage. He provided copies of our current written policy, & offered to come speak to the Board & explain coverage as well as answer any questions. The Board invited him to come to this meeting for that purpose.
- 2) Carrie Eagan contacted Bonnie Helgeson to ask if she still desires to continue in her current role of assisting the HOA with keeping a current Member address list, disseminating information, requesting & collecting annual dues, organizing trash removal services, filing annual State reports, filing Federal tax reports, and providing information to title companies on real estate transactions. She confirmed that she does desire to continue on in this role. Also, it was confirmed that Bonnie's address (our current official HOA office address) will remain the same for this the next year. This was reported back to the Board.
- 3) Bonnie Helgeson filed the annual report with the state for our HOA. The \$10 fee was submitted to Tom Trout, Treasure for her reimbursement. She was also authorized to pay the annual insurance invoice of \$625 to State Farm (due Dec. 18th.)

New Business

- 1) Bill Cofer presented a detailed explanation of the Hill Pond HOA insurance policy through State Farm, along with a written summary of provisions. In summary, our current insurance policy covers all needed coverage described in our Covenants (Article VII) & By-laws (Article XIV) in regard to common use areas, the members of the Board of Directors, & managers acting with the Board's authorization. He also specified exclusions to that coverage that were discussed in detail. Complete documents are available for further review if desired by any HOA members.

Discussion following this presentation included several liability concerns:

- A) As our HOA does not have any "employees," we do not carry worker's compensation insurance. Therefore, all independent contract work done for the HOA needs to be done by companies with their own insurance and worker's compensation policies. Therefore, it was noted that our current handling of mowing & snow removal on common areas will need to be changed. We will need to contract with a company carrying appropriate insurance rather than relying on HOA members to complete these tasks. Rick Hoffman will collect information on appropriate landscaping companies that could perform these tasks for our HOA & report back to the Board.
- B) Another concern was raised in regard to the ice build-up in front of the East mailbox after snows, and the danger & liability this presents. It was suggested that possibly this could be a maintenance task designated to the landscaping/snow removal company eventually hired to care for the common areas.

- C) The trees to the south of HOA homes bordering the Spring Creek were discussed again. Bill Cofer confirmed that the HOA could be held liable if an obvious risky tree (e.g., one with dead broken limbs) were to cause injury or harm. Our current policy covers incidences where the HOA is found liable or negligent (up to \$1 million in coverage), however, these cases normally end up in court, can cause considerable stress to all involved, and sometimes result in problems maintaining insurance coverage. If we are found to have done “due diligence” (by posting signs that this is private property and removing risky situations) we could help avoid future findings of liability. Thus, it was moved, seconded, & approved by unanimous vote that an arborist will be consulted to determine if any of the trees pose obvious risk and need pruning or removal. Carrie Eagan was authorized to contact Davey Tree Service for an inspection & free estimate of any needed maintenance. The Board will also look into proper signage designating HOA common spaces as private property.
- D) It was discussed that the issue of whether a public accountant is needed for our required annual Treasure’s audit has not been clarified. Further investigation is warranted to determine if this may be done by Board members or if a public accountant must be hired.
- E) We again discussed our current HOA reserves. Landscape maintenance (tree, grass, snow removal) and lawyer’s fees, will add to our annual expenses and as a result, we may need to increase annual dues to cover these needs.

- 2) Julie Savidge opened the discussion revisiting the need for adoption of the State Responsible Governance Policies (RGP’s). Dave Dornan provided a written summary of each of the 9 RGP’s & gave a brief review of their requirements. Extensive discussion ensued as to the legal requirement for RGP adoption, implications for the HOA if not adopted, etc. Concerns were raised regarding how complicated these RGP’s might need to be to comply with state law, and how our current Covenants & By-laws relate to them. It was agreed that legal consultation would be wise at this point to determine the following points:
- A) Is our association actually required to adopt the nine RGP’s or are we somehow exempt from having to adopt them?
- B) If, technically we are required to adopt them, what liability do we incur, and what implications might there be if we choose not to adopt them?
- C) What would be the implications if at some point our neighborhood as a whole wanted to pursue terminating the HOA altogether?

A motion was made, seconded, & passed by unanimous vote to appoint Dave Dornan, Rick Hoffman, & either Julie Savidge or Tom Seibert to meet with attorney Pete Dauster to get clarifications on these questions & report back to the Board. They are to ask for a written response to our questions as well for future reference. They are also to ask for an example of RGP’s written for an HOA similar to ours that the Board could examine.

It was decided that an email should be sent out to the HOA members to let them know of our plan to consult with the attorney. Carrie Eagan will follow up on this.

- 3) Dave Dornan brought up a concern that our current HOA member address list violates state law by divulging private information without having written consent from each member on file. The Board asked for further clarification on this, which Dave Dornan agreed to obtain. This will be re-visited at a future time.

Future Plans

The Board agreed to meet again after more information has been gathered from the attorney.

Adjournment

It was moved, seconded, & passed by vote to adjourn the meeting.