

The Highlands Community Association

Board of Directors Meeting, March 14, 2018

Castleberry Room at the Reserve

Meeting Call to Order:

Mr. Matt Cullather, President, called the meeting to order at 6:32 PM. Quorum was established with Directors Mr. Matt Cullather, Mr. Shawn Gitlin, Mr. Bill Donegon and Mr. Brian Davis present. Ms. Yeager, ACS West and Mr. Andrew Elmore, Attorney were also present.

Approval of the Minutes:

The minutes of the January 10, 2018 meeting were read. Mr. Cullather made a motion to approve the minutes, which was seconded by Mr. Donegon. Minutes were approved by unanimous vote.

The minutes of the January 19, 2018 meeting were read. Mr. Cullather made a motion to approve the minutes, which was seconded by Mr. Gitlin. Minutes were approved by unanimous vote.

Reports:

The President presented an update on the appraisal which was done earlier to provide information on the pool and related properties. Mr. Cullather made a motion that the Board ratify the decision to obtain the appraisal and the cost associated with it, which was seconded by Mr. Davis. The Board voted unanimously to ratify the obtaining of the appraisal and the costs associated by unanimous vote.

The President also provided an update on the Home Owner's Association fees for surrounding communities as an illustration as to the value of the benefits accruing to the members of the Highlands community. A copy is attached.

The Treasurer reported that the operating account stands at \$133,755, with \$213,150 in the reserve account.

Member Voice:

Approximately 60 members of the community were present at the meeting.

The status of the community pool and surrounding property. Mr. Cullather gave an overview of the status of the pool and the adjacent property and the status of the purchase/non-purchase of the pool by the HOA. Several members of the community questioned who would make the ultimate decision on the purchase of the pool. Mr. Cullather assured the members present that the Board would not make any decision concerning the purchase of the pool without consulting with the entire membership of the community. Several members asked as to the timeline concerning the purchase of the pool. Mr. Cullather indicated that the Board did not have a timeline as the Board was still investigating all its options. The members presented a petition to the Board requesting that the Board conduct a referendum with the community prior to any decision concerning the pool. The Board accepted the petition and will take the issue under consideration as it moves toward a decision.

Group Home: A member reported that there appears to be a group home operating in the community and wondered if the HOA had the right to approve group homes in the community or were there any remedies to preclude group homes. The Board indicated the need to discuss the issue with their attorney before responding to the inquiry.

Old Business:

1. 2018 Budget: The proposed 2018 budget was presented and discussed. Mr. Cullather moved that the 2018 Budget be accepted as proposed, the motion being seconded by Mr. Gitlin. The 2018 Budget was approved by unanimous vote.
2. The ARC brought forward the issue of prefabricated outdoor storage buildings being erected on certain properties not in accordance with the ARC guidelines. The Board requested that the ARC notify the owners to correct the violations.

Executive Session: Mr. Donegon made the motion to move into executive session at 7:35 PM for the purpose of receiving legal counsel, discuss possible ARC violations, consider the status of a group home in the community and discuss an owner complaint.

Open Session: Mr. Davis made the motion to return to open session at 9:05 PM, seconded by Mr. Cullather, and approved unanimously. All members present at the beginning of the meeting were present at the return to open session. Approximately 15 members of the community were present upon the return to open session.

1. In response to a rejected ARC application, Mr. Cullather made the motion that the application be returned to the home owner and the home owner be instructed to provide a plat of the property prior to the application being reconsidered. The motion was seconded by Mr. Davis and approved by all members of the Board.
2. In response to a request for a waiver for an alleged violation of the ARC guidelines, Mr. Cullather made the motion that the waiver not be approved and the home owner instruction to comply with the ARC guidelines. The motion was seconded by Mr. Davis and approved by all members of the Board.
3. In response to a request by the for an easement, Mr. Cullather made the motion the request be tabled until the Developer can provide more information on the easement and the impact on the community. The motion was seconded by Mr. Gitlin and approved by all the members of the Board.
4. In response to the issue of the operation of a group home in the community, the Association's Attorney present information on the Fair Housing Act and indicated that the Act precludes the Board taking any action on this issue.
5. In response to the issue of the purchase of the pool, the Association's attorney present information that the Board had made a demand to the Developer to convey the property to the HOA at no cost based on the interpretation of the Developer's comments on the real estate documents and records seeming to indicate that the pool would convey at no cost. In response the Developer declined to convey the property at no cost and threatened a lawsuit. Mr. Davis made the motion that inconsideration of the threat from the Developer to initiate litigation on the issue of mandatory conveyance of the pool to the Association the Board has resolved that it is in the best interest of the

Association to invite such litigation. The motion was seconded by Mr. Gitlin and approved by all members of the Board. The Attorney was asked to convey the Association's response to the Developer.

6. In response to the owner complaint that the Board has conducted an incorrectly noticed and prepared meeting in late 2017 concerning the purchase of the pool, Mr. Gitlin made the following motion that the Board apparently erred in conducting the pool committee meeting in the manner in which it was conducted and resolves to conduct any future meeting in accordance with the appropriate rules and regulations. The motion was seconded by Mr. Davis and approved by all the members of the Board. In response to the matter of mandatory training for all new and continuing Board members the Board took no position.

Adjournment: Mr. Cullather made the motion to adjourn the meeting at 9:16 PM. The motion was seconded by Mr. Davis, and approved by all members of the Board. The next meeting is scheduled for May 23, 2018.

Respectfully submitted:

Brian K. Davis, Secretary, Highlands Community Association Board of Directors