

The Highlands, Inc.

OPEN BOARD MEETING MINUTES FOR 2020

Note: Letters read at open board meetings are not identified in these minutes. Any owner may request a copy of any letter read at open board meetings.

The Highlands, Inc.

OPEN BOARD MEETING

January 15, 2020

10:00 a.m. Clubhouse

Call to Order

Roll Call

Present: Craig Bennett, Mary Rausch, Kent Hinds, Bernie Lee, Linc Keilman, Bill Bohrer, Bob Beck, Jamie Horst

Absent: Morris Coville,

Pledge of Allegiance / Moment of Silence

Read Meeting Protocols

Revisions to Agenda

Approval of December minutes as posted: *Motion to approve made by Keilman, seconded by Beck.*

Unanimous. Motion passed.

Correspondence: 1 letter

President's report: Craig Bennett

- Underage residents: Sent out two letters to two members. One there has been no response. The other we did receive a response, went to counsel for legal advice. Result: There was a person living there over 18, THI changed age to 25 in January of 2019, THI can't make that change retroactive to include someone who was okay under the old CC&R. Issue is put to rest.

Vice President report: Linc Keilman

- Update on RV lot survey: Resident has volunteered to survey utilizing county records and the equipment he has at no cost to THI. Morris Coville will then be able to use CAD to create a plan. This will all happen next year when the resident returns with his equipment.
- Update on Election progress: Have 108 ballots returned. Did have 17 returned by post office, they have now been resent to the owner's alternative address.

Treasurer's report: Bob Beck

- Reports are in office for review by all members.
- Changing QuickBooks desktop to QuickBooks online. This is to be compatible with new accounting service. (summarize his written reports)
- Reviewed financials including, Profit & Loss, Summary Balance Sheet, Aging Report
- Board Member Horst noticed that an amount from the New Year's Eve event was put in the wrong category

Maintenance Report: Bernie Lee

- Door on T-mobile was broken. T-mobile will be coming to take care of door and lighting on their building. New light for shed has been purchased and will be put up in next few days.
- Questions from Board Member Bohrer 1. People covering pool have noticed two outside covers are tearing. Board member Lee responded he will look at them, 2. It has been noticed that drains in showers needs attention, who takes care of that? Board member Lee said he will have it taken care of. 3. Can the cracks in road be filled? Board member Lee responded there is material left over to fill the cracks and the it will not do any harm to the new surface.
- Question from Board Member Horst: No Name and Everest looks like part of road is breaking up.
- President Bennett reported that the pool deck company came and made the necessary repairs.

Compliance Report: Bill Bohrer, Jamie Horst, Linc Keilman

- Bohrer: 14 friendly reminder letters on yards are being sent by end of week. Will check again in two weeks. Completed 5 home improvement requests in January.
- President Bennett: Worker's trailer being left on properties. Can have it there during day, but need to remove to RV lot overnight.
- Keilman: Political sign and RV parked in driveway. Have resolved issue. May appear later because of State Law of a specific size, for a certain time. Has existing space, working on deal with another resident to switch so his RV will be in lot, not at home. Underage adults and children – owner doesn't

live there, daughter living there. Was told he needs to have some 55+ living there, member agreed and said he would take care of. Compliance will continue to monitor

Contracts: Nothing at this time

Social Committee: Cindy Bennett

- Events: Sat 1/18 pancake breakfast, Sat 1/25, coffee and donuts, Sat 1/25, Country Western night – sold out, Sat 2/8 coffee klatch, Sun 2/9 celebration of life, Tues. 2/11 baked potato potluck, Sat 2/15 Valentine's day, must buy tickets, Thurs 2/20, quilters tea, need to sign up, Sat 2/22, White elephant, 8-12, Sat 2/29, craft fair can still sign up to sell things 9 a.m. to 2 p.m.
- Board member Horst: Wed. 2/12, bus trip to music instrument museum only have a 26-person bus, Bisbee in March will be a 48-passenger bus

Old Business:

Enhancement of sign by THI office: Had things on board. Board received one reply by a group of residents – President Bennett read. Discussion was held by Board members on comments received from members including: Take map down, most okay with landscaping, adamant leave 55+ and pet policy, were for leaving lights on. if take map sign down, have a sheet with map on it, should remove sign regarding pets, freshen up white paint.

Comments by member: that sign has to stay, lower put don't on ground, says no pets, changed to service and assistance animals only, would be willing to repaint map, if could get roadmap repainted and mounted there or somewhere else. It is easy to use to find places, good compromise to put under carport

Motion made by Rausch to remove map, lower events sign 6-8 inches, put 55+ community and Assistance and Service Animals Only signs over or under the events sign, remove bush by events sign, purchase 2 desert type items of low maintaining to complete landscaping, purchase and put up Resource Room sign. Seconded by Keilman Ayes: Beck, Horst, Lee, Rausch, Keilman Naes: Bohrer, Hinds. Motion passed.

Accessible bathrooms: committee of 6 have met, Reed S will be the chairperson, Al R will be assisting him, Reed S has friend that is an architect, has already looked at what can we do, going to go out for pricing. It is in motion.

Northeast Wash: Board Member Hinds, would like to form a committee and is willing to chair. Going to start a plan to build more homes up there. *Motion made by Hinds to form a committee to research Northeast Wash situation, seconded by Beck. Unanimous. Motion passed.*

Policy and Procedure review committee – President Bennett commented that some policies are not quite in sync with CC&R's. Committee was approved and established last spring, just needs to get going, he would like Board member Horst to be on it, along with 3 other people. Board member Beck requested the committee looks at policies that don't have, but need. Al R., Carol N. and Lori H. volunteered to join.

New Business:

New chairs for clubhouse – Cindy Bennett. Had couple negative responses, most people liked the height, did research it, by going to other facilities. Shipping is free. Treasurer Beck reported that there are funds of the Social Committee in the budget that would cover the cost. Discussion was held on number of current chairs, how current will be retained, scotch-guarding, and warranty. *Motion made by Lee to allow social committee to purchase 100 chairs at \$24.99 each, and sell the old chairs. Seconded by Horst. Unanimous. Motion passed.*

Accounting services budget: Treasurer Bob Beck. Sees need to increase the budget for outside accounting services to improve our bookkeeping and accounting. There may be some of this increase that is a one-time expense as THI continues to update. Discussion was held on past underspending, future costs, future annual review costs. *Motion made by Beck that the Accounting Services budget be raised from \$3,000 to \$7,000. Seconded by Rausch. Unanimous, Motion passed.*

Policy for filing liens for accounts in arrears: In course of working on accounts in arrears Treasurer Beck has found the possibility that some of those funds may never be paid. Many homeowners' associations do exercise their rights to have liens on properties. That helps to increase the possibility that the money would not be lost. THI, Inc. has had accounts in past where money has never been paid. Feels THI Board needs to have a policy to state when a lien should be implemented and a formal lien declaration completed. There are statute limitations as to amount and timeframe. He is recommending a dollar amount or timeframe. As he received information on cost of filing, he will ask for a policy to be implemented.

Open Forum: None

Motion to adjourn made by Horst, seconded by Lee.

Meeting adjourned at 11:20 a.m.

The Highlands, Inc.

OPEN BOARD MEETING

February 7, 2020

1:00 p.m. Clubhouse

Call to Order

Roll Call

Present: Craig Bennett, Bernie Lee, Linc Keilman, Bill Bohrer, Bob Beck, Jamie Horst

Absent: Morris Coville, Kent Hinds, Mary Rausch

Pledge of Allegiance / Moment of Silence

Read Meeting Protocols

Revisions to Agenda

Reading of results of election: Elected Bob Beck, Kent Hinds, Bernie Lee. Vote tallies are available in the office.

Approval of January minutes as posted: *Motion to approve made by Keilman, seconded by Bohrer. Unanimous. Motion passed.*

Correspondence: 3 letters

Letter: Age requirements for CC&R'S. Concerns regarding underage person. Response: Board followed legal advice.

Letter: Concerns regarding political signage. Response: Do have to allow signage as it closer to the election.

Letter: Sign project being completed. Response: Things are in process.

President's Report – Craig Bennett: Nothing to report.

Vice President's Report – Linc Keilman: Election went well. 15 people voted the day of the election. Will look at changing the election to mail in voting only. Will check with attorney if possible to make the change and still be following the CC&R's. Updating of RV park. Very close to having all the records updated. At this point only one open spot available. Will be checking to see if can make 6 smaller spots in middle of lot. Board member question: Is there a spot for contractors. Will be making two spots available.

Treasurer's Report - Bob Beck: Treasurer's reports are in office for members to review. Change over to online Quick Books is on hold for now as the access what we really need. Will look at changes to the contract we had agreed to. Covered the regular reports provided. Went over the accounts in arrears. He is still considering what to suggest as a policy for starting the lien process on delinquent accounts.

Maintenance Report – Bernie Lee: New pool covers have been installed. The drains in the lady's showers have been corrected. The road cracks will be done in the next couple weeks. The lighting in the RV lot is now updated and brighter. T-Mobile has repaired their garage door; the maintenance man had not been told to install a new light. Bernie will continue to work on.

Compliance Report – Bill Bohrer: Did inspection on 14th. 12 letters were sent out. They will re-inspect the next week. Everyone seems to be doing a nice job. Have had requests for improvements. It's good to turn in a request even if compliance doesn't need to sign off so there is a record on file.

Contracts: Craig Bennett filled in. Reported that the liability insurance has now been updated.

Social Committee – Jamie Horst: Valentine's Dance and Dinner is sold out. Next week is community garage sale. February 22 is While Elephant sale. Once it is donated to sale you cannot get it back. Committee is selling all the old chairs.

Old Business:

- Committee for accessible bathrooms – Bernie L: Did get contractors into give quotes. Do not have any numbers back yet.
- Northeast Run-off committee – Nothing to report
- Policy and Procedures review committee: Jamie Horst – Had first meeting. They are going through all policies and procedures and comparing them to AZ statues, CC&R's, and By-Laws. Will be presented in March and then decision will be made as to how will proceed.
- Policy for filing liens for account in arrears – Bob Beck: Per AZ statue there are 4 items that effect The Highlands. Then went through those items. Reported on the cost that would be involved, all of which are recoverable. He felt concerned The Highlands has no policy as to when a Lien Declaration should be filed. Put forward suggestions for a policy (available in the office). Discussion was held on various

issues pertaining to past due accounts and The Highlands recourse to such accounts. *Motion made by Beck to approve a policy stating:*

- 1. *THI shall file a lien declaration when an overdue assessment has existed for one year, or when an overdue assessment exceeds \$1,200, whichever occurs first.*
- 2. *The THI Board shall vote whether or not to initiate lien enforcement proceedings when an overdue assessment has existed for two and a half years.*

Seconded by Horst. Votes Ayes Beck, Horst, Lee, Keilman. Naes: Bohrer. Motion passed.

- Pump House – Tabled until next month.

Open Forum

- Member comment: Bought property last spring asked what the Membership Fee is for and suggesting that in future there is a statement as to what that is for. Response: Get monies for capital improvement in future. Also, a way for new owners to have a part in all the improvements that have been made. The figure came for what was already in The Highlands, Inc. documents.
- Member comment: Had questions on the cracks in the roads: who will do, when will be done, what cost will be? Response: We will do ourselves with materials we already own. Cost will be minimal. Company that resurfaced did come back do some repair work that was under warranty on the no-name street.
- Member comment: Read the Fling regarding the American Flags at people's homes that are not being taken care of in the proper way. When a flag is lit, is the light suppose to be at the home or the flag. Response: Light is to be on flag. Do not have to take down. President Bennett volunteered to take care of any tattered flags so they can be disposed of in the proper manner.
- Member comment: Several years ago, had cable TV in clubhouse. Is there any way to consider getting cable TV back in clubhouse? Response: Have a contract coming up with cable provider, want to get teleconferencing in clubhouse and we are going to see if possible to add cable TV.
- Member comment: At pool, many chairs are missing. Can new chairs be purchased? Response: A recent storm broke chairs. Bernie will be checking in on pricing on new chairs.

Meeting Adjourned 2:06

The Highlands, Inc.

ORGANIZATIONAL MEETING

February 7, 2020

2:27 p.m. Resource Room

Present: Craig Bennett, Bob Beck, Jamie Horst, Bernie Lee, Kent Hinds, Bill Bohrer, Linc Keilman

Absent: Mary Rausch, Morris Coville

Officers were elected for 2020-2021 Board by unanimous votes, as follows:

President: Craig Bennett

Vice President: Linc Keilman

Treasurer: Bob Beck

Secretary: Mary Rausch

Other appointments and responsibilities were decided as follows:

Assistant Treasurer: Jamie Horst

Compliance: Bill Bohrer (Lead)

Jamie Horst

Linc Keilman

Kent Hinds

Assisting with compliance when needed: Bernie Lee, Craig Bennett

Maintenance: Bernie Lee

Morris Coville

Contracts: Kent Hinds

Adjourned at 3:00 p.m.