

**Highlands Board of Directors Annual Meeting
February 24th, 2022, at 6:30 PM Zoom Conference Call
Minutes**

1. Call to order – at 6:30pm (Wayne)

a. Board Members Present (Quorum): Wayne, Claudia, Sue, Elizabeth, Lisa

Units present: 155, 208, 109, 424, 210, 134, 427, 414, 308, 403, 216, 118, 205, 410, 115, 133, 425, 153, 426.

b. Proof of Notice of Meeting or Waiver of Notice

2. Approval of Minutes from January 12th, 2022

Elizabeth requested changes.

**Motion (Claudia): approve the minutes with the requested changes.
Second (Elizabeth)**

Vote: Elizabeth, Lisa, Claudia, Sue: approve

3. Officer/Committee/Property Manager Reports:

Annual report (Wayne)

- Wayne will no longer serve as chair after this meeting. It's nice to see that a number of people are running for open board positions.
- Thank you to everyone who volunteered and served on the board.
- Thanks to Mark and Kirk for maintaining our property.
- Last year's accomplishments:
 - Evacuation plan and fire hardening
 - Beautification efforts
 - Rules and regulations
 - Communication flowcharts
- Last year's challenges:
 - Covid response, Rec Center reopening, and safety protocols
 - Reserve funding
 - Insurance costs. Thank you to insurance team for getting us coverage.
 - Security

a. Finance/Treasurer

Review of 2021:

- Assets kept steady since last year
- Insurance line item was insufficient to cover costs

- Laundry maintenance and legal fees ran a deficit
- Tree work expenses was high
- Dues: no unit is past due more than 60 days. One unit caught up on dues payments.

Renewal of Insurance Policy

- We received a proposal for the Nationwide policy. Wind damage and hail coverage were reinstated. This brought costs to \$91,441. Additional costs are SAIF (\$1385) and directors' liability (\$3000), for a total of \$95,826. The payment plan would consist of a down payment (approx. \$17,000) and monthly installments of \$9625. The broker tried to find comparable insurance but was unsuccessful.

Our current coverage expires March 15. We budgeted \$100,500 for insurance in 2022.

Motion (Claudia): Motion to authorize Wayne to spend up to \$100,500 on insurance including directors' liability insurance and SAIF.
Second (Sue)

Vote: Sue, Lisa, Elizabeth, Claudia: approve

b. Manager

Washer replacement (Top loader versus Front Loader)

- We need to purchase one washer and one dryer. Top loaders cost \$1669, front loaders cost \$2789.
- It was suggested to solicit an updated proposal from CSC Laundry Services after reviewing water and electricity use relative to machine capacity and impact on income.
- Issue was tabled until the next meeting.

Foundations/bulkheads inspection

- will start on Monday, 2/28
- Mark C did not recall the request for a written quote and will ask for details via email.

Rodent activity

- One person noted rodent activity in their unit and requested that Mark call Swanson's to inspect their unit.
- Pest control within units is the owners' responsibility. We provide preventative and targeted pest control in common spaces only.
- Privately hired exterminators can go into the crawlspace underneath units.

- c. Beautification & Grounds
 - Plastic covering has been removed from Stonewood main drive, and work has started on Treehill.
4. Board election results & selection of officer positions (**20 minutes**)
 - We are 5 ballots short of the needed quorum. Therefore, this annual meeting will continue March 9 as announced in the March billing.
 - We will send out another reminder next week.
 - It is important to seat the new board because our annual report is due March 26. U.S. Bank will only accept signatures of officers' names who are listed by the state.
5. Unfinished Business (20 min)
 - a. Discussion of security gate
 - Sue advocated for adjusting the budget to allow installing a security gate due to the increased number of car break-ins. Initial costs were existamed at \$30,000 plus \$2000 for access cards.
 - The following committee was established: Elizabeth, Susan F (chair after March 24), Marke., and Lisa. The committee is charged with investigating security gate costs and implementation. .
 - b. Noise issue between flats
 - Marke reviewed the letter from S & W Engineering and talked to homeowner insurance. He would allow the HOA to enter his unit to do an inspection. It is not in his best interest to orchestrate the opening and closing due to the increased fire risk.
 - HOA still does not see a clearly identified problem with the joists that would justify an inspection,
 - Marke's request to have the Board inspect the space between the units was not taken up by the Board.
 - c. Foundation and bulkhead inspection (see above under Manager's report)
6. New Business:
 - a. Parking in guest spots
 - A complaint about too many vehicles being parked in guest spots was raised. The owner possessing multiple cars is using all of them. No by-law exists limiting the number of cars an owner can have.
 - Changes of bylaws need high owner participation rate that might be difficult to reach.
 - Wayne and Mark will draft a response to the person who complained.
 - b. Commercial application

- Appreciation to the owner for filing the application was expressed.
- It was determined that the disclosed activity does not suggest commercial activity on-site.

c. Proxy request for attendance at meetings

- An individual who has power of attorney for the unit's owner has issued two requests: (a) to assign a proxy for voting to the unit's non-owner resident, (b) to assign a proxy for attending board meetings to the unit's non-owner resident. A legal opinion obtained in the past indicated that only the Board can invite non-owners to meetings.
- Lisa and Wayne will work on getting greater clarity on the legal opinion.

7. Community Open Forum for Items Not on the Agenda

Many thanks to Kirk for cleaning off the roofs and doing great work. Kirk is using climbing gear and is tied in to ensure his safety.

8. Next Board Meeting (Monthly): Wednesday March 9th 6:30pm

9. Meeting was recessed and 8:29pm and will continue March 9th at 6:30p