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The HRHOA Board of Directors meeting on May 13, 2019 was held in Founders Hall. President Pat Shine called the meeting to order at 4pm. Nancy Owens led the Pledge of Allegiance. Roll call by W F Myers. Members present were Dale Huffman, W F Myers, Nancy Owens, Pat Shine, and Gary Thompson. Ron Robinett and Pam Wick were absent, both with notice of prior commitments, and they were excused.

Highlands Ridge Holdings Report. Birdy Whitehouse, Property Manager, reported the following completed projects: new chairs placed in Founders Hall, new landscaping, rotation of sealing roads completed (every year a village gets road resealed), fountain bricks have been laid. Villa Pool leak was repaired. Current projects: shellrock to be installed on the side of maintenance building near pickle ball courts, spa is closed due to broken bottom step. For year-round residents, HRH will be hosting a “Fun in the Sun Day in Paradise” on June 21. Question from resident Dave Pfiester regarding deteriorated condition of landscaping at Altvater entrance. President Pat replied that is Declarant’s responsibility and obligation, not HRH’s. Dave questioned as to why Board can’t get it done, Pat explained Board cannot use Treasury funds for other than Board related expenses. Alternatives were discussed, and other than a lawsuit, or having Covenants amended, the Board cannot take action.

Secretary Report. WF Myers reported the April 8, 2019 minutes were posted on the website, and all Board members received electronically. One sentence was amended (with clarification) and re-sent to Board. If no further additions nor corrections, she moved that they be approved. Motion seconded by Nancy Owens, and approved by the Board.

Treasury Report. Dale Huffman stated approximately 95% of member assessments have been received. April 2019 report -- income.....\$225.00 assessment income and \$1.97 interest income. Expenses of \$204. for Constant Contact renewal and \$70.00 to State of Florida for Corporation filing renewal. Miscellaneous—\$12.00 bank charge for closed bank account of a deceased resident’s assessments. Total Liabilities and Contingency Funds \$57,645.55. Dale motioned for approval of report and payment of renewal fees for Constant Contact and State of Florida Corporation filing total reimbursement of \$274.00 to Willie Faye Myers. Motion seconded by Nancy Owens, and approved by the Board.

Architectural Committee update. Gary Thompson reported that all first quarter 2019 requests for ACC approval have been approved and completed. Second quarter 2019 report shows 9 open projects, 4 more recently added (but not shown). 2 have been completed. He commended the Committee of Dave Deschane, Roger Brelinski, John Johnson, and John Ingram for their diligence in reviewing the applications and timely interaction with the homeowners.

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Home Maintenance update. In Pam Wick's absence, Gary Thompson reviewed the following maintenance issues:

4295 North Course Lane-abandoned/bank owned-utilities shut off-landscaping
3500 E St Andrews DR-neglected landscaping-done, now in compliance

Dog clean up station update. Gary reported that the Residents Council have agreed to buy the stations for placement at the end of Birkdale and one on the North Course. Communications from HRH that station(s) will not be allowed on the common areas, and further discussion could result in the removal of the existing dog clean up station(s), as it would be HRH's responsibility to clean up these areas. Gary will contact Declarant to see if he will allow station(s) on his property.

Highlands Ridge brochure update. Nancy Owens reported brochures have been distributed to the local Chamber for distribution to interested parties. Seasonal residents have taken brochures back to their primary home venues to promote interest to prospective homeowners to visit our Community. Gateway Project—Pat Shine added that we hope to sponsor a fund raising event in the fall to facilitate Community needs, such as signage promoting Highlands Ridge as a homeowner and golf community, keeping the Highlands Ridge Altvater entrance maintained, etc.

Covenant Amendment Discussion. Pat Shine related the history that in a previous Board's tenure, a list of 10 items was made (that residents wished) to be amended in the Covenants. List was compiled by Dale Huffman, who was a member of that Board. They were referred to Declarant, George Apostolicas, who asked for more information. Lon Crow IV, HRHOA Board attorney, relayed a power point presentation to Declarant. No reply was received. Since then, in January 2019, the Board has engaged the Becker and Poliakoff Law Firm, who specialize in Community Association legal issues. Steven Mezer is the attorney we were assigned. The Board does not want the Covenants transferred to the Board, but the Board is seeking an assignment of Declarant's rights in the Covenants to the Board.

Mr Mezer sent first letter to Declarant on March 25, 2019. The letter requested one of the following two options—either (a) assign rights to the Board, or (b) approve the requested 10 amendments. Declarant responded that he had sent documents to his legal counsel. No further response was received from Declarant nor his counsel. Second letter from our legal representative, Steven Mezer, to Declarant on 08 April, 2019 listed the 6 most important of the 10 previously listed items. Response has been received from attorney, Clifford R Rhoades, that he will be representing the Declarant in this matter.

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There are three directions this process can go.

- A. If the Declarant does agree to assignment of Declarant rights to the Board (first option above), it does not preclude the fact that the Covenants will still require a majority of non-declarant lot owners' (homeowners') approval to amend the Covenants.
- B. If Declarant does not agree to the assignment, but does agree to amend the requested Covenants (second option above), vote is also required by majority of homeowners to enact the change(s).
- C. If Declarant doesn't agree to either, our attorney states according to Florida law, public policy says that land should not be restricted unnecessarily. Since the Declarant is absent, has no on-site representation and no presence on the Board, the Board (with homeowners' approval) should be able to amend without Declarant consent. Legal precedent has already been established regarding this issue.

All 3 of the above options would REQUIRE a vote of the membership.

Brief summary of Amendments:

- 1. 1.03—Corrects reference to Common Facilities
- 2. 2.10—Adopts previously approved amendment not recorded for irrigation pumps
- 3. 2.16—Brings section into conformity with statute for flag poles
- 4. 2.18—Modifies the ACC to allow Association to have final say
- 5. 3.06—Modifies signs to allow for two real estate signs and reduces the square footage of home identification signs.
- 6. 3.09—Modifies garbage and refuse to address requirement to be kept inside garage.
- 7. 3.10—Modifies animals to require dogs to be leashed at all times.
- 8. 3.19—Adds enforcement of fines to allow aggregate amount to be greater than \$1,000., thereby allowing them to become liens subject to foreclosure.
Incorporates all procedural protections of Chapter 720 Florida Statutes.
- 9. 7.03—Modifies annual assessments to allow the funds to be used for expenses unrelated to common facilities—i.e., operating expenses, etc.
- 10. 7.05—Incorporates Section 720.3085 regarding collection of assessments.

Discussion ensued regarding the summary of Amendments previously presented.

Audience participation discussion involving Declarant's lack of diligence in lot and pond maintenance. General consensus was that Declarant be held responsible to maintain vacant lots and ponds that he owns.

Pat Shine then motioned to keep the 10 items in the attorney's request to Declarant, and add item 11 that requires the Declarant to maintain vacant lots and ponds that he owns to an acceptable standard. Motion seconded by Gary Thompson, and unanimous approval by Board members present.

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Pat then made a motion to prioritize the items above.

- 1st 7.03 regarding annual assessments and 7.05 regarding the collection of assessments.
- 2nd 3.19 regarding enforcement of fines
- 3rd 2.18 regarding ACC final say and #11 above re: Declarant lot & pond maintenance
- 4th 2.10 regarding irrigation pumps and 3.09 regarding garbage receptacles
- 5th 3.06 regarding real estate signs
- 6th 3.10 regarding animals on leash
- 7th 1.03 regarding verbiage in Common Facilities section
- 8th 2.16 regarding bringing flag pole guidelines to conform with Florida Statute

Motion seconded by Nancy Owens, and Board agreed.

Upon further review and discussion, it was noted the “dogs on leash” requirement is already in the Covenants. W F Myers moved to amend the approved motion(s) above made on the Summary of Amendments and the prioritization list to remove Section 3.10 regarding dogs on a leash. Motion seconded by Nancy Owens, and approved by the Board.

Pat informed the audience there will be no meetings in the months of June, July, and August. Next HRHOA Board meeting will be held on September 9, 2019 at 4pm in Founders Hall.

Meeting adjourned by President Pat Shine at 5:17 pm.

Respectfully submitted,

Willie Faye D Myers, Secretary