

Highlands Ridge Homeowners Association Board of Directors Meeting Minutes

DRAFT

Monday, December 14, 2020

The HRHOA Board of Directors held their monthly meeting on December 14. President Pat Shine called the meeting to order at 4:02 PM in the Founders Hall parking lot. Jerry Bennett led the Pledge of Allegiance. Board members present were Pat Shine, Nancy Owens, Gary Thompson, Linda Hathorn, John Ingram, Jerry Bennett, Dan Ostapowicz.

Secretary Report: Linda Hathorn stated that the original October 12 meeting minutes were sent to the Board Members and also sent out on Constant Contact. Linda made the motion to have the minutes approved as posted. The motion was seconded by Dan Ostapowicz and approved by the Board.

Treasurer Report: John Ingram reported there are four outstanding invoices to be paid. The first is for legal regarding covenants by Becker Law Firm for \$630. The second expense is also legal for consultation for Lon Worth Crow for \$250. The third invoice is for Gary Thompson, reimbursement for ink cartridges \$45.13, the fourth is to Willie Faye Myers, for reimbursement of the Constant Contact Annual fee, for \$165.75. The total amount of expenses are \$1,090.88. A motion was made to pay the accounts payable. The motion was seconded and approved. The monthly accounting report is a combination of October and November, since November's meeting was canceled. Annual Assessments were received for a total of \$175.00; Bank interest was a total of \$2.94 for a total income of \$177.94. The liabilities for this period total \$1,090.88; assets and cash in the bank is \$35,057.40; there is a \$5000 retainer with Becker Law Firm for prepaid legal services. There are also two CD's for \$10,000 each. One is six months and the other is one year, both with Edward Jones. Total assets are \$60,057.40. Subtracting the liabilities of \$1,090.88 leaves a contingency fund of \$58,966.52. A motion was made to approve the treasurer's report. The motion was seconded and approved by the Board. The Treasurer also presented the proposed budget for 2021. Next year's budget will stay the same with the exception of lower interest being received from checking and CD's and the Officer and Directors Insurance which has increased to \$2,000. The total expenses for 2021 are \$15,600.00. The 2021 Annual Assessments dues are proposed to remain at \$25. A question was asked about additional dues from new owners which is difficult to predict and will depend on new lot sales. Another question was asked regarding the number of residents who do not pay their dues. John indicated that it was about 4% of the owners who have not paid and will not have voting rights until they are paid. Unpaid dues also become a lien when the property is sold. A motion was made and seconded to approve the 2021 Budget and keeping the Assessment Dues at \$25.00.

Architectural Report: The 4th quarter has been active with a total of 39 permit requests. There have been 7 for landscaping; 8 for roofs; 8 for painting; 7 for replacing doors/windows; 2 solar panel installations; 2 garage door applications; 2 lanais; 1 generator; 1 well; 1 driveway widening. We still need to make sure, that people making changes fill out a permit

request.

Home Maintenance Report: Jerry Bennett indicated the community looks good and there is only one notice, he just received, of trash cans being left out.

55 Plus Home Sales Update: Dan Ostapowicz reported since early fall there have been 8 homes that have gone up for sale and closed throughout Highlands Ridge. There are 7 homes for sale with 2 being for sale by owner. At present there are 2 real estate agents doing most of the sales in Highlands Ridge, Terri Halliman and Lisa Terrell are the listing agents. They are very aware of the covenants. The FSBO properties, Dan visits with the owners directly. Dan has been working with Lisa Little of the MLS service and may periodically add notifications in their newsletter that covers 3 counties.

Pat stated that the HOA had started tracking this several months ago when we realized it was actually a deficiency and the Board should have been doing this for a long time. In that period that no one was keeping track, we have at least one home where we have a non 55 person living in it. Linda Hathorn indicated that it was brought to her attention that there is someone living in a rented home who is younger than 55. Linda made a proposal to write a letter to the owner of the occupied home that states the owner is in non-compliance regarding the 55 or older age factor. A motion was made, seconded, and approved to send a letter to the homeowner.

Highlands Ridge Holdings Update: Birdy indicated that the pool heaters were both down for a few days, this was due to no delivery of propane. The company's 2 trucks were broken down. This has been rectified and the pool heaters are back up and running. The pool cleaning company has been changed and Birdy has gotten compliments on how much cleaner the pools are. Gary Thompson asked about the availability of the grill for use at the Villa Pool. Birdy stated that both grills are available for residents to reserve and they will make sure there is fuel in the tanks. There will be no trash pickup on December 25 and will be picked up on the 26th. The Garden by Founder's Hall pool is being dedicated to Arlene Mink who passed away in January 2020. Plaques have been ordered and there will be a dedication and when that date is set, Birdy will send out a notification. Hidden Creek road resealing has been postponed until the end of April. Founder's Hall will stay closed for the next few months and as soon as she knows when it will be open for larger events she will let everyone know. All other rooms are open and are being used. The Gazette will continue to be distributed online for the near future.

Real estate update from Brad: The Augusta model site at the North Course has been cleared and is in construction. There is a smaller model, on Santa Barbara Street, in Harder Hall. The model on the North Course will have more upgrades. Two other floor plans are being reviewed for the North Course, Oakmont and Pebble Beach. The website is up and running - **highlandsridgenewhomes.com** - it has a floor plan for the August and lot pricing. Lydia Taylor is heading up the sales effort for Highlands Ridge New Homes, along with Brad. Anyone who is interested can call 863-784-3313 or visit the website. There should be a new Villa plan finished by the end of the year for promotion and presales.

Welcoming new residents: Dan Ostapowicz indicted that every new resident gets a welcome packet from the office, and it is quite well done. It has a lot of general information. What the Board was looking for was a hello and welcome to the neighborhood. He met with Linda Hathorn, Nancy Owens, Jim Haas and Bob Master, and decided that it was the Residents Council that should do this. Each Village has a Residents Council member, and it was agreed upon at a Residents Council meeting that this would be a good thing to do. A letter will be put together that says hello, talks about amenities, lists Board of Directors and contact information. The letter would also include our website where to find each Villages covenants. It is a reminder for new residents that they live in a deed restricted community that has rules. It also stresses the need for a permit, for any exterior changes. In addition, it talks about the Residents Council and what it does. Someone will greet the new residents who live in their neighborhood and share the letter and information with them. When the final letter is approved, it will be distributed to the Residents Council members. A motion was made and seconded to approve this process, when the letter has been finalized. The motion was approved by the Board.

Candidates for the HOA Board: Nancy talked about the election of Board members in March. Every year, either 3 or 4 positions are open that need to be filled, this year we have 3 Gary Thompson will be leaving and Pat Shine is term limited, and will leave. Dan Ostapowicz has been filling the seat of a Board Member who resigned and Dan will run for election. Pat has offered to council the Board when needed. Nancy asked if someone is interested, or you know of anyone please contact any Board Member, and she will be happy to meet with them.

Covenant Amendments Update: This is a project the Board has been working on for a long time. Initially, it was designed to get ownership of the Covenants. It was suggested from our Law Firm that what we want is an assignment of rights. The Covenants do provide that the Declarant, George Apostolicas, can assign his rights. We are very close to an agreement with the Declarant's counsel and our counsel, for an understanding that Phases III, IV, V, VI, which is Hidden Creek, Scottish Links, Arbor Green and Oak Run, and Carter Creek, on the bottom section, would be turned over to the HOA as an assignment of rights. The Declarant will retain the ownership of phases VII and VIII which are North Course and the Golfside Villas. The sticking point was at what point do you transfer things over. While the Declarant controls VII and VIII they didn't want to control the day to day operations. They just wanted to have control over the new building construction. The updated proposal is that if we have an undeveloped lot, the Declarant is going to have control over the architectural standards to build a new home on that lot. After that home is built and occupied by a resident, the HOA will pick up responsibility for it. Both counsels have agreed to this and it is in writing. We are just waiting for George to sign off on it. Once this is done the next thing that will happen is amendments to the covenants that we have been talking about for quite some time. As an example, the city of Sebring said we could have well said we could have wells and the covenants say we cannot, small changes like that. An educational packet will be going out to the residents regarding changes. This packet will be in a form like the Florida referendums where they had a list of what the issue was, the current wording, and what the proposed wording would be. It will be a primer for people to read and understand and then we will ask the members to vote. To amend the covenants you have to have a majority of the members, 50% plus 1. There are approximately 460 homes, so 231 homes would have to agree, then the covenants would be amended. Once that happens it will be recorded in the County records. There have been

10 amendments discusses, with a potential for 11, which is a spinoff of what Linda and Dan spoke about earlier regarding not having people under 55 in the community who are leasing. The covenants today say that if you lease the property you must not be less than 7 months. We all know that people rent for far less than that. Linda Hathorn spoke about the leasing covenants and changing some wording, making sure owners only lease to people 55 or older. John Ingram asked about the number of people who could be younger than 55. Pat indicated that the federal restriction is less strict than our requirements. The covenants say, that every house must have at least one person 55 or older. There was a discussion among the board and a motion was made to have Linda get a group together and look at what the leasing should be and bring it back to the Board. Whatever is agreed to by the Board will need to have a legal review. The Board approved to look at amending the leasing.

Gary Thompson asked a question regarding the billboards. Pat said there had been a survey about replacing the billboards. One third of the residents wanted the billboards back up and were will to contribute, one third said they wanted them back up and didn't want to contribute, and another third said it was the Declarant's responsibility. Pat passed on all the information he had, about replacing the billboards to Brad. Brad indicated he wants to replace the board at Powerline and 17 and also update the one on Altvater. Brad and George will be discussing how much money they want to put into marketing.

The meeting was adjourned at 4:51pm