

Creekside HOA Meeting 11/06/2012

Held at 2101 Creekside Drive (Marcia Babcock's house)

In attendance were: Board Members - Marcia Babcock, Jim Hassett, Jason Kruse, Susan Gibbs, Andy Torchalski, and Julie Emo

The purpose of the meeting was to discuss current finances/Treasurer's report, the status of the Christmas Eve luminaries, and legal issues for board members.

Agenda Items:

1) Treasurer's report:

- a. Jim presented the current financial reports.
- b. One resident has not paid their dues at this time. The effort continues to get this balance paid.
- c. A discussion took place concerning the timing of the annual meeting with respect to the billing cycles that impact the checking account. It was determined that if the annual meeting is held in early March, the balance in the checking account will be able to handle the bills until member dues start arriving.

2) Luminaries:

- a. Susan is heading the luminary project this year.
- b. Candles, bags and sand will be purchased. Susan has leftover beer, soda, and water from the block party that will be used at the bag-filling party.
- c. The bag-filling party will be held at Susan's house on Sunday evening, December 23. As always, the bags will be dispersed at noon on Christmas Eve.
- d. Susan will put together a flyer about the luminaries to include in the December newsletter that Steven Noel sends out to residents.
- e. A flyer will also be hand delivered to residents the week before Christmas as a reminder.

3) Legal Issues:

- a. Marcia recently attended a City-sponsored legal seminar aimed at HOA organizations. The purpose of the seminar was to educate HOA associations about the laws pertaining to HOAs in the State.
- b. If the members of the Board are sued and taken to court, a Judge is likely to rule that the HOA Board members are not experts, and act in their best judgment. The Judge would mostly rule that the Board members are therefore not liable. Board members that are not paid or get dues waived does not guarantee that the Board members are not liable. It is dependent on each case and Judge.
- c. Most HOA related cases are about discrimination and non-monetary. Court costs can be extreme regardless. We need to confirm that the D&O insurance that is purchased to cover the HOA board includes coverage for discrimination.
- d. Andy stated that this issue has come up before in Board discussions. The HOA has insurance that covers board members in the event of a lawsuit.
- e. The consensus is that the Board should address this issue at the first HOA board meeting following the annual meeting. At that time Board members can choose, as a group, to waive HOA dues for Board members or to pay the dues in order to remove all legal liability.

- f. Also, a sign will need to be posted prior to the annual meeting to remind residents of the meeting. Susan has an old real estate sign that can be used for that purpose.

Meeting adjourned at 8:30 pm. The next meeting has not been scheduled but will be held 6 weeks before the annual meeting.