

HOMEOWNERS ASSOCIATION OF HOMESTEAD FARM II
Board of Directors Meeting
October 18, 2021

OCTOBER 18, 2021 BOARD ACTIONS:

- The Board voted to approve requests from two homeowners who wish to install privacy fences (at their own expense) along their property lines abutting a property with several noted issues. Notably, this approval is an exception granted only due to extenuating circumstances and fence design will still be subject to approval by the design review committee.
- The Board voted to approve the 2021 Auditor Engagement Letter with The Griffin Group.

The regular board meeting was called to order by Sam Ysusi at 7:03 P.M. on Monday, October 18, 2021. Members of the Board present included Sam Ysusi, Shannon Geonetta, Dori Yaworski, Tracy Rutz, and Tim Shea. Also present were Karen Colman, Bob Howey and Jeff Lipscomb.

APPROVAL OF MINUTES: Dori made a motion to approve the minutes of the September 20, 2021 meeting; Tim seconded and the motion passed.

HOMEOWNER CONCERNS:

- Jeff Lipscomb requested that page numbers be added to Board Meeting Minutes going forward.
- Jeff Lipscomb expressed concerns about the process surrounding the annual Audit. He noted that Board minutes did not reflect whether the Board has met with the Griffin Group or officially accepted the results of the 2020 audit conducted by The Griffin Group. He also pointed out the minutes do not show whether the HOA tax return had been reviewed and approved by the Board. He expressed concern about an approximate \$9K differential that he purported to have identified in a reconciliation of the 2020 year-end financials and the 2020 audited financials. Notably, he admitted that this differential was most likely reflective of monies reimbursed by the swim team for salaries which account for audit adjustments due to timing. Jeff feels that the HOA does not have sufficient internal controls, policies and procedures. He would like to see the Board explicitly document all reviews and approvals it conducts and submits even if they are formalities.
 - **BOARD RESPONSE:** Per our standard process, Sue Baker submitted the full 2020 audit and tax returns to the Board for comments and review this past spring. The Board reviewed both and had no comments or concerns. Once accepted by the Board, the 2020 Audit was posted to the HF II website where homeowners were and remain able to access and review it at their leisure. It is not the Board's standard practice to hold off on the many standard and recurring administrative matters to which it attends until a meeting. The Board is aware of the "differential" to which Jeff refers and notes that it represents a non-material difference in how a reimbursement was categorized internally vs. in the audited financials and ultimately does not affect the reconciliation of total funds. The Board refutes the assertion that the HOA lacks sufficient internal controls, policies and procedures and has already begun the process of formally documenting the ones in place. Furthermore, the Board notes that, as the HOA undertakes the process of selecting a property management company to take over the many duties Sue Baker has covered during her service, the next few months promise to be a transitional period that may require changes to processes and procedures in order to accommodate the onboarding of an external management company.
- Jeff Lipscomb requested that the Board adopt a resolution at the November Board meeting committing to a fair and impartial 2022 election of directors.
 - The Board notes that it continues to be committed to fair and impartial elections such as the 2021 election for which it hired Altitude Law to ensure the integrity of the process. The Board will consider hiring Altitude to run the 2022 election.

COMMITTEE REPORTS:

SOCIAL: [Shannon]

- The Fall Festival was a success and received a lot of positive feedback.
- The next event is the holiday sleigh ride, which Pat Panzarino has graciously offered to organize.

- The Board discussed potential organization of the Social Committee with a chair(s) to act as a liaison(s) to the Board and lead for the committee, and volunteer chairs for each event, including food trucks so that the job is not as burdensome as it has been. The Board will discuss further with Beth and Tricia.
- **** New social chairs are needed to ensure that fun neighborhood events continue – please reach out to the Board or Tricia Tichota and Beth Ender if you are interested in this position ****

LANDSCAPE: [Bob Howey]

- There will be one or two more mowings and then leaf clean-up between now and mid-December.
- Bob will be soliciting bids for the landscape contract in November and hopes to have proposals back by early December. It will be a three-year proposal, comprising three one-year contracts with 30-day cancellation clauses.
- Bob expects to have a design from the irrigation designer in the next two to three weeks so that we can solicit bids before the holidays.
- Green Hills will need to repair another sprinkler valve by the tennis courts parking lot.
- The cost of water usage is lower than last summer's by about \$10-13K.
- Bob has contacted several companies regarding staining the neighborhood's fence, however none of the companies are able or willing to take on the project. Bob is reaching out to another contractor and will continue to seek bids. There is currently \$19K in the landscape budget for maintenance of the fence and staining is something that should be done every 3-5 years.
- The entry island at Jersey and Dry Creek has been re-landscaped. Thank you to Bob Howey and Tim Shea for their work on this project!
- Work to be completed before the end of the year: removal of dead trees, tree pruning, tree planting in various spots in the common area.

POOL: [Karen Colman]

- Karen is working with MPM on a contract for next summer's pool management.
- The awnings have been taken down for the season.

TENNIS: [Dori]

- The upper courts were resurfaced under budget from what was included in the operating budget.
- Nets have been replaced on the lower courts; net replacement for the upper courts will be included in the budget for next year.
- Wind screens on the lower courts were replaced last year; wind screens on the upper courts were replaced this past Spring.

DESIGN REVIEW: *No design review update.*

CLUBHOUSE: [Tim]

- The committee is having rough designs drawn based on their tours of other clubhouses. They hope to have these completed in the next couple of weeks after which they will present to the Board and potentially pick one or two designs to send to a professional design service.

MEMBERSHIP:

- The annual assessment for 2021 has been paid by 399 out of 401 homeowners. One homeowner has made timely payments and has a small remaining balance. Another homeowner is working with Sue and the Board and has made payments toward their remaining balance.
- Ten home sales have closed so far for 2021 with one home sale currently pending.

OLD BUSINESS:

- The Board noted that several trees have been removed from a house with ongoing issues. Sam will reach out to Design Review for a punch list of items remaining that need to be addressed; Sam and Tracy will present this list to the homeowner with a deadline for completion. Attention to the current driveway issues will be granted a longer timeline.

- Two homeowners have submitted requests to install privacy fences along their property lines abutting a property with significant landscape issues. Sam opened the topic to Board discussion and Tim noted that, given the continued state of the property and the ongoing but slow progress towards addressing the issues cited, it made sense to grant an exception to the prohibition of privacy fences. Dori made a motion to approve the homeowners' requests for privacy fences as an exception due to extenuating circumstances, contingent upon Design Review approval. Tracy seconded the motion and the Board unanimously approved. Sam will reach out to Jim Zadvorny to let him know the Board's decision.

- Tim has compiled a list of management companies with whom he's worked and with whom Mark Gotto is familiar. He will have a list and hopefully some bids to consider at the November meeting. Karen Colman will pass along names of companies with whom MPM has worked and any positive or negative feedback they offer. Tim plans to use a description of Sue Baker's duties as a starting point for the scope of a contract with management companies and will consider other terms, conditions, and limitations as part of the contracting process.

NEW BUSINESS: Sam motioned to approve the 2021 Audit Engagement Letter with The Griffin Group. Tim seconded and the motion was approved. Sam will sign the Letter and move forwarding with looking at the 2020 audit findings to ensure that they comport with the official financials.

ADJOURNMENT: The meeting was adjourned at 7:55PM. The next regular meeting will be November 15th at 7:00 PM.

COMMUNITY ANNOUNCEMENTS

- *The neighborhood will need to fill two spots on the Board in our 2022 election.* Anyone with questions or any candidates who are interested in running should feel free to reach out to the Board.
- The position of Social Committee Chair for next year remains open – please consider volunteering if you enjoy the many fun events that bring our neighborhood together.
- While Minutes will continue to be published in the Barnstormer, please refer to the HF II website (<https://hfii.org/covenants/minutes-financials/>) for additional materials, including the Agenda and any supplemental documents.