

MINUTES

Legends at North Park HOA Board of Directors Meeting

Wednesday February 24th 2021 at 1:30 P.M.

Attendance : Lorraine Walker (President), Lynn Collings (Vice President), Doug White (Treasurer), Deanna Bodily (Secretary), Gretchen Stelling (Board Member), Paul Nelson (Maintenance), Arvin Bradley (Auditor).

Agenda Items:

1. Approval of minutes from January 21, 2021 Meeting.

A copy of the minutes were given to all members of the Board for their review. Lynn Collings motioned they be approved, and Doug White seconded. Minutes were unanimously approved.

2. Management Committee Meetings – Utah Code requirements.

Lorraine Walker discussed with the Board the State of Utah Code 57-8a which contains laws associated with HOA's in the State of Utah. She noted that Management Committee meetings were open meetings except as provided in Subsection (3)(b).

3. Conflicts of Interest rules and regulations.

Lorraine Walker pointed out that although the HOA is not a state entity, Board Members should avoid conflicting interest transactions. Utah Code Title 16.6a(8); Section 825 states that conflicts of interest occur if "any natural person whose familial, financial, professional or employment relationship with the director or officer would, under the circumstances, reasonably be expected to exert an influence on the director's or officer's judgement when voting on a transaction." If such a conflict exists, a Board member would excuse themselves from the conversation and not vote. At present, no Board member or chair of maintenance committee have a conflict of interest with our service providers.

4. Treasurer Report.

Doug White noted that the HOA has only paid for four snow pushes so far this year leaving a surplus in the HOA checking account. After discussion, Lorraine Walker, motioned and Lynn Collings seconded, that Doug White use discretion to determine when to transfer excess funds from the checking account to the HOA's operating savings account and vice versa. This motion does not apply to the Capital Reserve/Replacement money market account . (Those funds are not to be used except for designated items). Motion was approved by all board members.

Lorraine Walker and Doug White will prepare the HOA's state and federal tax returns this year.

Doug White updated bank registration to the new leadership. For banking purposes, Doug White was added as Treasurer.

5. Legends at North Park HOA "WAVE" accounting software user's guide.

As Treasurer last year, Lynn Collings prepared a user's guide for the "WAVE" accounting system and Lorraine asked Lynn Collings and Doug White to finalize the user's guide so that succeeding treasurers can continue using the program.

6. Audit Report.

Arvin Bradley, Chair of the Audit Committee presented the audit report. Committee members were Glenda Andrews and Elaine Moffitt. Doug White motioned approval of the Audit Report with Gretchen Stelling's second. It was unanimously approved by the Board.

7. Crockett Avenue Canal Upgrade.

Lynn Collings discussed Cache County's proposal to upgrade the canal directly east of the HOA as it is part of the Crockett Avenue Canal system. Our HOA will be impacted by the proposed upgrade. Lynn Collings will stay informed about the project as it develops and will report back to the Board.

8. Review Capital Reserve Account.

The Board discussed the increase in the cost of construction and supplies over the past year. Lorraine Walker suggested and the Board agreed that it would be appropriate for a new Capital Reserve Account review. Lorraine asked Gretchen Stelling to chair the committee and use her discretion to create the committee.

9. Create User manual for HOA's Maintenance Committee.

Paul Nelson knows the layout of all the common area's sprinkler heads and routines associated with maintenance of the Legends community. However, there is no manual to pass his knowledge to another person if he becomes unable to continue. Lorraine asked Paul to make the manual and Deanna Bodily, as secretary, will assist as needed.

Meeting Adjourned at 3:00 p.m.

Addendum: After meeting adjourned, Lynn Collings noted that HOA CC&R and bylaws were not on the agenda. Lorraine Walker asked the Board to suggest the names of Utah licensed and bonded attorneys whose practice specializes in property law. If the attorney specializes in HOA's then the HOA will not have to pay the attorney to become familiar with State of Utah laws. The Board will discuss at the next board meeting.

NOTE: Building Costs increased from 10% to 15% and continue to increase at a rate greater than the 4% used by the Maintenance Reserve Committee when it estimated future costs.

In FY2021 a Maintenance Reserve Committee will be formed to review projected costs based upon current economic conditions. Item of Business for Post COVID-19 Meeting.

Note: A 3-month Reserve for unanticipated costs = \$11,402. [(\$45,610/12 months) X 3 months]