

## **ACNA Meeting Minutes January 26, 2016**

The first quarterly meeting of the Allen County Neighborhood Association was held on January 26, 2016 in the Omni Room in the Garden Level of the Citizen Square Building. It was called to order at 7:00pm by Dan McCrea, ACNA Leader. Thirty-eight residents were in attendance.

Dan began by asking those attending the meeting to state their name, association, board position (if applicable) and if they were City or County group. He also introduced Nelson Peters, Allen County Commissioner, who is the sponsor of the ACNA.

### **Bob Eherenman - Attorney:**

- What can you do if you think the association finances are not being handled properly? Bob stated that your covenants should state what the moneys collected are to be used for. He stated that collected dues are usually used for paying for common area maintenance and operating expenses. He questioned if the covenants call for a budget to be required? If there is a budget, you can see exactly what the money is being spent on. The board then has the discretion on how to spend the money. If you are concerned that the money is being improperly spent, you should: 1) address with the board directly; 2) attend the annual meeting and address it in the public forum; and 3) take legal action against the board if you feel the money is not being properly spent.
- How much insurance should an association have? Bob said this question depends greatly on the amenities your association has. Do you have a pool, common area, pond, etc.? The best action to take is to address this with an insurance agent. The agent will be best suited to address your situation. The agent can also make sure that you have the correct type of insurance: liability; fidelity.
- Can you elaborate on House Act 1286? Bob stated that he was sorry but he was not familiar with this Act and would investigate further and reply to Dan via email. The question asked was about communication between the board and residents and if there is any dispute resolution available. Bob stated that your covenants would be the first place to look for this and that he would further investigate and reply back to Dan.
- Association wants to put stone around the pond. Who is responsible for it once they do? Bob stated that most ponds in associations are considered common land so the association is responsible for it. Most ponds are also part of the storm water retention systems so the Allen County Surveyor should be contacted before doing any work that might change the drainage.
- How do associations address fences if a resident does not comply with the covenants? Bob stated that if the fence requirements are stated in the covenants and a fence is built and doesn't follow these rules, then taking the resident to court is really your only remedy. A follow up question was asked about building permits and covenants. Bob stated that a building permit alone is not enough if

there are covenants for the association too. The covenants are also fully enforceable.

- Can an HOA charge a title company for a dues letter? Bob stated that it would depend upon what was written in your covenants and by-laws.
- If a dispute ends up in court, which court is used? Bob stated that for dues issues less than \$6000, Small Claims Court is where you would seek a judgment. If the dispute is anything other than dues, it would be addressed in Superior or Circuit Court. He also stated that no matter which court you have to use, the association MUST have legal representation.
- Can an association recoup court costs? Bob stated that once again, you have to review the covenants to see what they say. Most covenants do allow recovering these costs. If yours do not, you should try to change them. Having this is important. Bob also stated that you need to be careful that you have the correct covenants as each different section of a development will have its own covenants and they may be different for each section.

### **Chandra Gates: State Farm insurance Agent**

Chandra began her presentation with what type of insurance should an association have:

- Insurance will depend if it is homes or condominiums
- How many homes are in the association, if there is a pool, are there association-owned buildings, is there common area and if there is a board all change how much insurance is needed and how much it will cost for that insurance.
- Remember that anybody can sue for any reason – it is best to be protected in case of a suit.
- Associations should have the appropriate underlying coverage for the above listed items.
- Talk to your agent yearly to review the policy and if any changes occurred.
- If there are directors and officers, make sure to add them to your policy with a Fidelity Bond. Protect your assets – associations have lost money in the past through theft.
- If there is an elaborate front entrance sign, it might be good to have a rider to properly cover the cost if it were damaged.

Questions:

- Who is responsible for trees in the common areas? Chandra stated that insurance doesn't cover trees – it only covers property damage. If a tree falls on a house, it is usually the owner of the damaged home whose insurance will cover the damages.
- If the tree that falls and does the damage was dead, then the owner of the property where the tree was located would be responsible if it is properly documented that the tree was dead and not addressed.
- How much is an average deductible on association policies? \$500 - \$1000 is the normal deductible.
- Should an association have an umbrella policy? Umbrella policies are usually good for individuals but not usually needed for associations (unless there are large common areas or owned buildings).

- If a tree falls on a car, who would cover the repair costs? This would usually be an Auto Policy claim.
- What if there are firework damages? Proving who is responsible for firing them is difficult. Normally, it will be the homeowners insurance that covers it.
- Can you earn credits if you have multiple policies? Probably not.
- Should associations carry officer liability insurance? Not needed unless there is a large sum of money in your accounts. Don't pay for extra insurance if you don't need it.
- Association holds many garage sales and invites many people into the area. Need extra insurance? Extra insurance probably not needed. Standard policy will protect liability.
- If a fundraiser uses the association sidewalks, is the association responsible if somebody is hurt? Yes, the association is responsible and that is why you have liability insurance.

### **Marjorie Stephens – Kristal Heffley: Northern Indiana Better Business Bureau**

Presentation of common scams being perpetrated against homeowners – common scams to be aware of and red flag issues:

- Door to door salesmen, Gypsy's, asphalt repairs, pay money up front for supplies, ask the homeowner to get necessary permits, no local phone number listed for a company, a really large discount if work done "today", pay up front or only pay in cash, borrow money from the contractor's preferred lender are all areas that should be a red flag warning to homeowners.
- Don't take a contractor's word that they are BBB accredited and have the BBB logo. It is very common for it to be used without permission.
- Go to [www.bbb.org](http://www.bbb.org) to check out the contractor.
- Website very informative and a homeowner can find out if the contractor actually is BBB accredited. You can also see the various types of complaints that have been filed against a contractor
- Make sure that any warranties are clearly spelled out and what they cover. Look to see if parts and labor are covered?
- Strongly suggested to get three quotes before choosing a contractor for a job.
- Is the contractor actually doing the work or are they subcontracting it out?
- Get references AND check them out!
- Get the starting and ending dates of the work in writing before the work begins.
- NEVER pay in cash!
- **Handouts:**
- Choose a competent contractor
- BBB's Top 10 Scams of 2015
- Report a scam at [www.bbb.org/scamtracker](http://www.bbb.org/scamtracker)
- Most Commonly Requested Numbers
- BBB Scam Tracker listing of reported scams and the amount lost
- Questions:
- What can you do if a well-known business has its name taken and abused? This does happen. Rebuilding a business name is at times difficult.

- What does it cost to become BBB accredited: This depends on the number of employees; company profit and many other factors.

**Kathie Green: past NE Regional VP of Indiana PTA**

Kathie presented the group with ways to motivate residents to get involved in the association. She presented a PowerPoint titled: Where are all the Volunteers Hiding? PowerPoint titles:

- Tips on Attracting HOA Volunteers.
- Tips on attracting and maintaining volunteers.
- More tips
- Three reasons people volunteer
- The basics: there are four levels of participation
- 5 good ways to find new volunteers
- Volunteer form sample
- 5 ways to get the most out of your volunteers
- Make it easy for your volunteers
- 5 things volunteers love
- And...5 things volunteer hate
- 5 things that keep volunteers motivated
- Volunteer appreciation (ways to keep them coming back!)
- Handout on Social Media Guidelines
- Questions?
- **Kathie's entire PowerPoint is posted on the ACNA website.**

**Open:**

- Who do you contact for street repair issues? In the City, call 311. In the County there are two barns: Northern and Southern. Contact the appropriate one for your location and they will address road issues.
- Where can you get the survey that the City passed out? It is sponsored by Bob Kennedy. Cal 311 or the Public Works Center.

Mike Green, Public Information Office for Allen County, informed those in attendance where to find all documents that pertain to the ACNA. [www.allencounty.us](http://www.allencounty.us). Click on the Government tab / Community / ACNA. There you will find all handouts from the past meetings, meeting minutes and video recordings of the meetings.

The meeting was closed at 8:25pm. The next meeting is scheduled for **April 26<sup>th</sup>** at 7:00pm in the Omni Room on the Garden Level of the Citizen Square Building, 200 E. Berry St. The remaining 2016 dates are: July 26; October 25.