JUNO ISLES CIVIC ASSOCIATION
June 3, 2013
BOARD OF DIRECTORS MEETING

The regular monthly meeting of the Juno Isles Civic Association Board of Directors was held on Monday, June 3, 2013 at Holy Spirit Church on Ellison Wilson Road.

❖ **Roll Call and Call to Order:**

President Jud Whitehorn called the meeting to order at 7:06 p.m. The following Board members were present:

Jay Cannava	Present	
Doug Carpenter		Excused
Blas Contreras	Present	
Susan Czelustra		Excused
Ron Hoehmann	Present	
Michael Murray		Excused
Louis Vilardo	Present	
Jud Whitehorn	Present	
Donna Zoeller	Present	

Note: The minutes refer to Board members by their first name as listed above.

❖ **Approve Minutes**: May 6, 2013

Lou made a motion to approve the May 6 minutes as amended. Donna seconded the motion. The minutes were unanimously approved.

❖ **New Business:**

Update status of JICA phone bill/account
The only method of payment accepted by the online phone company is credit card. Blas said he had not yet explored a prepaid credit card for the Association.

Conference call with legal counsel regarding covenant enforcement on properties in foreclosure
Ed Dicker, Association attorney, joined the meeting by phone. Lou briefly described the covenant violation notification process. He said the Board has taken the position that when a property is in foreclosure, there seems little point in going beyond a second letter since there is little chance of recovering those costs. Ed said the Board has a judiciary duty to enforce the Covenants, but considering the economics involved, it is a process the Board should be evaluating. He said in a situation where the homeowner is in foreclosure and owes assessments or has not complied with the Covenants, it would be throwing money away to

pursue the homeowner. Ed said if the Board did not pursue properties in foreclosure, it would be consistent, not selective. He said when the foreclosure was resolved, the Board could pursue the violation at that time. Ed added that such a policy would indicate the Board was watching association dollars and spending money carefully.

Jud said there were circumstances when a homeowner was sued for foreclosure, but actively living in the house. Ed said when the resident is in bankruptcy, they cannot legally be pursued for anything that involves the resident spending money. He said as a general policy, the Board should hold off on pursuing Covenant violations until the foreclosure is resolved, depending on how critical the violation is.

Blas described a property with no lawn and the roof needed to be pressure cleaned. He asked if there was something that could be done to modify the Covenants to protect other residents. Ed explained that any money spent in moving forward to pursue a violation would most likely not be recoverable. Ed said he didn't know of any change to the Covenants that would permit us to be more effective. Blas asked if there could be a change to the Covenants that would allow the Board to recover some of the costs of pursuing a violation. Ed replied that when a bank gets title, the maximum they are required to pay is the assessments accumulated during the previous 12 months. (Association assessment is currently $117.00 annually.)

Lou asked if the Board chose not to pursue a violation because they would not be reimbursed, was the Board jeopardizing their rights to pursue other violations. Ed responded that it would not be considered selective enforcement as long as one violation is in foreclosure and another violation is not. It can only be selective enforcement if it's the same situation. Ed said when one homeowner is in foreclosure and one is not, those are not similar situations.

Jud said the Board not only had a duty to enforce the Covenants, but also a duty to safeguard Association funds, taking into consideration funds may not be recoverable. Ed said the Board had the right to go forward in pursuing violations. Yet at the same time having a concern regarding the appropriation of Association funds was legitimate too. Ed said establishing a policy not to pursue Covenant violations for property in foreclosure was a reasonable one, avoiding spending a lot of money on attorney's fees was important. The downside would be enduring a maintenance violation during that time. Ed left the meeting.

Blas thanked the Board for including the attorney in regard to this matter. The Board agreed they would not spend money on attorney's fees to pursue Covenant violations incurred at property in foreclosure.

- **<u>Treasurer's Report</u>** – Blas

Blas reported the balance in the Anchor Bank account was $37,112.92 as of today. He said 236 assessment payments for 2013 had been received, and the bank would be sending approximately 100 second notices to the homeowners with outstanding assessments.

Jud reviewed insurance and attorney invoices.

Rhonda Thomas reported three checks were dispersed. She distributed copies of the Budget vs. Actual report.

❖ Committee Reports

- **Architectural Committee** – Donna
  No report.

- **Covenants Committee –** Blas
  Rhonda Thomas distributed copies of the Covenant Violation Reports. She said the community was inspected on May 12 and 29 and six violation notices were sent. 14 violations were resolved.

  Blas said he was interested in modifying some of the verbiage in the Covenants.

- **Crime Watch –** Doug
  No report.

- **Social Committee –** Ron
  Ron requested Pete Lashenka's contact information to see if Pete would be hosting the Fourth of July parade as he did in the past. Donna agreed to assist with the event 10am-12pm. Ron said the fire truck would arrive at 10:15am, and he planned to order favors from Oriental Trading.

- **Landscape Committee** – Louis
  Lou reported the landscape company forgot to trim two oak trees, but would be trimming them this week.

- **Communication** – Louis
  Lou said the next newsletter would be in September.

The next Board meeting was scheduled for August 5, 2013.

❖ Adjournment

Donna made a motion to adjourn. Ron seconded the motion. All were in favor, and the motion passed unanimously. The meeting adjourned at 8:11 p.m.

Respectfully submitted,
Rhonda Thomas