

Carefree Club Board Meeting Minutes  
September 11th, 2017 7:00 PM

**Call to Order**

**Pass Attendance:** Erich Bauer, Dan Black, Jess Carrasquillo, Sandra Carrasquillo, Chris Cummins, Jamie Hawkins, Bev Huldeen, Naomi Lantrip, Ellen Morrow, Linda Stemnock, Steve Stemnock, Josh Wisby, Steve Wisdom

**Absent:** Patrick McMahon, Jenaca Tilson

**Guests:** Several guests were present

**Review & Acceptance of the August Meeting Minutes**

A motion was made to review January through July's meeting minutes and keep the August meeting minutes separate for an ad hoc committee to review. **8 Yes; 3 No:** Ellen Morrow, Dan Black, Bev Huldeen; **1 Abstain:** Josh Wisby.

**Corporate Secretary's Report**

Sandra Carrasquillo reported that out of the 532 Carefree Club members there are currently 13 members outstanding as of today. 5 of the 13 are habitual (1 in foreclosure; 1 appears to be going to a tax sale; and 1 is selling their house; 2 are just ignoring us). The house that is for sale has an offer and we stand to collect the \$3,712.40 in past dues dating back to 2008. Sandra also stated that 2 members have partial balances for this year. The total of Balance of Dues to be collected yet is \$4,088.80. This amount includes all partial payments received.

**Treasurer's Report (Approve July present August)**

A motion was made to approve July's treasury report was made, seconded, and passed unanimously.

Naomi Lantrip reported that the Corp-Gen Expense reflects West Bend Insurance for 2 payments. The Reserve Fund ending balance as of 8/31/17 was \$76,331.42. The Finance Committee is scheduled to meet on 9/13/2017 to set the 2018 budget. It was proposed during the board meeting to define and delineate duties as listed below and a motion to implement this procedure was made, seconded, and passed unanimously.

- Treasurer:
  - Pay bills and make deposits
  - Prepare balance sheet and income/expense statement as compared to budget
  - Retrieve mail at the PO Box
  - Provide annual financial statements to the CPA for tax return preparation.
- Board Member:
  - Maintain check register
  - Generate detail reports for Treasurer
  - Reconcile bank statements
- President:

- Retains check book
- Write checks for capital expenditures

## **Committee Reports**

**Pool:** Linda reported that the pool season ended on Labor Day, 9/4/17. There were 200 in attendance on the final day. Final Payroll has been submitted. She also noted that Steve has started to drain the pool. John Lester has made a donation to the pool for the part provided to fix the water fountain.

**Grounds:** Jess wanted to give a shout out to Alice and Doug Bush and Linda Stemnock because they helped Jess with branch removal over the electrical lines. He is pondering a couple trees that need branch removal. He is finishing up getting quotes on re-doing the west basketball court. Ellen reported that she reached out to Thomas Murray, an HOA/Club credentialed attorney, and this is what he said after reviewing our By-Laws:

- Ellen, I'll preface this by saying that I only reviewed your By-Laws, not your Declaration of Covenants. Although there is some ambiguity in the capital expenditure language, I believe that the INTENT is that your Board of Directors cannot spend money on one or more capital improvements if the TOTAL amount (regardless of the number of projects or contracts) would exceed the stated percentage of the annual budget, unless you get the additional homeowner and/or Board member approvals that are described. If it were otherwise, the provisions and the built-in "safeguards" would be meaningless.

Jess also reached out to Paul Corsaro, an attorney, who wrote the By-Laws and has lived in Carefree since 1971:

- Jess reached out to attorney Paul J. Corsaro, who has lived in Carefree since 1971. He wrote the By-Laws when they were developed in 1970s. He is still the attorney listed in the By-Laws on file at the Johnson County Courthouse.
- Jess went to visit Mr. Corsaro and specifically asked about Article IV, Section 8h item 2. Jess asked him to address the capital improvement expenditures between 5-10% of the total annual maintenance assessment. A small number of members were questioning the intent of this section of the By-Laws. Mr. Corsaro said the By-Laws state that this section is a Board of Directors decision, requiring a 2/3 majority of the Board for each item and it is not accumulative for all improvements within one year. He went onto state that if the Carefree Club Inc. did not operate this way the Board could never get anything done. There would constantly be ballots going out at a high price tag. He also stated the Board had been operating that way since Carefree Club has been in existence.

**Newsletter:** Jenaca sent out an email to send any submissions for the newsletter to her by the end of this week.

**Activities:** Bev reported that the "suggestion box" has received a few ideas: Zumba gold, square dancing, yoga classes, dominos, bible study, etc. She is planning to have a bonfire on 10/7/2017 (weather permitting) and said that Linda will be helping with this event. Bev wanted to thank the Board members for their efforts and advised that she has decided to officially resign from the Carefree Board effective 10/1/2017. She commended the community for being proactive to

improve the Carefree community.

**Web:** Erich reported that he added a “contact us” link that displays email links for each member of the Board. He is also looking at taking our sight off of a particular company’s site that has been pretty inexpensive and moving it to a private server site which will enable our site to be available more often. (Several people have mentioned that the CarefreeClub.org site has been down/unavailable from time to time). He will also get Chris Cummins’ information added to the website.

**Clubhouse:** Steve reported the clubhouse income from rentals for the month totaled \$882. He had \$217.45 in expenditures for the carpet cleaning. He will be contacting the trash company to reduce the trash pick-up to monthly starting 10/1/2017. Other expenses include: new light fixture in the women’s restroom (originally thought it was a light bulb issue, but it’s the actual light fixture that needed replaced) and he purchased more cleaning products. Linda Stemnock stated that she had left over cleaning products from the pool season to give to Steve for use in the clubhouse.

**Swim team:** Erich reported that he hasn’t wrapped up total figures for the year. He mentioned that he moved the display cabinet in the clubhouse and he had the funds to put up a digital picture frame that displays pictures from the swim team events throughout the season. He mentioned to the Board that he has the capability to add titled screens; “Swim Team”, “Hog Roast”, etc. That if they have pictures from each event that he’d be glad to put those up on the digital picture frame.

**Last Call for ballots to be turned in for the count.**

**Old Business: Carefree South sign**

- Jess advised that he has a meeting scheduled for 9/12/2017 and 9/26/2017 to discuss the best way to raise the additional money needed for the Carefree South sign. He also said that Naomi and Chris will be helping with this effort. He also mentioned that Erich has an anonymous donor that has pledged \$1,000 and with that the funds are still about \$2,000 short. Jess said the sign would be placed on the southwest corner of Fairview Road. Naomi mentioned that we have \$1,525 toward miscellaneous late fees that could possibly go towards the sign. The goal is to finish the project in 2017 and the sign would be the same size and likeness as the Carefree North sign. Erich offered any extra money generated by the swim team next year could be put towards the Carefree South sign.

**Treasurers bond or blanket bond**

- Ellen asked if we had a claim how does that work and if convicted, how would we get our money back? Chris said we would have to have a loss in order to file a claim. If it’s a big loss it would be a criminal charge. If over \$25,000 it would be criminal charges. (Jess I didn’t have your notes regarding the additional policy). Discussed between \$50,000 or \$100,000. A motion to accept the \$50,000 in additional coverage for a fee of \$48 annually was made, and passed unanimously. Jess will make sure that this gets taken care of.

**New Business:**

**Results of the 2017election**

- Sandra read the names from the voting results of the elected Board Members for the 2018/2019 term in no particular order: Erich Bauer, Ellen Morrow, Andy (last name?), Phil Wagoner, Sandra Carrasquillo, Steve Stemnock, and Jess Carrasquillo. The Board made the decision to discuss Bev's vacancy at the next meeting.

**Questions/ Comments from the membership:**

Next Meeting: We will meet October 9th, 2017

Motion to adjourn made at 8:30pm; seconded and passed unanimously.

Submitted by Jamie Hawkins Friday, October 6, 2017

[Tom Murray <tom@indianahoalaw.com>](mailto:tom@indianahoalaw.com)

To

[Morrow Ellen](#)

Today at 3:19 PM

Ellen, I'll preface this by saying that I only reviewed your By-Laws, not your Declaration of Covenants. Although there is some ambiguity in the capital expenditure language, I believe that the INTENT is that your Board of Directors cannot spend money on one or more capital improvements if the TOTAL amount (regardless of the number of projects or contracts) would exceed the stated percentage of the annual budget, unless you get the additional homeowner and/or Board member approvals that are described. If it were otherwise, the provisions and the built-in "safeguards" would be meaningless.

Thank you  
Tom Murray

P. Thomas Murray, Jr. | Attorney at Law | Fellow, College of Community Association  
Lawyers

**EADS MURRAY & PUGH, P.C.**

9515 E. 59th Street, Suite B | Indianapolis, IN 46216

(317) 536-2563

[www.IndianaHOALaw.com](http://www.IndianaHOALaw.com)

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