

ISSUE #1

MARKUP #1 ->

Section 1: [HLPOA By-Laws Article VI, Section 2 (Annual Budget Adoption)] Board Final Adoption of Annual Budget w

The Board of Directors shall prepare and adopt the annual operating budget for the ensuing fiscal year on or before November 15th of each year and mail a copy of the adopted budget and assessment invoice to each Member. The annual budget shall not require approval by the Members at the Annual Meeting.



MARKUP #1 · SUBJECTIVE OR OVERBROAD WORDING

BOARD & COUNSEL REVIEW

Sec. HLPOA By-Laws Article VI, Section 2 (Annual Budget Adoption) (p. 1): Adopting the annual budget purely by Board resolution without holding a noticed member budget meeting violates Ind. Code § 32-25.5-3-3

Statutory / Legal Reference: Ind. Code § 32-25.5-3-3(b)-(f) (Indiana Homeowners Associations Act - Annual Budget Meeting & Approval)

Statutory Comparison: Under Ind. Code § 32-25.5-3-3(b)-(f), the association must prepare an annual budget, provide notice and a copy of the proposed budget to all members at least 10 days before a meeting of the members held to adopt the budget, and only if a quorum of members is *not* present at the budget meeting may the board of directors adopt a budget that does not exceed 110% of the last approved budget.

CURRENT WORDING IN DOCUMENT:

[HLPOA By-Laws Article VI, Section 2 (Annual Budget Adoption)] Board Final Adoption of Annual Budget Without Member Meeting or Quorum Vote - The Board of Directors shall prepare and adopt the annual operating budget for the ensuing fiscal year on or before November 15th of each year and mail a copy of the adopted budget and assessment invoice to each Member. The annual budget shall not require approval by the Members at the Annual Meeting.

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):

Amend Section HLPOA By-Laws Article VI, Section 2 (Annual Budget Adoption) ([HLPOA By-Laws Article VI, Section 2 (Annual Budget Adoption)] Board Final Adoption of Annual Budget Without Member Meeting or Quorum Vote - The Board of Directors shall prepare and adopt the annual operating budget for the ensuing fiscal year on or before November 15th of each year and mail a copy of the adopted budget and assessment invoice to each Member. The annual budget shall not require approval by the Members at the Annual Meeting.) to conform with Ind. Code § 32-25.5-3-3(b)-(f) (Indiana Homeowners Associations Act - Annual Budget Meeting & Approval) and the manual attorney audit recommendations for Heritage Lake Property Owner's Association, Inc..