

October 6, 2018 Board Meeting Minutes (9:06-12:09)

Board members present:(A. Asby,President; D. Wessel,Secretary; J. Morrissey, Treasurer; R. Oakley, H. Whitworth)

- Meeting called to order at 9:06 (Asby)
- A. Asby reviewed items to discuss:
 - J. Morrissey-budget; will need to set a new one
 - Information from attorney meeting regarding unpaid dues
 - Develop agenda for next meeting
 - Work day projects
- Discussion:
 - Plague: discussed at Sept. 9th meeting and determined that individual ones could be presented outside of the SPPOA

Budget Discussion:

- J. Morrissey presented finances through Oct. 3, 2018 Actuals
- Budget vs Actuals reviewed; Board decided to include T. Winstead dues money in budget
- Pig Roast: moved from entertainment to meals; increase meals budget to \$700. Meals budget will now be for all workdays/special holidays
- \$52,853 in checking as of 10/3/18
- A. Asby motions to keep J. Morrissey in capacity to handle Treasurer duties outside of being a Board member. All in favor with J. Morrissey abstaining.
- A. Asby noted that Entertainment Committee wanted to include \$50 tip for DJ outside of the discussed fee. After discussion, the Board decided to allow for a tip jar to be present for others to use as desired.
- Budget was voted on: R. Oakley motioned, A. Asby – 2nd. All in favor with no opposition

Attorney Skinner meeting update to Board:

- A. Asby/J. Morrissey will type up key information from meeting with attorney and send to Board members
- 1 hour meeting cost \$200
- Questions asked:
 1. Where do we find information on SPPOA? We have an LLC status; possibility of charter. Secretary of State has Association listed as a non-profit. *Need to check on Federal tax basis. H. Whitworth was going to check with H. Trull regarding this.*
 2. New name should be SPHOA
 3. Electronic voting vs in-person: yes, electronic voting is acceptable (statutes 55A-7-04, 55A-1-70). *For Article 7 of Bylaws, may need to consider including information regarding electronic voting*
 4. A member owns 6 lots but pays dues for only 3. Do they lose right to vote? 1 lot =1 vote. Article 6 section 6 – R. Miller can have 3 votes vs 6 until all lots have no outstanding dues. Article 6 Section 1 states if you are not whole with community, you cannot hold and Officer position. Attorney Skinner stated to refer to our Bylaws regarding this. **Need to identify Officer vs Board member – are they the same? R. Oakley will type of clarification for all Board members.*
 5. Article 4 Section 2: N/A at this time, keep in place
 6. What does it take to exercise a judgement for non-payment of dues? If person resides in Warren County, file in Small Claims court at a cost of around \$30-\$40. Need to look at tax records for residency. If person resides outside of Warren County, file complaint in District Court. It is best practice to use an attorney if going this route. Attorney Skinner declined

assistance because he has conducted business with R. Miller in the past. Cost: \$1200 or more. Filing is about \$130. This would go on homeowner's permanent record for 10 years. Can be refiled 1 more time. **Recap:** a judgment goes against the person and has a higher cost. Would have to go to court and if Association wins, it will be paid with interest and court costs. Lien costs \$12 per lot. Possible steps for Association: 1. Lien 2. Judgement 3. Judgement with Foreclosure

- Attorney suggests sending out new bills with a 45-day time limit to pay; if not paid, state that a lien will be placed against property.
- Attorney commented that there was a person in Roanoke Rapids that collects HOA dues (property management). Board may investigate this in future if needed.
- Due to current circumstances and based on meeting with attorney, Board has decided to increase Court/Filing Fees to \$3000.
- Specify lots on each invoice; file for dues not paid (we already send notices before placing Lien)
- *Statute 47F: Planned Community Account: we are exempt because we were incorporated prior to this statute/account. However, we need to investigate as it may be retroactive to all communities.*
- Do individual liens need to be filed: yes

Other Discussion:

- Upcoming HOA meeting we will be voting on 2 Board positions (J. Morrissey and S. Satterwhite). Board will provide index card type "ballot" for nominees to be handwritten in. A poster board would also be used for documenting nominations garnered from the floor.
- Verification of multiple votes due to multiple lot ownership: T. Smith-2, H. Trull-2, R. Miller-3 (3 lots have outstanding dues balance)
- Determine number of homeowners needed for quorum:
66 total – 5 w/ unpaid dues = $61 \times 33\% =$ need 21 for quorum
- Change of password for Board of Directors section of website
- Workday projects: spreading of pea gravel in walkways, 4x4 placement, clean-up as needed
- Development of agenda for Oct. 13, 2018 HOA meeting

A. Asby motioned to adjourn meeting, J. Morrissey-2nd.

Meeting adjourned at 12:09pm

Items for follow-up:

- A. Asby/J. Morrissey will type up key information from meeting with attorney and send to Board members
- Need to check on Federal tax basis. H. Whitworth was going to check with H. Trull regarding this.
- For Article 7 of Bylaws, may need to consider including information regarding electronic voting
- *Need to identify Officer vs Board member – are they the same? R. Oakley will type of clarification for all Board members.
- *Statute 47F: Planned Community Account: we are exempt because we were incorporated prior to this statute/account. However, we need to investigate as it may be retroactive to all communities.*