

STEPHENS HILLS PROPERTY OWNERS ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING MINUTES
September 15, 2018

Board Members Present:

Juli Fendley
Gary Blaylock
Rich Brazzale
Glorian Drews
Ellen Fendley

Accountant:

Teresa Eddinger

Administrative Assistant:

Debbie Ford

Absent:

Joe Campbell – proxy to Rich Brazzale
Wes Wodahl – proxy to Rich Brazzale

President Juli Fendley called the Board meeting to order at 9:00 a.m. and established a quorum.

APPROVAL OF MINUTES:

Using email, Glorian Drews made a motion for approval of the minutes for the August 18, 2018 regular meeting. The motion was seconded by Rich Brazzale. Approval was given by Joe Campbell, Gary Blaylock and Wes Wodahl (by proxy to Gary Blaylock). The minutes were approved by majority vote.

GUESTS:

Laurence Rauscher and Kathy Zigler were guests at the meeting.

TREASURER'S REPORT:

The treasurer's report for 8/31/18 was presented to the Board. The beginning bank balance was \$37,582.40 with deposits of \$11,474.81 and expenses of \$6,062.49 leaving an ending bank balance of \$42,994.72.

The property collections report for 8/31/18 was presented for approval. The prior maintenance fee balance was \$51,239.80; prior mowing fee balance was \$15,854.00; current maintenance fee for the 2018/2019 balance is \$26,919.82; current mowing fee for 2018/2019 is \$5,550.00.

The financial report was accepted by the President as submitted.

Taxes, Annual Audit, Compilation, Auditor Requirements and Year-End Financials:

Teresa Eddinger has emailed and left a phone message for the CPA's office and has not received a response. She will continue contacting the CPA's office in order to request a letter of engagement. President Fendley added that the letter of engagement is not due until March or April, but found it is better to contact the CPA's office early.

Certified Final Demand and Settlement Letters:

Teresa Eddinger updated the Board with the following information:

- There has been \$6,530 accounts paid in full since certified final demand and settlement letters were mailed in August.
- Three owners have returned paperwork to set up payment arrangements. Ms. Eddinger is looking for signed contracts from four additional owners who requested payment arrangements. She will continue updating the Board on a monthly basis.
- Ellen Fendley asked if key cards have been deactivated for those who are on the payment plan. President Fendley explained that key cards are deactivated until balances are paid in full.

- Ms. Eddinger reported that there have been additional deposits totaling \$9,000 since the August 31 financial report. SHPOA is receiving full payment from people that have not paid in years.
- Ms. Eddinger contacted a deceased property owner's friend (who is handling her affairs) with the Board's response to consider charging only the current year fee of \$100 rather than the back dues amounting to \$500. The Board counter offered with \$250 and making yearly payments of \$100 going forward. She must contact the office when the property has changed over to her name. There has been no response as of this date.
- President Fendley asked Ms. Eddinger to research a deceased property owner's tax balance (in Sub III) and to email the information to the Board.
- President Fendley requested to have a statement mailed to a person interested in a lot in Sub II.
- The son of deceased property owners in Sub II contacted Ms. Eddinger to say he would deed two lots back to SHPOA. President Fendley said all costs for a transfer would be his responsibility. After more discussion President Fendley asked Ms. Eddinger to check on taxes owed and report back to the Board. The best the Board can do is list the lot on the office window and SHPOA Website.
- Ms. Eddinger asked the Board how to proceed with other names on the list of owners who owe over \$500. Several of the certified letters have been returned or ignored. President Fendley said to choose ten more names from the list to consider taking to small claims court. Do more research to be sure addresses are current, and email the names to the Board before filing in small claims court.

Liens:

Teresa Eddinger shared a list of property owners who had liens filed against them on March 27, 2009. Liens expire after ten years and those on the list should be refiled by March 27, 2019. Her report included the amount on the liens at the time they were filed and what the property owners currently owe. She cross referenced tax records against SHPOA records making sure the lots are still listed under the same name(s). President Fendley asked Ms. Eddinger to check our records to see if any of the lien amounts were written off. Until the state laws were re-written all amounts accrued used to be collectable. If the lien amounts for 2009 were written off they should still be collectable along with current amount(s) due. She said to reconfirm names first – these will be taken to small claims court (unless they have been paid). Ms. Eddinger will email the requested information to the Board.

Monthly Payment Plan:

- Ms. Eddinger updated the Board on the status of those who are on a monthly payment plan. President Fendley requested to have a letter mailed to one person on the payment plan who has fallen behind.

Database Search:

President Fendley said that Debbie Ford reported that the database search program she has been using has expired. She has had more success in finding addresses by using CAD and tax records. If necessary, she will use the database search program in the future.

COMMITTEE REPORTS:

ARCHITECTURAL COMMITTEE REPORT:

Sub III: Rich Brazzale made a motion to approve revisions to house plans that were previously approved by the Board. The motion was seconded by Glorian Drews and approved by the Board. President Fendley will email the owners with the Board's decision, and update architectural chair, Wes Wodahl.

MAINTENANCE COMMITTEE REPORTS:

Fire and Routine Mowing:

- Several fire mowing agreement letters were mailed in September. The deadline to respond to the letters is October 7.
- Gary Blaylock asked if fire mowing is completed twice a year and if it is a state guideline. President Fendley answered that fire mowing is a SHPOA deed restriction.
- Rich Brazzale confirmed that fire mowing will begin on October 15.
- President Fendley said if property owners who requested to be on the “no mow” list, and are not fulfilling their obligation to mow their lots, should be sent deed restriction letters. After the ten people (previously mentioned under “Certified Final Demand and Settlement Letters”) have been served in small claims court the focus will then be on those in violation of deed restrictions.

Mowing and Non-Mowing Deed Restriction Letters:

- Sub II: High grass, an unkempt lot and interior construction debris has been cleared from a lot in Sub II.
- Sub II: A “concerned neighbor” mailed an anonymous letter to the President’s home regarding an RV that has been parked on a street for several weeks. No RVs can be parked or placed nearer to the street than the twenty foot setback lines, and exceeding seventy-two hours, according to SHPOA deed restrictions. A letter will be written to the property owner.
- Sub III: President Fendley met with property owners who were mailed a fire mowing agreement letter. The owners keep their lots mowed; however, neighboring lots are not mowed. Rich Brazzale suggested to the property owners that they might wish to mark their corners with PVC. This would help keep their lots from being confused with adjoining lots that are not being mowed.

President Fendley asked that all property owners send correspondence to the SHPOA office rather than a Board member’s home. A “concerned neighbor” is one who would be checking on, or helping, another neighbor rather than someone who would send an anonymous letter of complaint.

Guest, Kathy Zigler asked President Fendley if the chair for Sub II, Sec 1-6, has contacted her regarding the amended deed restrictions. President Fendley said the chair has had health issues. The chair told President Fendley that she does not want to pass the amended restrictions. Ms. Zigler did not receive emails with the changes and President Fendley gave her hard copies. President Fendley mailed the same restrictions to resident Dawn Fink, who volunteered to help. She would like to see the restrictions passed.

President Fendley adjourned the meeting for a break at 10:20 a.m. The meeting was called back to order at 10:34 a.m.

Cover Letter for Deed Restrictions:

Rich Brazzale requested to discuss the letter that President Fendley will include when the amended deed restrictions are re-mailed. President Fendley said the letter clearly explains any changes to the current restrictions – most changes update the restrictions to current state laws. She gave a brief explanation where property owners requested to have a one-time assessment in order to make needed repairs throughout the subdivisions (including the swimming pool). These discussions took place at the SHPOA annual meeting on May 15, 2016, and were approved by those attending the meeting. An assessment committee listed needed repairs and collected bids. Legal counsel informed the Board that assessments could not be levied, or collected, unless it is written into the deed restrictions. The Board agreed to add an assessment clause to the amended deed restrictions. President Fendley explained that

another committee of property owners (and one Board member) would be created to determine project(s) or repair(s) needed and submit bids, with details and costs. This information would be mailed to all property owners for vote. If the majority of owners approve the project(s) and costs, a statement will be mailed to all property owners. She further explained that all property owners would then be required to pay for the project(s).

Boat Ramp Repairs:

Sub II: Rich Brazzale submitted two bids to have the Sub II boat ramp repaired. The Board agreed on a bid that included repairs where a property owner redirected the flow of water from his lot to the boat launch. At the August meeting the Board voted to allow the owner until September 15 to stake his property boundaries. The property boundaries have not been staked - President Fendley said to move forward with our own survey of lot 613. Glorian Drews will take charge of contacting the survey company that SHPOA has previously used. An estimated cost to survey the lot is \$700. President Fendley asked Rich Brazzale to advise the property owner of the survey, and the bid for repairs to the boat launch. Mr. Brazzale will explain that the Board is willing to work with the property owner on an agreement to pay costs for the damages caused by redirecting water flow to the ramp. The total cost for repairs to the launch are \$7,371.50 (including the damages made by water diversion).

The fence on the opposite side of the ramp that was built many years ago will either be replaced, or taken down. Our survey indicates that part of SHPOA property is being used by neighboring property owners. A letter was written to the owners allowing them the opportunity to purchase this part of property (before their home is sold). President Fendley reminded the Board that any SHPOA property that is sold must be approved by a majority vote of all property owners. This can be added to the special meeting being held in November (for amended deed restriction voting). A proxy ballot would be required.

NOMINATING COMMITTEE REPORT:

There was nothing to report.

LITIGATION:

Small Claims Court:

- Sub II: A property owner requested payment arrangements through small claims court. The amount offered would not pay off the balance within the required eighteen month period. The Board made a counter offer giving the property owner until September 14 to respond. The owner did not respond - President Fendley asked to proceed with the case through small claims court.

OLD BUSINESS:

Signatures for a petition addressing on-going problems with LLWSC (poor water conditions, lack of water pressure, etc.) have been collected and will be mailed to the water company.

Deed Restrictions:

- The Board reviewed the amended deed restrictions and cover letter.
- President Fendley will email the restrictions and cover letter to the Board for final review and approval.
- The cover letter will explain all changes regarding the deed restrictions.
- Debbie Ford and Teresa Eddinger will have the amended deed restrictions, and proxies, printed and mailed.
- Property owners will have an opportunity to attend the October 20, 2018 meeting for a question and answer session.

- Copies of old and amended restrictions will be kept in the office, for review and comparison, on Sundays between 1:00 and 4:00 pm for any property owners who wish to review them. All changes will be highlighted.
- A special meeting will be held in November to count proxies and live votes.

NEW BUSINESS:

President Fendley presented details and cost for the renewal of the commercial insurance policy. The amount of \$4,070.86 is less than last year. Glorian Drews made a motion to approve renewal and payment for the insurance policy. The payment was seconded by Gary Blaylock and approved by the Board.

Glorian Drews made a motion to adjourn the meeting. The motion was seconded by Gary Blaylock and approved by the Board. The meeting was adjourned at 12:10 a.m.

NEXT REGULAR MEETING: October 20, 2018 at 9:00 AM