

Special Meeting – January 2, 2018

Board Members present:

Debbie Sapliway

Larry Willis

Cherie Hardy

Bob Sook

Jerry Sadauskas

Petitioner's present:

Greta Schindler

Richard Sliker

Ray Brick

Rodney Caudle

Ken Elmendorf

Bernie Bugg

Loretta Russell

Larry Heady

Pat Sadauskas

Other's in attendance:

Joel and Kathy Gorgrant

Nancy McCorkle

Cindy Williams

Darla Eckley

Petitioner's not in Attendance:

Sharie Brick

Rachael Slicker

Ben Horton

Gary Sutton

Mat Kuzdrall

Richard Bement

Ryan Korros

Ed Odem

Steve Heady

Richard Beasley

Ron Modest

Tim Costner

Steve and Margaret Charles

Marjee Henderson

Shawn Scott

Glenn Gunther

Libby Costner

Joann Heady

Sue Sliker

Tom Schindler

Gregg Nevitt

Heidi Sook

Becky Elmendorf

John Sapliway

The meeting was called to order by the President, Debbie Sapliway, at 10.00 am.

Debbie informed the attendees that the meeting was being recorded.

Petitioners were called on to ask their questions as follows:

Ken Elmendorf. He had no questions at this time.

Greta Schindler. She requested to receive a copy of the revised budget adjusted for the change in billing for mowing the common area on private lots. The board agreed to send her a copy.

Ray Brick. Stated that he understood the ponds were owned by the Property owners and the community did not have access to the ponds. He wanted to know why the community is paying to maintain them. Debbie read the Water Drainage easement prepared by Turner Padget and filed with the county that the ponds were private but required to be maintained by the POA.

Richard Sliker. Stated there is a drainage ditch beside his property for runoff from the road, which he maintains. He wanted to know if the community will maintain that ditch. He currently mows and removes leaves. The Drainage easements were public until 4/22/99 when they were changed to private drainage easements. Debbie said the POA would consider major maintenance to the ditch. He asked for a definition of major. Debbie also mentioned that the previous board authorized \$700.00 to be spent bush hogging the public ditch that runs from behind Eckley's to behind Hudson's. Cherie commented there was a meeting May 15th which included several residents that live on a pond, Libby and Lauch from Coastal Pond Solutions. Estimates were given for mosquito and algae control, fish,

fountains and fountain maintenance. Lauch also explained that the ponds and drainage easements are part of our community's storm water drainage system mandated by the county. More of the same discussion regarding ponds continued.

Larry Heady. He understood the ponds are private property and he has been maintaining the ditch on the side of his house for 12 years. He stated that it was put in by the original developer in 1997. He asked why he should maintain that ditch. Again, the Drainage easements were public until 4/22/99 when they were changed to private drainage easements. Pat Sadauskas commented that the POA has no responsibility and she wondered if the people who live on the ponds went to the county to get a reduction on their property taxes. The two board members who live on the ponds said they did not. She asked if she could walk around the ponds and look at the fish. Pat Sadauskas read part of the attorney's wording on his June 14, 2017 letter to Libby. This letter covers phases 2A and 2A-1 only. In this letter he states "the conveyance of the lots is subject to the easements of record shown on the aforesaid plats. Plat Note #15 states that "the ponds are to remain private and be maintained by the POA". There was much additional conversation regarding the ponds covering the same points. Someone asked if the same law firm provided Libby's letter and the letter read by Debbie. The answer was yes.

Rodney Caudle. Had no issues, signed petitions so that people could air the grievances. He felt the longer it goes the worse it gets.

Libby wanted the community to be informed, in addition to the date and time, the place of all meetings. Not to speak but to be there, so they would know how the board arrives at their decisions. Again there was more discussion on the ponds and easements. Debbie again referenced the Water Drainage easement prepared by Turner Padgett and filed with the county that the ponds were private but required to be maintained by the POA. The Board is seeking legal advice regarding the storm water drainage system maintenance.

Bernie Bugg. He stated that the current company mowing the common area wasn't given an opportunity to quote on the mowing contract for next year. Sadauskas explained he received three bids and used Webber's current bill as their quote. Bernie felt that there is a major change between the amounts of grass to be mowed in 2017 versus 2018, although the only change is the Demos property for part of the year. The Lundy and Maples property were cleared at the start of 2017. Bernie also felt that the meeting was held at an inconvenient time as not everybody is retired. The meeting should be on the weekend or at night to be less inconvenient to the people that work, but could be more inconvenient for other groups of members. He also felt that anybody that runs for the Board should be able and willing to do any job that the Board may require. At the next open meeting, we can discuss whether we want to add this requirement to this year's request for candidates to the board. He also asked about the use of PAM for the accounting of the POA books. He stated the books had been done for 17 years without paying someone. The board is researching the ledgers back to 2006 to see if there was ever compensation paid, and we will report back at the next open meeting. He also questioned the Christmas decorations and thought they were minimal. Debbie explained her main concern was that last year the POA incurred a \$351.00 bill from Carolina Time to have the technician come out and adjust the decorations because they interfered with the operation on the gate. Bernie, Libby, Pat and a few others strongly voiced the

opinion that that never happened. Debbie has since e-mailed a copy of the bill from Carolina Time that states that is exactly what happened.

Pat Sadauskas. Commented on the landscaping at the front gate and asked how Jerry decided to award the contract. Jerry Sadauskas explained how he reached the decision on the landscaping. Many members have complained about the landscaping, and Jerry said he provided Webber with a sketch of what he wanted at the front gate and Webber decided to do his own thing. Pat Sadauskas stated the board was cheap when spending POA member's money. The Board took that as a compliment. Pat Sadauskas asked what the \$1,200.00 was for in regards to the ponds. She was concerned when the amount couldn't be detailed in total. Bernie expressed a similar concern and Libby asked if the general reserve fund could be guaranteed. That calls into question many items in the budget. Items such as legal fees, gate repairs, office supplies, grounds Labor and Material, irrigation repairs, ground supplies and equipment, road/entrance maintenance, and miscellaneous expense, Plan review fees, road reserve contributions, gate remote profits and certificate of assessments. Of the 19 line items budgeted for 2017, none of them came in as budgeted; some of them were as much as 200% different than budget. All these items cannot be detailed or guaranteed in total and are based on the experience and best judgment of the Board. As an example we do not know if or when the gate will break, but we use our best judgment as to an amount that may be required for the year. Another example is legal fees. Last year the Budget was \$3,500 on professional and legal fees, the actual came in at \$6,160.25. Pat Sadauskas also assumed that the only person that can help the Board prepare the Budget is the treasurer. Several attempts were made to clarify that the Secretary helped the Board prepare the Budget and that did not make that person the Treasurer.

Loretta Russell. Commented that she sent an e-mail 4 days before Christmas about the Christmas decorations at the front gate not being adequate and 4 days before Christmas receive a response about chairing the decorating committee. She felt the response was inadequate and not enough time to respond. Loretta also wanted to know how \$297 in interest in 2017 going to \$1,250 in 2018 was a 420.9% increase and where she could get that rate. It was explained that 420.0% was the increase from year to year, and not a return she should expect on her investments. $1250/297=420.9\%$. Bernie also asked as to whether that increase was due to investing more funds or getting a better interest rate. The entire increase was due to an improved interest rate, and none of it because of increased deposits. The same exact money was transferred from NBSC to CCNB. As dues are paid at the beginning of the year, there is less money available as the year goes along because bills are paid all year and dues are collected once. There was a comment that it was an introductory rate, but it was not. There was also a question as to whether the Board would need to draw money out of the CD fund. For that to happen the Board would need to deplete all the money in the operating fund and the money market fund, approximately \$76,000.00, and it is very unlikely that would happen. Again there was much discussion on the ponds. Debbie again referenced the Water Drainage easement prepared by Turner Padgett and filed with the county that the ponds were private but required to be maintained by the POA.

Greta. Wanted the Board to consider appointing one person on each street to be a representative of the street to attend Board meetings and discuss the streets issues with the Board. The Board promised to consider it.

Tom Schindler commented that he maintained a ditch where he use to live, but was no longer able to do it, and he thought the POA should maintain the ditch behind his house.

Glenn Gunther. He talked in general about Board functions, responsibilities and difficulties.

As always, please feel free to contact the Board with questions, concerns, and suggestions.

Debbie adjourned the meeting at 11:02 am.

Additional Business:

The Board has voted to impose a late fee, as provided for in the CCR's Article II, section 6, of \$25.00 plus 5.5% interest on any account more than 30 days past due.

The Board has also voted to change the D/O insurance from our current supplier to Liberty Mutual. This will improve our coverage and lower our premium approximately 20%.

