

# **Meadow Creek Home Owners Association**

## **Board of Directors**

### **Meeting Minutes for October 27, 2005**

The meeting of the Board of Directors was held at the home of Doug Van Lare at 7:15 pm on Wednesday, October 27, 2005.

Those present: Nathan Fisher, Ken Hopkins, Anne MacArthur, Anthony Piraino, Doug Van Lare, and Debra Whitlock.

Ken Hopkins stated that the first order of business would be to approve the minutes from the last meeting. A motion was made to do so, was seconded, and the minutes were approved unanimously.

Hopkins explained to Debra Whitlock the board's previous decision to divide up the neighborhood to get ballots signed. Whitlock then passed out a spreadsheet (Tabulated Votes for 2005.xls) showing previous vote tallies broken down by address, explained how the spreadsheet was set up, and suggested using a similar method for counting votes. Anne Mac Arthur asked for an explanation of the parking restriction ballot. Whitlock explained how it was broken out into 3 parts and turned over folders with ballots collected so far, along with a blank ballot for making more copies. Whitlock suggests leaving copies of the ballot if people aren't home when we go door to door, so they can look it over and turn it in later.

Hopkins asked who is responsible for maintaining the streets in the neighborhood. Whitlock stated that the state maintains curbing and asphalt, and the community is responsible for how it's used. The city sets speed limits. Parking, safety and aesthetics are under control of the community and the board. When asked who is responsible for having the streets plowed, Whitlock said the city will not do plowing. However, the city is responsible for the storm drains. She responded to a question about potholes by saying that the state would have to assess damage before repairing potholes. Doug Van Lare asked if the developers are done with everything in the neighborhood, and Whitlock confirmed that the developers are done and have turned everything over. MacArthur asked what was known about the community down Kelso, but Whitlock was not sure, saying that she had heard two different things about what's happening there.

Moving on to financial records, Hopkins asked if there is a provision for an audit of the HOA financial records. Whitlock stated that a full independent audit occurred in January or February of last year, and it showed that everything was balanced when turned over to homeowners. We are not required to have another audit because the responsibility for the finances hasn't changed hands. The audit cost about \$2500.

Whitlock said that May Gale Mengert has contracts in the mail to us based on two options for management services:

**Option 1:** \$300/mo (this is the current contract, and it stays in place unless 30 days notice is given to cancel). This provides for invoicing, collecting of dues, but not much else.

**Option 2:** \$650/mo (\$7800/yr). This provides full management, taking over the “administrative headache.” Whitlock explains that management involves a lot of paperwork and tracking issues like architectural compliance and fees and such. With the full service contract, the management company can run the community meetings, and it helps that they are detached and not living in the community.

### **Committee Budgets:**

#### **Newsletter Committee** (headed by Arlene Diugnan)

- Website: \$15/mo webhosting, \$6 annual domain registration fee. Bryant Dargan doing the web design
- \$240 miscellaneous printing expenses

#### \$426 annual requested budget

According to Whitlock, we paid \$294 to print this year’s newsletter, and the committee is planning to make pdfs of most newsletters and only print two newsletters per year.

At this point, Whitlock informed us that Karen Adair was the previous secretary/treasurer, and since she stopped participating there are no minutes of the October 6th meeting. Whitlock wanted to print contact phone numbers and also wanted to be informed as to how May Gale Mengert will figure in to things in the future. Van Lare gave Whitlock a copy of the current board’s contact info that was compiled at the previous meeting.

#### **Welcome Committee** (no chair):

According to Whitlock, they did a lot of research towards creating welcome baskets for new residents, bought napkin liners and baskets, got coupons and menus from stores.

- Welcome baskets for 20 residents: \$40
- Printing: \$20
- Two bags of mint candies \$4
- Cookies: \$5/basket

#### \$164 annual requested budget

#### **Social Committee** (no chair):

- Flyers and copying: \$60
- Easter event (candy, snacks, prizes, helium, paper products): \$140  
(Whitlock thinks that's low, saying we spent \$240 this year)
- Early summer barbecue, food, paper goods, entertainment: \$770
- Movie nights, two at \$25 each: \$50
- Hayrides: \$350

- Luminaries for Christmas, two per driveway (candles): \$200, need to throw in \$50 for sand

\$1560 annual requested budget

**Other expenses incurred this year so far:**

- Legal and accounting: used Steve Black at Forman, Rossabi and Black  
Spent \$1610 through August, Whitlock says this should be enough to budget.
  - Social expenses: spent \$1050 through August
  - \$25 for bank service charge
  - Insurance through State Farm: \$627
  - Lawncare: \$700/month, includes bush hogging of common areas 4 times, pruning, weeding, debris removal. Whitlock states that we had been paying \$1200/mo for the previous service, and suggests getting the front added too the contract. The front is currently being done, but it's not a mowing contract, it's only bush hogged seasonally, twice this year so far. She says that Donnie, the person holding the current contract, is great to talk to, and will make sure things are done right if you talk to him about problems. The original company, according to Whitlock, was not willing to work with the board in bidding on contracts.
  - Utilities: \$15.38 to city of HP, unknown reason
  - Electricity: \$600/yr for streetlights through Duke Power
- Whitlock informs us that the sprinkler system up front was cut off when the builders were done, but it can be repaired by Donnie, and should be repaired to help maintain the community entrance.
- Beautification committee: spent \$600-700
  - Water and sewer: \$67.90 has been spent up to October, and \$200 is budgeted

Whitlock states that the management company provides us financials under the current contract, and that we are approved for a \$25,000 loan (5 yr loan). She also says that two checks need to be deposited back into the account: A check forwarded to the Welcome Committee that was not needed, and one check from High Point for the beaver dam, which is a refund of \$200 that was not needed to complete the project.

Regarding landscaping, Whitlock says that the previous board asked 5 companies to bid, but only two actually made a bid, and copies of those are in the binder. The previous board went with Donnie, and the contract went into effect May 1<sup>st</sup>. 30 days notice is needed to cancel.

Whitlock states that copies of letters from homeowners, other correspondence, resident listings, committee correspondence, and sections for planning and bidding are also in the same large binder. The resident list, she says, is only people who closed by July, so some may be missing.

Whitlock passed out results from a survey of homeowner desires, explained them, and then passed out important phone numbers. She informed us that for streetlight repairs we need to let Duke Power know which address the light is at, and that Derrick Boone is the person with the City of High Point who handled the Beaver Dam.

Whitlock then turned over the big binder to Hopkins.

Whitlock informed us that Jan 5, 2006 6:30 is the time scheduled for the next association meeting at Covenant United Methodist Church. May Gale will come to the meeting for an hourly rate under the partial contract option for about \$175 per hour, she's scheduled to come to the meeting now under the current full service contract, and we need to let her know if we don't want her there.

Whitlock then turned over full architectural maps and playground research materials to the board.

Whitlock went on to provide more information on various committees, beginning by saying that her husband headed the Architectural Committee. He doesn't want to head it up any more but will still work on it. She also informed us that Doug Houck will still do work on his committees, but doesn't want to head up any committees.

Whitlock informed us that the Architectural committee met and walked the whole neighborhood. Whitlock had gone through every form on file to note what was submitted, and the committee took that info and followed up on it, inspecting for compliance. A provided spreadsheet (Architectural Committee - Inspection Worksheet June 2005.xls) notes the results. Whitlock says that noncompliant homeowners need follow-up letters sent to them. She stated that she believes it's best to stick to the bylaws and not to "give too many passes" for things. If exceptions are made, others will want the same in future rulings, and they can hold you to it in court.

According to Whitlock, currently there is an issue with the shed of one of the homeowners, and he's asked for a board review of his situation. Whitlock said that we need to set a date for a review of the situation and he must show up if he wants to give his side of the story. At that point, we are to hear him out, thank him and dismiss him, then board makes a final decision and delivers it by certified letter. He then will have 10 days to follow the decision (if he is ruled against), or else fines may be imposed, up to \$150 per day. To initiate this, a letter needs to be sent setting up a date for the review. Whitlock said she will send it to him and let him know his contact will be with the new board.

Whitlock told us that one of the binders she provided to us contains architectural guidelines, correspondence, and outstanding letters for review issues, all broken down by year. Van Lare asked if any of our correspondence needs to be approved by a lawyer before sending it out, and Whitlock replied that we did not need legal approval before sending out any correspondence.

Whitlock stated that with regards to the Architectural Committee, Jeff can't get any responses from anyone at this point, and that regarding the Social Committee, Debra is not going to lead it and that it has had a tough time this year.

Hopkins asked if the arrangement with the church for meeting space is through Whitlock specifically, and she replied that anyone can set it up, and Thursdays are best night of the week for them. She said to talk to Beverly, office manager, and she can book all of them for the year. No donation has been made to the church.

Hopkins stated that his previous neighborhood had a voluntary homeowner's association, and they used to post a sign with meeting info where everyone could see it. Whitlock replied that the previous board had been considering into putting a plexiglass enclosed sign board by the mailbox, and were looking into prices. At this point, Whitlock turned over the key for the community mailbox to Van Lare.

Hopkins asked if there was anything else we needed to go over with Whitlock. Whitlock mentioned the rental home that was questioned recently, stating that it has been rented for last two years, and several other homes are being rented currently. Homeowners can assign common area rights to renters, including right to vote. Bills and legal letters still go to the homeowner. For architectural issues, letters need to be sent to homeowners too, since a lien could go on a home from noncompliance.

Anthony Piraino asked about liability insurance for the board, and Whitlock replied that there is \$250,000 liability insurance for each board member, held by May Gale. Whitlock said that she often consulted with May Gale before making decisions or bringing issues to the board. She recommends using her, saying that she's a good resource. According to Whitlock, Spencer Ferguson wasn't so good, and would never call or talk on the phone, mostly conversing by letter. Whitlock stated that we need to decide within the next 60 days if the dues will remain as is, or they can increase by 5% for January 1st without a vote; more than that amount requires a vote. She said that we must give notice of dues by December 1st and invoices must be mailed by January 1st. Whitlock stated that we should communicate this decision to May Gale Mengert. Mailing costs (e.g., for sending invoices) are in addition to the contract. According to Whitlock, notice must be sent by us if we don't go for the full contract with May Gale.

Whitlock informed us that she is available to us Tuesday and Thursday through December if we need her.

Hopkins stated that we need to set next meeting, probably for mid-November to settle financial matters. After discussion, the meeting was set for Tuesday, November 15 at 7pm.

Hopkins stated that we also need to schedule the Meet The Board open house, and it was decided that we would figure out a date later via email. Whitlock said that we need to get notice out regarding when the community will have Halloween, and suggested making a sign at the front of the community.

The meeting was adjourned at 9:08 pm.

Respectfully submitted,  
Anthony Piraino, Secretary