

The Summit Property Owners Association

2021 Annual Meeting

**Cedar Grove Church
160 Toney Road, Bostic, NC 28018**

11:00 AM

October 16, 2021

POA Board Members: Carlos Borrás - President
 Sherron Timmers - Vice President
 Doug Miller - Secretary
 Sharon Pilker - Treasurer
 John Palella - At-Large Director

AGENDA

- I. Call to Order - The meeting was called to order at 11:12 am by Carlos Borrás.
 - a. Head Count/Vote Count - There were 23 owners present representing 42 lots. There were 29 proxies/ballots accepted by the Secretary representing 36 lots.
 - b. Establish a Quorum - The quorum was 25. There were 78 total votes represented at the meeting, establishing a quorum.
 - c. The Vice-President of the Board, Sherron Timmers, made an unscheduled opening statement raising an objection to the proxy that was sent out to the members prior to the meeting. This resulted in a motion by Charles Baldwin that the proxy/ballots be thrown out. The President called a brief recess to let the Board discuss the motion. After the recess the President denied the motion.
 - d. New Owners Introduction - We have seven new property owners since the last annual meeting. Two of them were at the meeting and introduced themselves.
- II. Reading of the Minutes - A motion was made by Steve Brooks and seconded by Joseph Porto to approve the minutes of last year's meeting without reading them. (The meeting minutes are on The Summit website.) A vote was taken and the minutes were approved.
- III. Financial Report - Sharon Pilker delivered the Treasurer's Report (attached).
 - a. Dues - \$39,435 was collected for 2021 (including one late fee).
 - b. Paying dues online - The President reported that several members had asked for the ability to pay dues by credit card. The Board researched several options before agreeing to set up a PayPal account accessible from The Summit website. There would be a nominal charge to any member who elected to use this payment method. The President is working with Steve Peng to set up this feature on our website.
 - c. 2022 Proposed Budget and Vote - The Income and Expense Report (including a proposed 2022 budget) was sent to all members prior to the meeting, and was also

made available at the meeting. There was no discussion on the financial report. The President called for a vote on the 2022 budget. (This item was included on the paper ballots handed to members before the start of the meeting, and was included on the mail-in ballots sent to all members.) The new budget was passed.

IV. President's Report - Carlos Borrás

a. Old Business

- i. Road Repair - Doug Miller reported on the road work that included a newly paved parking area at the mailboxes and several large patches. The contractor will be coming back later this year to fill cracks in the pavement. A member asked for clarification on the paving contractor hiring process. Doug Miller reported that five regional contractors had been contacted, but only one showed up to give us a quote. That contractor was selected by default.
- ii. Road Shoulder Maintenance - Sharon Pilker reported that our grass maintenance contractor (Essential Property Management) would be cleaning storm drains in the right-of-way ditches this Fall. They will also be clearing the ditch banks of small trees with a side-arm cutter.

b. New Business

- i. Summit Bylaws Vote - After discussion, the vote on the Bylaws was tabled.
- ii. Rules & Regulations Changes - The President reviewed changes to The Summit Rules & Regulations (this document was made available at the meeting). Main points included:
 - Regulations already stated in The Summit Covenants were removed.
 - Setback requirements (from the Rutherford County Subdivision Ordinance) were added.
 - A supplement to the camper/RV rules in the Covenants was added.
 - A requirement that Covenants and Rules & Regulations be given to any new or prospective property owner.
 - A section was added to address recreational campfires.
- iii. New POA Documents - The President introduced two new documents for use by members. A *Rules for Renters* sheet (made available at the meeting), to be given to all renters, covers basic covenant requirements pertinent to them. There is also a new property owners *Contact Information* form.

c. Sub-Committees

- i. Beautification - Cathy Miller reported on beautification efforts at the neighborhood entrance, as well as wreaths/bows for our signs for the holiday season.
- ii. Security - Steve Peng discussed our plans for the two cameras at the neighborhood entrance. Carlos Borrás told the members that POSTED signs are available for owners of lots that are on the outside border of the neighborhood. A member mentioned that the keypad at the entrance was unlighted. The Board agreed to look into it.

d. Vote for Board of Directors for 2022 - The President introduced Brian Fischer, who was the Board's nominee for the director position created due to Sherron Timmers rotating off the Board. Brian was given two minutes to introduce himself. The President then opened the floor for other nominations. There were two nominations from the floor, Steve Brooks and Jan Young. Each of them was given two minutes to share their reasons for wanting to be on the Board. A motion was made by Steve Brooks and seconded by Jerry Wiggers to vote on the nominees. (These included two Board directors who were running for re-election, Carlos Borrás and Sharon Pilker.) Votes were cast on paper ballots (handed to each lot owner before the meeting). The votes were counted by the Board directors who were not on the ballot (Doug Miller, John Palella, Sherron Timmers). The following persons were elected/re-elected to the Board:

Carlos Borrás

Brian Fischer

Sharon Pilker

e. General Discussion - There was a discussion about The Summit POA committees (e.g. what were they, how did one get to be on a committee).

V. Adjournment and Light Lunch - A motion was made by Michelle Eder and seconded by Victoria Palella to adjourn the meeting at 1:15pm.

Doug Miller - Secretary

2021 TREASURER REPORT

2021 To Date Financial Position

- We have zero delinquent properties at this time.
- Account balances as of 11 October 2021:

Truist Bank	\$26,161.61
Vanguard Money Market	\$2271.17
Vanguard Stock Fund	<u>\$284,364.75</u>

TOTAL: \$286,635.92

2021 Income

- Dues collected for 2021 are \$39,435.00 in total (this includes dues of \$39,350.00 and one late fee of \$85.00).
- As of 13 October 2021, we have 77 people that own one lot. We have 44 lots that have 16 owners for a total of 121 properties. Of those 44 lots 20 are paid and 24 are exempt.
- The goal of the un-budgeted investment gains is for these gains to “keep up with inflation and keep The Summit in a great operational condition”.

2021 Spending

- As of this date, our normal month to month spending has aligned with our 2021 budget. We still have expenses for the annual meeting, three months of electric, and will be having Essential Property Management clear common area drainage ditches that are blocked with leaves. This cleanup will cost \$90.00/hour. We are also in discussion with EPM to do general road hill cutting where needed. Price to be determined.
- The Board of Directors contracted this year with Tri City Paving to repair several areas in the development that had major damage and pave the area located by the mailboxes. This work has been finished at a cost of \$32,856.00 and has been paid.

An additional contract has been entered into with Tri City Paving to fill all cracks on the roadways within the Summit. This expense will be \$16,337.00 and could potentially occur in the spring 2022.

As a result of these two major improvements, \$10,500.00 was withdrawn from the Stock Fund to insure sufficient funds for these contracts and normal operating expenses.

Collections for 2022

The following was the billing/collection plan for 2021 and will be used again in the 2022 year:

- By November 15, 2021 send out annual bills for 2022
- December/January receive all on time payments (these accounts get the \$150 discount because they don't have an outstanding balance on January 31, 2022)

- February 1st - All accounts that did not pay are now delinquent and owe \$550 for 2022.
Note that checks must be RECEIVED by January 31st in order to qualify for the \$150 discount. Just dropping it in the mail is not enough.
- February 5th - For all the owners that have provided a working email address, we will send out a reminder about the current overdue payment. For those that did not provide an email address we send a reminder by regular mail.
- February 15th - we will send “15 day” letters to each of the delinquent accounts, starting the legal process for foreclosure.
 - Include invoices for:
 - 2022 Dues \$550
 - Late Billing Fee \$25
 - 15 Day Letter \$50
 - Certified Mail \$10
 - Total Owed \$635
- March 7th – Put liens on all late properties. The costs shown below are from 2015. This amount could be higher if we need to use this measure in 2022.
 - Send updated invoices to include:
 - Lien cost \$450
 - Late Billing Fee \$10
 - Total Owed \$1095
- April 15th – Begin Foreclosure