

Minutes of Annual POA Meeting - October 7, 2023

Held at Fairview Baptist Church

Meeting called to Order at 11:02 AM

Established Quorum

New Owner introduction - Steve Callahan & Cecilia Wise (lots 18, 19, 20), Mike & Terrie Smith (lot 73)

Reading of Treasurer's Report

Old Business

-Voting Results-

Amendment 1-Contiguous lots explained, results 1 - 80 votes for, 13 nay, 28 abstentions

- Delayed subsequent votes effect - USPS
- Would have passed.
- Clarification on NC law requirements votes and dues
- Detailed discussion on contiguous lots vs assessments owed
 - Question raised - Is 1 vote per lot required by NC law?
 - Question raised - Is the 1 fee per lot required by law?

Amendment 2 - 55 votes for, 37 against, 29 abstentions

- If BOD will evaluate this amendment to see if further action is to be considered.

Proposed approach to new presentation of Amendment 1 was discussed;

- Verify contact addresses, phone numbers, e-mail addresses of members.
 - Complete/update as required.
- Board to discuss options to be evaluated for consideration.
- Options to be reviewed by attorney to determine
 - legality of proposal(s)
 - litigation exposure
- Present viable options to members to determine support.
- Based on member feedback, a Ballot will be developed and sent.

Ring camera completion schedule:

- Cameras ordered and should arrive by the end of October.
- New camera (2) locations and coverage areas presented.
- Online storage would be utilized for security purposes.

Roads discussion:

1. Quoting process involved 2 companies.
The reviews were that they both had similar evaluations with similar pricing.
A choice was made due to references which favored 1 company as being easier to work with.
2. Overall approach was to prioritize the road repairs based on what would yield the lowest overall, final cost to the membership.
3. Worst areas to be repaired first within stated budget Summit/Adirondack.
4. White, Low visibility centerline installed.
5. Next step - Preservation of remaining areas so they don't get worse, then continue with repairs.

Committees -

1. Community participation was emphasized.
 - Beautification - Decorating for holidays, etc.
 - Need of members to be involved
 - Road scouting / reporting -
When walking etc., keep an eye out for things that need addressing & report.
 - General Discussion open

New Budget presentation:

1. Presentation of Proposed Budget - Carlos Borrás
Motion and second
Approved as presented.

Voting for open BOD seats.

- 3 board seats established as being open for the next term.
- Nominations were presented by the BOD;
 - Patrick Conner - was nominated and qualifications were read
 - Brian Fischer - is running for second, 2-yr term
 - Steve Brooks - completed term of S. Pilker and is now running for his first 2-yr term.
- A call for additional nominations was made. No additional nominations were made.
- The motion was made, and seconded, to accept the slate as presented.
- The accepted slate was approved unanimously by vote.

Spare PO Box keys

Steve Brooks stated that there were "spare" keys for some of the mailboxes. It was stated that, for security reasons, these keys would be distributed by inserting them in the mailboxes while mail was being delivered. The keys would then be available to the individuals when they picked up their mail during the regular delivery process.

Additional motion:

Member John Palella (lots 50, 112) made a motion to have the contiguous lot changes placed on the BOD agenda for consideration at the next meeting. It was noted that the discussions desired, have been, and will continue to be made. Mr. Palella was reminded that after evaluation by the BOD, and the POA attorney, this subject matter, as deemed appropriate, will be presented to the membership in the very near future for their consideration.

Declarant update:

The membership present was notified that the Declarant had recently released his rights regarding the community. This release provides that the community is now self-governing.

Meeting adjourned 12:55pm

The Summit Property Owners Association
ACTUAL vs. BUDGET YTD 2023 & PROPOSED 2024 BUDGET



G/L Account	Sub-Account	2023 Approved Budget	Actual/Projected Income & Expenses (Jan-Dec 2023)	Proposed 2024 Budget
Income	Membership Dues	\$38,400.00	\$38,450.00	\$ 51,700.00
Expenses-Facilities & Equipment	Landscape/Mowing/Common Grounds Maintenance	\$12,500.00	\$12,600.00	\$ 11,500.00
Expenses-Facilities & Equipment	Road Repairs & Maintenance	\$3,000.00	\$500.00	\$ 15,000.00
Expenses-Facilities & Equipment	Security Cameras	\$2,000.00	\$900.00	\$ 1,000.00
Expenses-Facilities & Equipment	Snow & Salt	\$1,500.00	\$1,500.00	\$ 1,500.00
Expenses-Facilities & Equipment	Storm Repairs	\$1,000.00	\$0.00	\$ 1,000.00
Expenses-Facilities & Equipment	Entrance Gate	\$500.00	\$1,500.00	\$ 1,000.00
Expenses-POA Operations	Utilities	\$1,500.00	\$1,600.00	\$ 1,600.00
Expenses-POA Operations	Insurance	\$1,500.00	\$1,400.00	\$ 1,500.00
Expenses-POA Operations	Accounting Services	\$250.00	\$0.00	\$ 1,000.00
Expenses-POA Operations	Annual Meeting	\$250.00	\$250.00	\$ 250.00
Expenses-POA Operations	Legal Fees	\$1,000.00	\$3,500.00	\$ 2,000.00
Expenses-POA Operations	Office Supplies	\$500.00	\$500.00	\$ 500.00
Expenses-POA Operations	Postage/Mailing	\$500.00	\$500.00	\$ 500.00
Expenses-POA Operations	Property Management Fees	\$0.00	\$0.00	\$ 0.00
Expenses-POA Operations	Website Maintenance	\$150.00	\$150.00	\$ 150.00
Expenses-POA Operations	Federal & State Taxes	\$1,500.00	\$1,500.00	\$ 1,500.00
Expenses-Other	Contingency-Other	\$1,000.00	\$0.00	\$ 1,000.00
Expenses-Other	Bad Debts	\$0.00	\$0.00	\$ 0.00
Expenses-Other	Bank Charges	\$100.00	\$0.00	\$ 100.00
Expenses-Other	Donation (Annual Meeting)	\$150.00	\$150.00	\$ 150.00
Total Expenses		\$28,900.00	\$26,550.00	\$ 41,250.00
Reserves Allocation	Long Term Reserve	\$8,500.00	\$10,900.00	\$ 9,450.00
Reserves Allocation	Emergency Reserve	\$1,000.00	\$1,000.00	\$ 1,000.00
TOTAL INCOME		\$38,400.00	\$38,450.00	\$ 51,700.00
TOTAL EXPENSES+RESERVES		\$38,400.00	\$38,450.00	\$ 51,700.00
NET INCOME (LOSS)		\$0.00	\$0.00	\$ -

This Year in Review

In addition to day-to-day operations, the Board of Directors focused on several items this term. The 3 primary items the board addressed were:

1. The presentation of two Covenant amendments. This was done by mail with a return mail ballot. The BOD felt that this method would provide each owner the opportunity to review, consider each amendment, ask questions, and become fully informed prior to placing their votes for each amendment. With continuing review of both the Covenants and Bylaws ahead, this and possibly, future Boards will evaluate this method of communication and voting. If this method provides you, the owner, with better information and voting opportunities, let us know. Your feedback is very important. Remember, this community belongs to each of us. The 2023 Board of Directors thank each member for their careful consideration of each amendment presented and the votes you cast. The results will not be available until after this mailing.

2. The next item facing the BOD this year is the condition of the roads within The Summit. This issue came to the attention of the Board of Directors when a request was made to improve the safety of driving during periods of low visibility. Some low cost options were tried but weren't as effective as desired. We visited other nearby communities to see how they met this need. It was determined that a centerline "Fog" stripe was effective and well received. During evaluation of our roads, it was noted that previously contracted road repairs in The Summit had never been completed. Prior to paying for a Fog Stripe on roads that may need repair the BOD had the present condition of the roads evaluated.

The previous sealing project performed at The Summit in 2019 was done at a cost of \$58,000. The result was purely cosmetic and lasted no more than 9 months. Similarly, the last surface patch work, which was done in 2021 and is failing. This work, quoted at \$52,837.00, was not completed by the contractor and only \$32,856 was actually paid.

Presently, two separate highly experienced contractors evaluated the condition of our roads. Each evaluation had almost identical conclusions and costs. Previous patches installed were failing, and that the continued sealing of our roads would not improve the needed structural strength of the roads. This condition would allow continued deterioration.

The Board opted to move ahead with proper, longer-term repairs. This requires removal of the damaged areas, test and strengthen the sub-surface area as needed, and install a new asphalt patch. The financial reserves available to the Association, for this purpose, are insufficient to complete this work throughout the entire community. The Board has found it necessary to complete this work in phases. Phase 1 is scheduled to begin on September 4th and should last approximately 7 to 10 days. This first phase will encompass Summit Pkwy to Adirondack, Adirondack to the top of the mountain. This cost will be about \$200,000. Moving forward, future Boards should schedule work in an order which will provide the lowest overall cost to the membership. Roads and cul-de-sacs with empty lots should be preserved to prevent further deterioration, while roads with homes should receive more detailed repairs. Future boards should follow through with scheduling the completion of additional phases over the coming years, as funds allow, until the work is finalized.

3. The third item facing this, and future Boards, is funding. Completing the roadwork in Phases, as stated above will be more expensive than if we had the funding to complete all the work all at once. The \$150 per year, per assessed lot, early-bird discount has been a significant part of the cause resulting in a less than required reserve for road expenses. Rather than continue this policy the BOD is recommending that the \$150 “early-bird” discount be discontinued. This action would reinstate the annual fee to its original amount of \$550. The additional funds would be earmarked for the continued repair of the roads.

Additionally, we have changed the provider for grass cutting. This change saves the community \$300 per cutting. I’m recommending that the savings from this change be moved to the road fund budget to help facilitate the timely completion of road repairs.

The board realizes that elimination of the early-bird discount is unexpected. However, we need to keep the importance of our roads in perspective.

- the addition of \$150 per year/per assessed lot will have much less impact on owners than a special assessment.
- the roads are the largest single expense item of the POA.
- the road expense item is the only item *specifically* stated in the Covenants under Maintenance Assessments.
- roads are important to safety and access to homes and lots
- roadways are the first impression that guests and prospective buyers see.

Your input is always important to the Board of Directors. We welcome comments or recommendations concerning any matters of the community. Feel free to contact the BOD at the email address above.

We look forward to seeing as many of you as possible at this year’s Annual Meeting.

On behalf of the Board of Directors,

Stephen Brooks, President, The Summit POA

Brian Fischer
Vice President

Tim Conner
Secretary

Carlos Borrás
Treasurer

Troy Young
Director-At-Large

Please ensure that we have up-to-date contact information for you, including a phone number, USPS address, and email address. Thank you.

THE SUMMIT POA
2023 TREASURER'S REPORT

2023 To Date Financial Position

- We have zero delinquent properties at this time. As reflected in the proposed 2024 Budget, in order to meet the demands of current and future road repairs and maintenance, the “early bird” discount has been discontinued until further notice.
- Dues collected for the 2023 Fiscal Year were \$38,450.00 as reflected in the Budget. There is one property whose owner is deceased and lived out of state. The property is currently under probate but the court has authorized payment of the yearly Association dues.
- Account balances:

Truist Bank (Operational Account)	\$ 34,314.90
Vanguard Road Reserves -	<u>\$ 92,471.46</u>
TOTAL:	\$126,786.36

2023 Spending

- The Board of Directors approved necessary road repairs and striping in the amount of \$192,725.00 which has been paid in full. Details of this project will be covered in the President’s Report. All other actual expenditures to date and all projected expenditures to the end of the year remain within budgeted parameters.
- Due to a decline in service and job performance, the mowing of the grass has been switched to another company – Flores Landscaping – at a reduced price per cut, from \$1,625.00 to \$1,400.00. They have already made two cuts as of this date and by all accounts, the results are satisfactory. We have asked them to provide us an estimate for clearing of the culverts, which should be scheduled within the next two weeks and the Board is also considering the possibility of using them for snow removal services, if needed.
- In June, an unknown vehicle struck the brick pillar that housed the gate entry keypad, destroying the inside wooden structure that supported the outside brickwork beyond repair. Thus, it was necessary to install a new keypad arm at a cost of \$660.00.

- New reflectors were also installed on stop signs and street name posts to help during low visibility conditions as well as reflective paint on the railing on Summit Parkway. The cost for these items was \$288.00 and they were installed by Steve Brooks at no additional cost to the Association.
- New cameras are being installed at the gate with Internet Connectivity. Internet access is \$72 per month with Carolina West and the cost for the cameras and necessary electrical wiring was \$480. The electrical wiring and installation of the cameras is being performed by Board members and other residents at no additional cost to the Association.