



HERITAGE ESTATES PROPERTY OWNERS ASSOCIATION

BOARD OF DIRECTORS MEETING

September 5, 2009

All Board Members Present---

Bob Wall, Rick White, Ann White, Bob Hughes, John Cass, Eloise Stewart, Pat Herlehy, Sherry Herlehy, Janice Landen

Bob Wall called the meeting of the Board to order at 1410 at the home of Rick & Ann White.

REVIEW OF MINUTES, SECRETARY--- Ann White

Most significant action identified as incorporation of the Association and adoption of by-laws July 15, 2008. Also Executive Meeting in May identified goals for 2010 being establishment of two committees: Architectural Review Committee and the Beautification & Maintenance Committee.

During previous election of board members, identification of 1, 2, 3 year terms was not done. Discussion led to Bob Wall, John Cass, and Bob Hughes as the board members who had a one year term.

Ann White, Janice Landen, and Sherry Herlehy were identified as the board members who have a two year term.

Rick White, Pat Herlehy, and Eloise Stewart were identified as the board members who have a three year term.

The nominating committee is the executive board who nominated Bob Wall, John Cass, and Bob Hughes to be re-elected. Other nominees will be solicited at the annual meeting and a write-in option will be included when the ballots are mailed to the membership.

Ballots will be distributed to members at upcoming annual meeting and mailed to determine the next three board members who will have a three year term. After those members are determined, then the Board will select officers for 2010.

#### TREASURER'S REPORT---Sherry Herlehy

See printed reports. Sherry shared that 3 owners did not pay annual dues and liens have been placed upon their properties. Bob Wall voiced the need to develop a Road Maintenance account so that the subdivision would have a dedicated account to address this potential large expense. Bob Hughes voiced overwhelming agreement along with Pat Herlehy. Bob Hughes said this account should be called a "Capital Reserve Account". Discussion ensued as to how much from annual dues should go into this account. Goal is to have enough money in the general operating account for annual expenses and direct the remaining funds into a "Capital Reserve Account". Sherry stated that the association should have ~\$12,000 after mowing is completed for 2009 and before next year's dues are obtained. Bob Hughes suggested \$5,000 be transferred into this capital reserve account for road maintenance and that 40% of the annual dues will be directed to this account each year starting with 2010 annual dues. John Cass seconded the motion, and all agreed. Sherry will establish the account and transfer the funds.

#### PRESIDENT'S REPORT---Bob Wall

There are now 39 lot owners in the association. 27 owners own 1 lot, 7 owners own 2 lots, 2 owners own 3 lots, and 2 owners own 4 lots. The subdivision has a total of 55 lots.

Next order of business was review of the proposed changes to the restrictive covenants. Bob summarized the changes mainly in response to creating the Association and verbiage needing to reflect that. Other changes include description of the Architectural Review Committee role, all properties needing to have property insurance, and change of address and ownership needs to be reported to the Association. Changes reviewed. Motion made to accept the proposed changes. Motion seconded by Bob Hughes, all in agreement for the changes. Rick White and/or Sherry Herlehy will complete process by getting new restrictive covenant recorded at the Ashe County Court House.

Ann identified the Architectural Review and Approval Process document that was distributed. All agreed that at least one board member needs to be on the committee. Members identified as Ann White, Pat Herlehy, and Bob Hughes. All agreed that a copy of the new restrictive covenants and the Architectural Review and Approval Process document will be sent to all members each year with the annual dues. This committee must take an active role when changes to existing structures are being considered and when new structures are being planned.

Much concerns voiced about water drainage at the entrance way related to construction [REDACTED]. Rick also voiced the need to evaluate all the roads right now and engage a contractor to provide advice and cost for repairs of areas that are close to eroding. All agreed that being proactive is better than reactive and many shared experiences from other subdivisions where road maintenance was delayed and members were given large assessments of \$3,000 to \$7,000 per lot to fix the roads.

Motion to create a new sub-committee of the Board called the Road Maintenance Committee was made, seconded by John Cass and all in favor. Rick White and Pat Herlehy will be members. Bob, Pat and Rick will survey the roads tomorrow morning and submit a report to the board. Many voiced that a good

contact would be Jim Easteridge who put in the roads for Juanita Gesling (original developer). Bob outlined continued conversation [REDACTED] concerning drainage problems.

OTHER BUSINESS---

Pat expressed concern over fallen trees that still exist from when the new power lines were installed two years ago. All agreed that this should be taken care of by BREMC. Pat will contact Dwight Shepherd to determine course of action to remedy this oversight.

ADJOURN---

Meeting adjourned at 1600 in order to prepare for the annual meeting.

Respectfully Submitted:

*Ann White*, HEPOA Secretary