

HERITAGE ESTATES PROPERTY OWNER'S ASSOCIATION

ANNUAL MEETING - North Beaver Baptist Church

NOVEMBER 6, 2021

PRESENT: Duane Esarey, President, Jean Moore, Treasurer; Gay Cass, Secretary; Dean Moore; Janet Johnson; Shelia Helms; Janice and Robert Landen, Board of Directors of the Association. Also in attendance were Emily McNeely; Claude and Kay Shepherd; Jerry McIver; Jimmy and Jackie Copeland.

WELCOME AND NEWS:

President Esarey called the meeting to order at 2:00 PM, welcoming everyone to this important annual meeting and expressing gratitude to the congregation of North Beaver Baptist Church for allowing us to use their facility for this meeting. Minutes for the September 26, 2020 Annual Meeting of HEPOA were read. At one place, the minutes read "River Sound" and that needed to be corrected to read "RIVERSOUND". With correction being made Jean Moore moved the approval of the 2020 minutes, Jimmy Copeland seconded, and the motion carried.

Mr. Esarey briefly updated the Association on matters concerning the status of the Foundational Documents. As of Friday afternoon, November 5, 2021 the revised Restrictive Covenants and Restrictive Agreement was filed with Ashe County Clerk of Courts and at this point we are ready and must revise our By-Laws to be in compliance with the Restrictive Covenants and NC State laws and statutes governing Property Owners Associations. Members are encouraged to check the President's Annual Report, which was mailed to owners in Oct., for information on legal counsel and the revision process. The report is also posted on our web site.

Lot changes since last Annual Meeting:

Lot #53 – Joe and Michele Nowak, house is under construction; Lot#28 –Swan, new owner;
Lot#30 –Fortune and Tanseer, new owner

Lot #9 –walking trails, plantings and bridge –thanks to the Copelands, Esarey, Garcia & Moore

Lots #13, 17, 18, 32 and Willard's house on Lot #42 have changed ownership

Lots # 22,24, & 25 are for sale. : Lot #50 is under contract and reportedly will build

TREASURER'S REPORT:

Jean Moore, treasurer gave a Financial Report for the first three quarters of 2021, pointing out 40% of monies billed are deposited in the Road Maintenance Account, the balance of the funds are used for operating expenses, such as, yard work, insurance premiums, utilities and office supplies. At the end of the year an Annual Financial Report will be filed on members' web site.

OLD BUSINESS:

President Esarey clarified that annual dues will remain \$300 per lot and there will not be a special assessment. (An assessment would require a 67% vote of the membership.)

An explanation regarding the revision of RC&R was shared with the members in attendance. The Board of Directors voted on August 5, 2021 to revise this document per the advice of our attorney. Gratitude was expressed to Eloise Stewart for her critical role in making this process work. The revisions made were necessary to bring our RC&R up to State statutes and laws. We needed to remove or revise some unenforceable rules, revise rules that can too easily be differentially implemented and we need to define consequences when rules are broken. Through the revision of the By-Laws we will address penalties for construction time limits and we will consider a building checklist.

Also, at the August 5, 2021 Board Meeting, 3 measures were added for annual and long-term planning:

AUP (Agreed Upon Procedure) and Fidelity Insurance Policy (Janet and Gay are following up on these two items of business.) In Dec. a CPA will do a wellness check on our insurance policies, tax codes and other financial matters, making it possible for us move forward with our new RC&R and soon-to-be revised By-Laws.

Annual Budget – In accordance with state law we must prepare and vote on a proposed budget for the upcoming year. (Janet & Gay, seeking advice from Jean Moore, prepared the 2022 Budget) This budget is on the ballot.

Jimmy Copeland is in the process of the possibility of a Reserve Study and Reserve Fund Management Program. **Reserve Study** –an expert review of our roads/assets to give us a maintenance plan with a schedule and anticipated costs. A **Reserve Study** allows us to determine whether we are on track to be able to pay for the maintenance that we will eventually need.

NEW BUSINESS:

Goals for the coming year:

Revision of By-Laws

ELECTION/BALLOTING:

One ballot per non-extinguished lot was distributed to the owner(s) or designated proxy. The following lot owners submitted proxies Mitzie McCurdy (1 lot); Tim Coggins (3 lots); Joe Nowak (1 lot); Michael Shepherd (3 lots); Alice Butler (Stroop Family) (1 lot); Tracey Tanseer/Grace Fortune (1 lot); Chris Jordan (3 lots); and Ryan Swan (1 lot). Proxies were submitted to the “designated voter”, per instructions from the lot owner.

Nominees for a 3 year term (January 2022 – December 2024) on Board of Directors

Gay Cass, Duane Esarey, Shelia Helms, and Michele Nowak

There were no nominations from the floor.

Part 2 – Proposed 2022 Budget

Ballots were distributed and attendees were instructed to vote.

Gay Cass and Dean Moore collected completed ballots and tallied the votes.

ELECTION RESULTS:

BOARD OF DIRECTORS:

Gay Cass

Duane Esarey

Michele Nowak

PROPOSED BUDGET:

Passed, 27 YES votes and 1 person did not vote

There being no other business, meeting adjourned at 3:11 PM.

Respectfully submitted,

Gay T. Cass

President's letter and Annual Report may be found on our web site.

2022 Budget is attached to these minutes.