

HERITAGE ESTATES PROPERTY OWNERS ASSOCIATION

MINUTES FOR BOARD OF DIRECTORS' MEETING VIA ZOOM

SATURDAY, FEBRUARY 26, 2022

Directors present: Duane Esarey, President; Janice and Robert Landen; Jean and Dean Moore; Janet Johnson; Joe and Michele Nowak; and Gay Cass, Secretary.

President Esarey called the meeting to order at 10:31 a.m., welcomed everyone to the first Board of Directors' meeting for the year 2022 and extended a special welcome to Joe and Michele Nowak, new Board Members, (appointed and elected, respectively) in November 2021. A brief overview of today's agenda was given and the Board was reminded that revised Restrictive Covenant and Restrictive Agreement documents had been filed with the Ashe County Clerk of Court November 5, 2021. President Esarey advised it is the BOD primary responsibility to maintain the roads and oversee the upkeep of the common areas of the Heritage Estates community, as well as follow the Covenants and Bylaws making sure we have a well-run organization.

Election of Officers for the ensuing year: The following slate of officers was nominated, seconded and then elected by acclamation:

President.....Duane Esarey

Vice President.....Dean Moore

Secretary.....Gay Cass

Treasurer.....Janet Johnson

Assistant Treasurer.....Michele Nowak

Michele Nowak made a motion, seconded by Gay Cass that the BOD make a resolution to change the authorized signatures on the bank accounts. Signers for year 2022 will be: Janet Johnson, Jimmy Copeland and Michele Nowak. Motion carried,

The November 5, 2021 BOD minutes, having been emailed to Board Members and posted on the website, were approved as presented. Motion to approve was made by Dean Moore and seconded by Robert Landen. Motion carried.

Reports of Officers and Committees:

- a. President Esarey reported that the Revised Restrictive Covenants were filed with the Ashe County Clerk of Court on November 5, 2021. Documents, with notarized supporting signatures of a majority of the Board of Directors' signatures, were filed with the Restrictive Covenants.
- b. 2021 Annual financial report: Jean Moore, Treasurer, reported she will be working with the new Treasurer, Janet Johnson, to complete the report and prepare the tax return.
- c. Speaking for the Budget committee, Janet Johnson reports we are operating under the 2022 Budget as approved by the membership at the November 6, 2021 annual meeting.

Old Business:

- a. Bylaws - Duane Esarey, Janet Johnson and Dean Moore agreed to serve as Bylaws Committee appointed to start drafting new Bylaws as recommended by the attorney and using suggestions submitted by the membership at large last year. The resulting draft will come back to the Board as a whole to review. In as much as all previous versions of the Bylaws were rendered invalid by our problems with improper original Restrictive Covenants at the inception of the HEPOA , and by problematic election procedures, the Directors will present these reconstituted "first" valid set of the Bylaws to the membership at the Annual Meeting. Future revisions of this document will require a simple majority vote of the membership.
- b. The Bylaws committee will also draft the new addendum to the construction checklist/guidelines. Per changes in the filed revisions to the Restrictive Covenants, these new procedures will set condiditons implementing granting of extension to the one-year rule governing completion for houses for which delays have been encountered.
- c. The Board reaffirmed that specific Board approval is not needed for owners' subsequent renovation project, after the initial home construction has been approved per the checklist and completed.

New Business:

- a. Neighborhood updates and lot sales: the President reported that Lot #52 has been sold and the owner plans to build. Lots #31,29 and 43

have been sold; Lot #51 is under contract and Lot #18 is for sale. Lots 42,44, and 45, lately for sale, have recently been removed from the market.

- b. At the present time there are no Long-term dues in the arrears, and no valid HEPOA liens on any lots..
- c. 2022 Annual Report: The President reported that the 2021 annual reporting process worked well and he plans to follow the same format in 2022, including President's letter and the 2023 Budget in the packet sent to the membership prior to annual meeting.
- d. Reserve Study initiative: President Esarey showed an example of a Reserve Study financial projections and explained that a Reserve Study is a standard HOA planning and management document that maintains fiscal priorities and makes projections. Financial projections in the study balance revenue flow with future needs and schedules. A Reserve Study was approved in the budget sent by the Board to the membership and approved at the last annual meeting. President Esarey will initiate this study.
- e. Chores/Needs of the community: The following eight items were brought to the attention of the Board as minor chores that need attention. It was agreed volunteers, in a few cases supported by minor expenditures, could take care of these needs: fence repair at the entrance; culvert subsidence at common area and Lot #47; clear brush at entrance to common area; minor tree trimming on Autumn Run; two culverts' outfalls blocked on Lot #3; ditch fulling causing overflow across the roadbed at Lot #19; Lot #13 culvert drop pit receiving sediment and leaf slurry; three River Sound guard rail support posts rotted requiring new treated posts and hardware.
- f. Other issues: Dean Moore made a motion and Robert Landen seconded it, that the President draft a letter to the membership advising property owners that right-of-ways should not obstruct the functions implied by the right-of-way boundaries. Motion carried.
Also, in reviewing the relationship between Articles 1 and 4 in the original and revised Restrictive Covenants, Board discussion emphasized (without a formal motion or vote) that once lots are combined (per Article 1) they become one parcel under HEPOA rules and the Ashe County Registry and thus cannot be divided (per Article 4)

- g. Entrance sign: Janice Landen brought to the Board's attention the need to paint/repair the sign at the entrance on Highway 163. Dean Moore will take a look and determine what needs to be done.

There being no other business, the meeting adjourned at 11:55 a.m.

Respectfully submitted,

Gay T. Cass, Secretary