HERITAGE ESTATES PROPERTY OWNERS ASSOCIATION, INC.

MINUTES FOR THE ANNUAL MEMBERS MEETING

Saturday, September 13, 2025 — Winner’s Circle Restaurant, Jefferson, NC

Call to Order and Attendance

President Duane Esarey called the meeting to order at 5:57 PM. A quorum was declared based on attendance and 16 proxy forms submitted for lot-based votes.

Members present: Duane Esarey, Janet Johnson, Joe Milner, Joe Nowak, Claude Shepherd, Kay Shepherd, Susan Grayson, John Sheldon, Janice Landen, Robert Landen.

President’s welcome

President Duane Esarey welcomed members and shared updates from the past year. He reviewed the purpose and obligations of the HOA and summarized the following events and projects:

- Two major cleanups took place (Sept 2024 and Feb 2025), funded by $2,500 in donations for tree removal and $6,000 for gazebo restoration.

- Three lots (38, 42, 52) were sold since our previous annual meeting. One new spec home is under construction, and two lots are currently for sale.

Secretary’s Report

The 2024 Annual Meeting Minutes were read aloud by the President.

John Sheldon made a motion to accept the minutes as read. Janet Johnson seconded. The motion passed unanimously.

The President delivered the Secretary’s Report. John Sheldon moved to accept the Secretary’s Report. Joe Milner seconded. The motion passed unanimously.

Treasurer’s Report

Treasurer Janet Johnson provided financial updates, including website improvements, the 2024 end-of-year report, status of the 2025 budget, reserve planning, and investment performance. Line-item income/expense tables and investment status were distributed. Members were reminded that all financial records are open for review. The proposed 2026 budget was also distributed.

John Sheldon made a motion to accept the Treasurer’s Report. Joe Nowak seconded. The motion passed unanimously.

Old Business

The President reviewed the status of proposed revised covenants, noting that attorney Timothy Swanson returned a second draft on August 17. The draft was mailed to the membership on

August 22. Feedback from emails, conversations, and the open board meeting was discussed. Several suggestions were incorporated into revisions. Discussion of other suggestions ensued.

One member suggested changing to one vote per household instead of per lot to be more democratic. The President explained that, as a corporation the HOA follows NC § 47F (The common expense liability and votes in the association are allocated by lot, linking each set of assessments to a vote.)

Another member suggested changing how budgets are ratified. The President noted that the HOA must follow NC 47 statutes (specifically § 47F-3-103(c)).

Board members present agreed with the feedback John Sheldon shared from his attorney but were unsure how to reword the covenant language to clearly reflect the intent. Joe Milner then suggested forming a committee to finalize the wording. John Sheldon and Duane Esarey volunteered to serve on the committee (which ultimately was appointed as John Sheldon, Paula Shepherd, Joe Millner, Janet Johnson, Jimmy Copeland, and Duane Esarey).

New Business

The President called for Board seat nominations from the floor. There were none.

Members then voted on the proposed 2026 annual budget, which was unchanged from the prior year, and on two Board member seats.

There were 16 proxies submitted and members representing 16 votes in person. The proposed 2026 budget passed with 32 votes in favor. Janet Johnson and Joe Milner were elected to the Board.

Adjournment

John Sheldon made a motion to adjourn the meeting. Joe Milner seconded. The motion passed unanimously.

The meeting was adjourned at approximately 7:03 PM.

Respectfully submitted,
Janet Johnson
Acting Secretary for Paula Shepherd