

SCC POA Annual Board Meeting

Monday October 28, 2018

- I. The regular meeting of the SCC POA, INC. was called to order at 10:09 on October 28, 2018 at the Lodge by Don Overton, President.
- II. Don Overton, President, Daniel Roper, Vice President, Greg Pannell, Treasurer, Dan Roberts, Member at Large
- III. Approval of Agenda: The agenda was unanimously approved as distributed.
- IV. Approval of Minutes: The minutes of the previous meeting were unanimously approved as distributed.
- V. President's Report:

Substantial rainfall on the mountain this year has caused two major washouts that have required major repairs have depleted our funds to about \$6,000. As consequence, we haven't been able to move forward with the planned concreting. Also, our bush hog is also broken and we were unable to finish mowing the sides of the road. It will have to be replaced next year. We did have one \$30 Emergency Assessment to help cover the cost of extra unbudgeted gravel that we had to haul due to all of this excess rainfall. We had to forego the planned concreting of the lower switchback in order to pay for the second major washout below Dogwood.

After not being able to secure funding from the banks our landscaping project has been put on hold until further notice. It was very evident at our last meeting that property owners want to focus on the roads. Our new website will be up and running by beginning of 2019 and we are very excited about it. It will have a map of our community so that anyone will be able to click on a property and see what is for sale, owned by the POA, or privately owned. Property owners will be able to check account balances and manage recurring payments.

- VI. Treasurer's Report:

At present we have \$7,670 in our general fund and \$4,100 in our water emergency fund. As Don mentioned, we have had unbudgeted emergencies that have really opened our eyes to preparing our 2019 budget. The road repair near the ponds cost \$3,500 and the washout near Dogwood cost \$3,000. We have budgeted \$38,000 for roads and \$6,000 for security. These are two areas that we feel we must focus our attention on for the betterment of our community. We plan to install a solar powered gate at the back entrance so that we can have better control over our community security and improve the system at the front.

VII. Old Business:

It was decided at the last meeting to hire folks to clear brush and debris from the banks and sides of the road. This will be happening over the next few months.

VIII. New Business:

Don reported that there is a lot of work on our roads that needs to happen that we don't really have the proper equipment for, such as a motor grader. Our water system continues to be an issue. Ideally we need to get a new well dug near Dogwood Lane and get those folks on their own water system. We have no reserve fund for emergencies and we really could have used that this past year. There are upgrades that are needed at the Lodge. Within the next two years, at the most, the pool is going to have to be surfaced. The cabana is going to have to have some upgrades in order to pass annual County inspection. We have to get our back and front gates more secure. Security is the POA's responsibility and we are not able to provide that with our current systems. We need to begin hiring professional, licensed individuals to do work here from a liability standpoint. We have spoken with banks and they want to see a more monthly consistent cashflow. Our attorney agrees that our dues structure needs to change.

Greg Pannell reported that based on current dues structure we had \$76,000 budgeted. With the necessary improvements that need to be made we are increasing the budget by \$25,000. We are also asking that dues be paid monthly. The new website will make this very simple through setting up monthly drafts. You will still be able to pay dues annually or quarterly, if you prefer, but banks seem to want to see consistent monthly dollars coming in.

Dues will go to \$30 per month for undeveloped lots and \$40 per month for developed lots. Water fees will stay the same. Those numbers will bring in revenue of \$99,360. If you look at the actual budget proposal you will see that our focus is on roads and security for 2019. The monthly dues structure comes from three different banks and our attorney.

The billing at the first of the year will be 12@\$30 or 12@\$40 and it will be up to the property owner to determine if they pay in full annually, quarterly or monthly. Any account that is 30 days past due on any given month will accrue a 5% finance charge. We must keep our dues current in order to help our mountain be able to move in a forward direction.

We believe that these changes will help us avoid assessments and these increases should stabilize the budget for the next four to five years. Our ultimate goal is to be able to set up a Capital Reserve Fund that we can be able to fall back on when emergencies or needs arise.

Our future goal is to have a property management group in charge as we move

forward as a community. Dan Roberts added that banks want to see constant revenues coming in so that is a major reason for going to a monthly dues structure. So that in the future we can go to a bank and ask to borrow money for major projects. Our current dues structure is not the model that banks consider favorable.

Discussion ensued about the hopes to be able to have an emergency reserve fund in the future that would be in the form of a money market account.

The 2019 Budget was approved.

IX. Election Results:

Jenny Overton reported that the votes were unanimous and the new Board members were Greg Pannell, Butch Baker and Dan Roberts.

X. New Business:

Daniel Roper volunteered to pressure wash and paint the front gate. We will be following up with Kelvin Crisp who volunteered in the past to provide new lights for the entrance.

Lonnie Edwards added that we need to clean the brush and debris at the entrance to make things look better. We agreed to work on it with volunteers and repair the bridge where rocks are falling out.

Our new website should be up soon. We will send out notice so that members can watch a tutorial and set up their access.

Discussion was held regarding Bylaw revision in an attempt to save monies regarding mailings. Frank Griffin agreed to chair the Bylaws committee to go over and submit some proposed changes before next annual meeting.

2019 will have two physical meetings at the Lodge, May and Annual Meeting. The other two meetings will be help through a Zoom call with video and audio. Folks will be provided a number that they can call in and virtually attend the meetings. That Zoom number will be provided in a future email.

Ryan Hipple brought up the fact that we really need road signs and agreed to pay for them if we would have them put up.

XI. Adjournment:

Meeting was adjourned at time by Don Overton, President.