

INVERNESS

MASTER HOMEOWNERS ASSOCIATION

Board of Directors Meeting

Tuesday, November 14, 2017

Meeting was called to order by President Brad Green at approximately 7:00 pm .

Brad reiterated the reason for the date change, which was due to Thanksgiving holidays.

Board Members present:

Brad Green (IMHA President)
Liz Bishop (Director, Country Club Village/IMHA Secretary)
Rick Bloom (Director, Town of Adam Brown)
Joe Clark (Director, Summerwood/IMHA Treasurer)
Frank Taylor (Proxy for Ashley Cooper, Director/Kirkwall)
Sallie Cox (Director, Selkirk)
Art Fleet (Director, Kerry Downs/Heather Point)
Lindsay Mardick (Director, Woodford/IMHA Vice President)

Board Member absent:

Mat Adams (Director, Inverness Point)
Jim Baxter (Director, Inverness Green)

Also attending: Kim Coe and Barrett Oakley, Southern Property Management Group and a number of Inverness homeowners.

Presentation of October 2017 Minutes – Liz Bishop:

October 2017 board meeting minutes had been distributed to board members prior to the November meeting. There were no requested revisions.

Motion to adopt the minutes: Lindsay Mardick Second: Joe Clark
Approved minutes will be sent to web master for posting to the IMHA website.

Financials:

President Brad Green introduced David Heeter, CPA of DiPiazza, LaRocca, Heeter & Co. Mr. Heeter's firm has been retained by SPMG to review IMHA financials. Mr. Heeter thanked the board for having him at the meeting. He also pledged their commitment to continue with making our financials accurate to move forward every month.

Financial Report:

Treasurer Joe Clark reported that he has thoroughly reviewed the work done by Mr. Heeter's firm. He also stated that the CINC platform has not accommodated all the changes at the speed we need, but that as good stewards of our homeowners funds, we are obligated to make sure that our financials are correct.

Mr. Heeter presented the IMHA Statement of Assets, Liabilities & Equity – Cash Basis and the related Statement of Revenues & Expenses – Cash Basis for the nine months ending September 30, 2017. The financial statements prepared by Mr. Heeter's firm were prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the USA.

No aging report was available, but Joe was able to present the operating account figures. Mr. Heeter did not have the aging report available for distribution at the board meeting, but will send it to Joe for distribution to board members via email.

Motion to approve financials: Joe Clark Second: Frank Taylor Abstain: Rick Bloom
Motion carried.

It was reiterated that Southern Property Management Group hired Mr. Heeter's CPA firm and is responsible for payment to them. President Brad Green stated for the benefit of homeowners present that the IMHA board has made every effort to insure that the financials are correct and that the previous problems have arisen due to software errors and the change in management company. The board is confident that these issues have been corrected and our financials will be accurate in the future.

Report from the Management Company as of November 14:

Kim Coe with SPMG provided a detailed report of open violations per neighborhood; HOA assessment letters requested; ACC requests; administrative work on behalf of the association and other pertinent information.

The 2018 Annual Meeting date has been scheduled for Tuesday, February 6, 2018 at First Christian Church. Sign-in will begin at 6:30 pm, and the meeting will begin at 7:00 pm and last approximately one and one-half hours.

Kim also restated that collection reports will be emailed to neighborhood directors on the Thursday before each monthly meeting. These will include attorney comments.

Violation drives are performed the first Wednesday of each month, weather permitting. Violation letters will be sent to directors the day after each drive for approval. Following director approval, letters are mailed or emailed to homeowners on the day following director approval. Every effort is made to have letters out to homeowners by the first Friday of each month.

The re-check drive is performed between the 15th and 20th of each month. At this time a second, third or fourth letter will be sent to Directors for approval and subsequently sent to homeowners. All violations requested by directors will be driven on the second drive of the month to inspect for compliance.

Due to the Thanksgiving holiday, the second November drive may be performed the last week in November.

Selkirk director, Sallie Cox stated that she still has problems with Selkirk violations and discrepancies in what's being reported by SPMG. Other neighborhoods have not reported similar problems. SPMG will address Sallie's concerns and make every effort to correct them.

A Selkirk homeowner questioned why offenders are only turned over to the collections attorney as opposed to having liens placed on their property. Brad reported that high cost of filing liens or lawsuits are the reasons. Since the neighborhoods bear the cost of trying to collect past dues, all IMHA members are adversely affected. The IMHA Bylaws do allow us to send a Demand Letter without filing a lawsuit, and this often motivates a homeowner to take care of any past due amounts. All these concerns will be addressed further at the annual meeting in February.

Report on Parkway Landscape Enhancements behind Country Club Village:

Brad reviewed two homeowner concerns from the October meeting in which they requested that the holly shrubs along Inverness Parkway be extended northwest to include the area behind their homes. CCV director, Liz Bishop presented an estimate from the IMHA landscaping company.

Discussion of 2018 IMHA Master Budget:

Treasurer Joe Clark presented the proposed 2018 IMHA master budget and answered questions regarding a line item amount for installation of Christmas decorations. This amount has been included in the miscellaneous column.

Discussion on IMHA/Subdivision Authority:

Director Sallie Cox stated that she would like Directors to have the authority to make financial decisions that apply only to their neighborhoods, since this is not addressed in the IMHA bylaws. Brad stated that if the delinquent amount is a subdivision fee that the director should be able to make the decision. If the fee is for anything pertaining to the IMHA, the IMHA board must vote on these decisions.

Discussion on Assessment/Remedies for Repeated Violations:

Sallie also continues to have problems with some property owners who, even after being fined, pay the fine but continue to violate the covenants. She feels that based on the IMHA bylaws, the compliance attorney needs to be consulted. No resolution was reached.

Homeowners Forum:

A Selkirk homeowner asked for clarification of the procedure for collecting fees and/or fines after two requests. Brad explained that the neighborhood director brings the complaint to the board for approval to turn it over to the collections attorney. A policy has not been set for compliance issues.

Judy Pemberton of the Inverness Garden Club asked that the IMHA name a committee who will be responsible for hanging the decorations at the Valleydale Road entrance to Inverness. She also asked that neighborhood directors advise her when they will pick up their decorations. It will be every neighborhood's responsibility to collect and hang their signpost decorations, since members of the Garden Club are no longer able to do it. Brad and other board members will discuss and make arrangements to pick up and install all Christmas decorations.

Old Business:

There was no old business for discussion.

New Business:

Treasurer Joe Clark made a motion to approve the IMHA Master budget.

Second: Art Fleet

Discussion: Rick Bloom made a motion to amend that the homeowner allocation to the Master budget be reduced to \$144 vs. the current \$154, since it appears that we have more than ample funds.

Second: Liz Bishop

Discussion: Treasurer Joe Clark stated that the \$10 reduction does help homeowners, but will negatively impact IMHA cash flow. He asked that we keep in mind that there are projects coming up in the near future that may impact the Parkway and other areas of Inverness, and we are likely to need the current reserves to cover these costs.

A voice vote was taken on the motion to amend, and the motion failed.

A voice vote to approve the original motion to adopt the 2018 IMHA Master budget was taken.

The motion passed.

CCV director, Liz Bishop made a motion that the IMHA pay for the installation of additional holly shrubs behind Country Club Village. Motion was seconded by Joe Clark.

Following a voice vote, the motion failed.

Selkirk Director Sallie Cox made a motion to authorize neighborhood directors and board members to make decisions regarding issues that involve matters of \$75 or less.

Seconded by Frank Taylor

Following a voice vote, the motion failed.

Town of Adam Brown director Rick Bloom amended the motion by Sallie Cox reducing the threshold amount to \$25.

Seconded by Frank Taylor

Motion carried.

Board Move to Executive Session:

Homeowners and other attendees were thanked for coming and left. The board then entered into executive session.

A motion was made by directory Lindsay Mardick that we turn "serial" covenant violators over to the IMHA attorney to write demand letters, requiring them to make necessary repairs and improvements to bring their property back into compliance. Second: Rick Bloom

The motion carried unanimously.

Lindsay Mardick made a motion to allow a Woodford homeowner to make payments over six months for fees totaling \$310 (\$51.67 per month) plus attorney's fees. This will not apply to 2018 HOA fees which will be due in January, 2018. Second: Rick Bloom

Motion approved unanimously.

Director Sallie Cox made a motion that two non-compliant homeowners in Selkirk be turned over to the attorney pursuant to 3.3.3(c) of the bylaws for a demand letter stating that the IMHA will file suit if their properties are not brought into compliance. If we do not receive a response agreeing to the terms, the matters will be revisited.

Second: Rick Bloom

Motion approved unanimously.

Motion to adjourn: Joe Clark

Second: Lindsay Mardick

Motion approved unanimously.

Meeting was adjourned at approximately 8:55 pm.