

Deerwood Park Annual HOA Meeting

October 19, 2024

Deerwood Park Clubhouse

The meeting began at 10:04 AM and called to order by President Rick Alfonso.

(Attendance was estimated at 55)

A Board Member introduction was made.

There was a Proxy vote discussion.

Hurricane Helen Clean Up was discussed.

Mike Flentje pointed out an error on the 2025 budget.

Terry Morton made a point of order. For the HOA Meeting 2023 minutes to be approved to make the noted below changes.

Terry Morton noted on the 2023 HOA Meeting Minutes, on Page 2 section E-I. to change the wording to:

“Present board members feel that current documents make it difficult to enforce standards. Past board members expressed different opinions. Past board members gave examples where arbitrations and lawsuits were used to enforce the Declaration of Restrictions (DOR) and by laws as directed by the DOR (Ref. Section 19).”

According to Terry Morton there is one outstanding lawsuit on a lot in the Enclave. Rick Alfonso noted that there was not an outstanding lawsuit (Lot 9) per his discussions with Board attorney Heather Klein. He stated that he would verify. The Board approved Terry Morton to investigate on his own with Heather Klein as to the status of Lot 9.

In the 2023 minutes Terry Morton moved to striking page 2 section E iii concerning a hotel. (Per Terry this only applies to Mario Gonzalez not to other residents)

In the 2023 minutes Terry Moton moved that Page 3 Section IV b. to read “Terry Morton made a motion that we continue with that any changes made to the HOA documents would require 75% of the owners to vote and approve. This motion was passed.

- *In the 2023 minutes: Wording to be to be changed on Page 3 Section IV e: “Terry Morton made a motion that the annual meeting for the association should be held in October, on a Saturday, as outlined in our association by laws. This better defines Article IV, Section 1 of the Bylaws. Motion passed.*
- *In the 2023 minutes: Page 4 section VIII, a:
To read “There was a motion made and passed that when the budget is presented that we also propose a 2-year plan that outlines projects and improvements we would like to accomplish withing the community. Homeowners will be presented a budget with actual expenses needed to maintain the roads and common spaces, then decide which other projects they would like to consider. Discussion and approval of the 2025 budget will occur at the 2024 annual meeting.*

Page 5 VIII Voting Results b.

In the 2023 HOA minutes wording to be changed to:

b. A vote to change our fiscal year from June-June to January-December starting in January 2025 was passed by the HOA.

A motion was made by Rick Alfonso to approve the changes, and Wayne Saxon seconded the motion.

Wayne submitted 2023 motions that were made and passed at the 2023 HOA meeting by the Deerwood Park owners but were not put in the official published or online minutes for the 2023 HOA meeting. The motions below are to be added to the 2023 published official and online minutes for the 2023 meeting. (Sequence G, H & D sections should be under motion) 6.

G. Retain the same attorney (Heather Kline). She is familiar with issues in the past and documents also, keeping with consistency.

H. Board is not to outsource an outside Property Management company for Deerwood Park HOA association.

D. All assessments, dues, and any increases to be discussed and voted on at the annual HOA meeting and there is not any electronic or email voting for them.

Clubhouse Presentation – Tony

Discussed that the Air Conditioning, which was approved on the previous Clubhouse Assessment, will be installed in the spring. There is still money in that account for the installation.

It was mentioned that chairs and tables need to be purchased soon for meetings and events. This will save the HOA from paying for rentals.

Chuck Corbeil added that there are areas of the roof trim that was done via the assessment may cause problems in the upcoming years.

Hurricane Damage Report

Andy Brown Read and submitted a Hurricane Damage Report. See below:

1) Enclave:

-12 Trees were blocking Deer Valley Road into The Enclave. Terry Morton and his crew removed these trees in one Day.

- Major flooding in the creek caused severe erosion on the road:

a) At the entrance erosion took the top layer off the road. Also, there was a landside on the right-hand side of the road.

b) Further down the road where it rose there was a large landside on the left-hand side of the road. Several excavator vendors that were contacted, stated that this repair would be the most expensive to repair. The board made the decision to put out yard signs announcing the road was closed and unstable. Yellow caution tape was placed across the road.

- c) At the culvert, before the road goes up the mountain, the road was eroded to the extent that cars, golf carts, and ATVs could not cross the washed-out culvert.
- d) In order to travel to the end of Deer Valley I traveled with Matt Weddington on a Polaris ATV. We crossed the creek and headed up the mountain, clearing two trees off the road in the process. The house was fine. No power.
- e) The Enclave gate needs a new belt replaced for it to work properly.

2) Old Barn Road

- a) A large pine fell across the road below the gazebo blocking the road.

3) Hidden Pond

- a) Discovered severe erosion on the dam side of the pond. Water had overflowed the pond and created a deep depression gully. Water was leaking on the eroded side. Only four feet of earth contained the potential disaster. If the dam broke water would have ended up around the Horse Trail bridge area.
- b) The Board regarded this as priority Number One.
- c) Three bids were obtained for repair
- d) The repair was made for \$3,000.
- e) Grass was seeded on the dam. As of this writing, the grass is growing.
- f) After completing the dam repair the vendor used the leftover dirt to partially fill in the erosion on the Buck Trail cul-de-sac. This was at no charge to the HOA.

4) Woodlands Drive

- a) On the day of the Hurricane Aaron Crisco and I walked down Woodlands Drive to check on the Richard Happy family. He had to chainsaw multiple trees to attempt access to Rocky Creek Road.
- b) There were approximately seventeen trees down on Woodlands Drive.

c) There were a dozen large white pines uprooted across from Happy's house. They all fell in the opposite direction of his home.

d) There was substantial tree damage to the lots in the Woodlands. Trees uprooted and snapped in half.

e) Gazebo area- fencing was damaged by falling limbs and trees. The road near the fencing sank around six inches.

5) Rocky Creek Bridge

a) Water overflows from Piney Creek and Hwy. 93 left sand debris on the north side of the gazebo.

b) Water overflows from the pond and hillside of Rock Creek Lot 29 severely eroded the left side of the road approaching the bridge.

6) Clubhouse

a) On the day of the hurricane Piney Creek flooded the area just up to the back left corner of the clubhouse. Upon further HOA inspection no water seepage has been detected or any wet smell that could be a sign of water damage.

7) Nature Walk Way

a) A tree fell across the road. Residents removed it.

8) Horse Trail Road

a) A tree blocking the road was removed by residents.

b) Horse Trail has severe erosion issues that simple box blading will not fix.

9) Main Entrance-Deer Crossing

a) A county street sign was knocked down. The county has been contacted about replacement.

10) Tree Removal

a) The board obtained three bids to begin tree removal.

b) A vendor was selected with the price being \$10,000.

c) The vendor removed thirty-eight dump truck loads of cut trees, limbs, and other tree debris.

d) The vendor also box bladed, at no charge, eroded parts of Woodlands Drive and Deer Valley.

Thanks to the unheralded Deerwood Park owners that assisted in the cleaning up just days after Helene left her mess. Dago, Terry and his crew, Richard, Rafael, Mike, Bob Johns, Aaron, and Emilio. We could not have done it without you.

Upcoming Repairs – Tony Gestido discussed.

Terry Morton had the county repair Deer Valley from Highway 113 to the Enclave Gate.

Enclave repair is estimated to be \$50,000- \$60,000. Tony recommended, at this point, using the bid submitted by Townsend Excavation due to their experience.

A Special Assessment for \$100,000 was presented for the Enclave and the rest of the Deerwood Property roads and culverts. We would pay suppliers of the material (rocks and dirt) needed for the repair rather than paying the vendor. This would save money for the repairs.

Culverts would be included in the repair.

Carmen Del Pino mentioned her fence that had been discussed in previous board meetings.

Discussion by the board and owners present was made on estimates for Enclave repair and the rest of the property.

Tony Gestido estimated that the repair per lot would be in the \$450 range.

Terry Morton mentioned redirecting water near the mudslide for repair.

Rick Alfonso- discussed the unexpected cost due to the storm.

A Motion was made by Rick Alfonso for an emergency assessment, of \$100,000 to repair the damage to the Enclave, Road and culverts and other Deerwood Roads and culverts.

Wayne Saxon mentioned a contingency fund might be needed.

The motion was seconded by Tony Gestido and approved by the owners present by a voice vote. There were not any nays during the vote.

The billing of \$100,000 to the owners is to be made as soon as possible.

The paving of certain main roads was mentioned by Mike Flentje.

Terry Morton mentioned that paved roads swell and contract.

Architectural Committee- Nelson Jimenez, Suzanne Anderson, Terry Morton, and Wayne Saxon volunteered to be members.

Wayne Saxon mentioned that the committee will need to be backed by the board.

A Motion was made to nominate the members on the committee by Tony Gestido, and the **motion was seconded** by Rick Alfonso. And a new member, Emilio Canciobello, was added. **The motion passed by the majority** of owners by voice vote.

Grandfathered lots were brought up by Gladys Abreut.

Financial Report-Rick Alfonso stated that the finances were in fine order until the HOA had to spend \$13,000 on Hurricane Helene repair. \$3,000 was spent on the Hidden Pond dam repair and \$10,000 was spent on cutting trees and tree debris removal.

Five foreclosures are in the legal process of being enforced.

Mike Flentje asked about a better financial spreadsheet possibility. This would be to show past, current, and future projections. The board will Investigate with Donya's Premier Tax and Accounting.

Clarifying the difference of reserve vs contingency wording was mentioned by Nelson Jimenez.

Mike Flentje questioned money in the account assets.

A motion was made by Tony Gestido that if an owner has not paid their late fees, they cannot vote on HOA matters. **Rick Alfonso seconded the motion.** Motion was passed by owner's voice majority.

A discussion ensued of what houses are used as rentals or VRBO. No further action was taken to identify the houses.

It was noted that the Alleghany Sherriff Department will investigate any HOA violations such as speeding on the property, noisy partying, etc.

Proposed budget- There was a mistake with the amount of money collected on the budget. Mike Flentje identified this. There was an error in the calculations on the budget provided which Mike found. We advised that we would correct but the budget did not pass so it was a moot point.

Audit discussion. Terry Morton mentioned that the state HOA does not require an HOA audit.

The three Deerwood Park gates were discussed as to the amount of money spent on the proposed budget.

HOA taxes that have been paid were brought up by Terry Morton. Rick Alfonso will check with Ellen Wright, at Donya's, about the correct amounts.

Rental equipment was brought up by Mike Flentje as to the fees.

Assessment fees-grandfathered in? There are 220 paying lots.

Debra Flentje suggested adding a donation section to the dues invoice. The board will ask Ellen if we can do this. The donation can be targeted for chairs, tables, July 4th, etc.

Before the vote totals were released it was noted that some owners present had not voted. Those owners were able to cast their ballots for the HOA meeting.

Debra Meyers mentioned maintenance costs that were mentioned in the 2023 HOA Minutes. The board did not present this at this meeting.

Jennifer Crisco and Suzanne Anderson were recognized for their volunteer work recording owners' votes and to enter the votes into a spreadsheet.

HOA OWNERS VOTING RESULTS

Proposal #1

Engage local CPA to perform annual audit of year end (2024) financials.

DEFEATED 70-27

Proposal #2

Approve reserve line item in proposed 2025 budget for Deerwood.

DEFEATED 52-45

Proposal #3

Approve proposed 2025 Budget for Deerwood

Defeated 57-40

Proposal #4

Allow owners to pay maintenance fees either quarterly or annually.

Approved 73-23.

2025 Budget

Rick Alfonso mentioned that Deerwood Park budget will not have enough money for 2025. There was a discussion about the 2025 budget.

A proposed budget of \$200,000 was reduced to \$180,000 per Tony Gestido.

If the proposed audit was defeated and gate landscaping were not in the budget, that \$180,000 would remain for the 2025 budget.

Rick Alfonso clearly stated to the community that our proposed budget would not pass and that our current budget is insufficient to cover the expenses of our community.

Terry Morton was the owner that proposed that we increase the budget to \$165,000 and Rey Ortega was the owner that we should just round off and increase to \$180,000.

A motion was made by Rey Ortega to amend the 2025 budget to \$180,000.
Nelson Jimenez seconded the motion. The motion was passed by a majority of the HOA owners present by voice vote.

There were eight no votes for the motion.

The meeting was adjourned at 12:35 by President Rick Alfonso.