



Deerwood HOA 1st Quarter Meeting Minutes

I. Call to Order

Virtual meeting was called to order by Rick Alfonso at 7:00 p.m. on January 19, 2022, on Microsoft Teams.

II. Role Call

Rick Alfonso, Jessy Trujillo, Cookie Rodriguez, Jessica Lopez, Seana Corbeil, and homeowners Flavia & Guillermo Vega.

III. Approval of Previous Minutes

Minutes from October Annual Meeting were officially approved by all board members.

IV. Financials Approved

Year-end financials were approved by all board members.

V. Board Positions

It was decided that Rick would remain president and Jessy would remain vice president, in charge of roads and maintenance. Seana will continue to assist Jessy wherever he desires help, and will continue homeowner communications and community enhancement as needed.

Due to the full-time work schedules of the board members, it was decided that Cookie, Seana, and Jessica would split up the secretarial duties required by the board.

Jessica will head up the Architectural Control Committee, with Seana and Cookie assisting where needed. There are also two other homeowners who have volunteered to be on this committee and will be kept in the loop.

VI. Open Issues

Liens — Liens were put on the properties of six owners who had not paid dues. Rick mentioned that one owner has not paid dues since 2015. After the liens were sent out, three homeowners paid immediately, showing that the process of filing liens is successful in getting dues paid. Rick mentioned that Deerwood is in a good position from an aging standpoint and will continue to work towards collecting dues owed.

Income Statement Adjustment — Our DW accountant lists a \$2,900 adjustment to the income statement. Rick will talk with Premier Tax and find out what this refers to.

Fiscal Year — The board discussed changing the dues structure so that it coincides with the calendar year (Jan - Dec) instead of the current June - June process. Rick said this would need to be brought up again at the Annual Meeting so that all owners could weigh in on the subject and approve the change. The board was in agreement that collecting monies in January would be beneficial.

Budget — The board will be working on putting together the new budget over the next several weeks. Rick reminded the group that costs are continuing to rise across all industries and that even more discretion will need to be given to the budget. Rick complimented past boards on their ability to “do miracles” with incredibly small budgets.

Paying Dues — Jessica asked if it made sense to give homeowners the ability to pay dues digitally. Rick explained that our accounting team already uses Zelle, but the issue is getting it onto our website for owners to utilize. Rick said he will continue to work with the bank on making this happen and has to work out any fees that the bank might charge.

DW Credit Card — Rick is working with BB&T in Sparta on getting an “association credit card” that will not require a board member to give his/her social security number. While the board is not keen on having a credit card to track, there are some community charges that must have a credit card

linked to them, such as our Network Solutions account. The community website, domain name, and email program are all managed by Network Solutions. A community credit card will make it possible for board members not to have to charge expenses to their personal cards and seek reimbursement from the accountant. Rick suggested the limit on the credit card be set low, just enough to cover the Network Solutions expenses and perhaps a few incidentals that might occur.

Homeowner Donations to DW

Homeowner Faison Covington has made a donation to the community, paying over and above her annual dues. Thank you Faison!

An owner who recently sold his DW home told a board member that he would be donating to the community money that was due back to him at closing. However, the owner's realtor is still asking for the money to be returned to the owner. Cookie will follow up with the homeowner and resolve the issue.

Roads — Jessy estimated that about 70 loads of gravel will be spread this spring/summer. In addition, Jessy said there are four specific areas that need foundation repair:

1. the entrance to Mountain Ridge Rd.
2. the top of Deer Crossing Rd.
3. the bridge on Old Barn Rd.,
4. the bridge on Rock Creek. (*Jessy, did you mean Rocky Creek?*)

Jessy discussed how serious the road repair must be taken at the bridge sites. He said where the road meets the bridge on Old Barn Rd, there are cracks in the cvs block, due to not being constructed properly when it was built years ago.

Rick asked Jessy to pull together costs for repairing the bridges so that these more serious repairs could be dealt with first.

Jessy reported on the status of the roads after the recent snows, saying the roads fared well, except for one of the steep roads where it was necessary to tear into the road in order to get the homeowners out.

Signs

Seana reported that the Fire Dept has put up all new signs that have been produced, but that there are still several new signs needed. Seana will send the list of needed signs to Alleghany County. (Update since this meeting was held: Alleghany County said they are not producing any new signage in 2022, unless it is an emergency. We will have to wait until next year to obtain the last of the new signs.)

Street Light Poles

Seana confirmed that Deerwood is still on Blue Ridge Energy's list for new light poles in 2022, although no firm date has been given by BRE.

Main Entrance

Seana reminded the group that she has two quotes for a new stone monument (one that would be closer to the gate). These quotes are from local contractors and range from \$18,000 to \$24,000. Board will work out how to fit this expense into an upcoming budget.

Clubhouse & Sales Office Renovation

Homeowners at the 2021 Annual Meeting agreed that passing a special assessment to renovate the clubhouse was needed and desired. Jessy and Seana are pulling together quotes from three local contractors and will report back to the group for comparison. Cookie and Jessica mentioned that they might have other contractors who would be good to quote and will get names/numbers to Jessy.

Jessica mentioned the possibility of the clubhouse being a revenue generator (which was also brought up at the Annual Meeting by another homeowner), for weddings and other special events. Once the clubhouse is brought back to life, the board will look further into this idea.

Seana reminded the group of the needed repairs, which include roof enhancement, new gutters and downspouts, new doors and windows, new siding, storage room renovation (mold removal, new ceiling), and installation of french drains to fix runoff issues. Jessica and Cookie mentioned that the HVAC might also need repaired. On the adjacent

building, there is substantial wood rot that will need to be repaired, as well as other minor repairs.

Updating of Association Documents

Rick has been speaking with attorney Heather Klein about what would be entailed with updating our association documents to better benefit the community. The board will need to compile a list of suggested changes by end of July, send out the list to homeowners in August to review, and bring the list up for a vote at the October Annual Meeting.

Jessica asked about the possibility of Deerwood requiring anyone who purchases property in DW to fill out an application, possibly as a revenue generator and as a way to do background checks. Rick said the logistics of doing things like this is rather easy if a community is managed by a third party and therefore the responsibility doesn't fall upon volunteer board members. Jessica said she would volunteer to handle this responsibility, if it is something that the homeowners end up passing at a future date.

Rick mentioned the need to have some sort of "penalty" worked into the documents to give the association the power to enforce the rules/restrictions. He brought up a previous board's desire to bring Deerwood under the "NC Planned Community Act," which would give our community the power to enforce the restrictions and deter homeowners from non-compliance. He explained that all new associations are required to follow these rules, but Deerwood is not under this obligation due to being formed before the Act went into affect. Becoming part of the Act is something homeowners would have to vote on. The board agreed to look further into this subject.

Jessica asked about how "married" the association is to using Heather Klein. Rick said he prefers to have someone local, who knows NC law and association law. He explained that Heather has "always been good to us, has been attentive, responsive, always willing to help, and is reasonably priced."

Architectural Control Committee

Jessica suggested the association put together a color pallet that contains at least 100-200 exterior color combinations that homeowners would be required to choose from. She said—with Rick and Cookie in agreement—this will benefit the entire community and keep homeowners from choosing undesirable pallets that could harm real estate values and the aesthetics of Deerwood.

Rick suggested adding these color pallets into the revised Restrictions to give homeowners the opportunity to approve the concept.

Road Impact Fee

Rick mentioned that this fee is difficult for a board to enforce because it is subjective and would require someone on site to constantly monitor the situation. Cookie said anyone who is building a home should have some kind of fiscal responsibility in the event of road wear and tear. All agreed that perhaps adding a “building impact fee” into the Restrictions would be viable and would give homeowners a chance to vote on how it is enforced.

ATVs

Cookie brought up the fact that now Deerwood has a few properties that are being rented out on Air B-n-B and VRBO and that renters have been seen bringing their ATVs in on trailers. Rick said that while Deerwood “rules” state that renters are not permitted to bring in ATVs, the rule needs to be formally written into the revised Restrictions. Cookie suggested that the board keep reminding homeowners who rent that their renters are not permitted to bring such vehicles.

It was decided that the previous concept of having homeowners who own ATVs register the vehicles with the association should be reinstated. This is so that homeowners can identify which vehicles belong to DW and which ones could be ones brought in by renters.

Seana will work with the sign company to print the first bundle of tags and will send the printed tags to Jessica, who has volunteered to number each tag and register them to homeowners.

Homeowner Flavia Vega mentioned that she and her husband rent out their home in DW and that it would be a good idea to associate a fine with homeowners who allow their renters to bring in ATVs and other such vehicles. She agreed that it was a good idea to hold homeowners responsible for their renters' actions.

Fencing

Rick wants to make sure that the fencing all around the neighborhood is where it needs to be, and is removed where it's not needed (at the point it needs repainted). Goal is to enhance safety and cut down on maintenance when possible. Jessy/Seana will work on this, with the input of the other board members.

Barn

Rick reminded the board that we need to look into what kind of shape this building is in and decide if any maintenance is needed. He has discussed with Jessy the need for a bridge across the creek to access the building and adjacent picnic areas. The challenge will be to construct a bridge that will not get washed away in the first hard rain.

VII. Adjournment

Meeting was adjourned by Rick at approximately 8:20 p.m.