

PFFPOA Annual Meeting
Saturday – December 2, 2017 – 9 am
Little River Community Center

Opening Remarks by Jennifer Peyton

Board members introduced themselves. Barb Harrah was not present due to health problems. New residents were introduced. We now have 67 homes, 72 undeveloped lots, and 91 different owners.

Secretary's Report by Ed Hauschild

Ed said that the minutes of the 2016 meeting are posted on the association web site. He asked for any questions or comments or for a request that the 4 1/2 page document be read. The minutes were accepted as posted.

Treasurer's Report for Fiscal 2016 presented by Jennifer Peyton for Barb Harrah

We stayed on budget this year. The reserve is solid at about \$70,000. Expenses to date are included as attachment 1.

Notes:

- Administrative expenses will have added legal expenses before year end.
- The increase in the monthly fee to Chan in exchange for increased services has paid off. The cost of clearing the single heaviest snowfall alone would have been greater than the fee increase. Note that this change may not pay off in a light snow year. The fee includes driveway clearing for those that request it. We signed a five year agreement with Chan. Chan's response has been timely.
- Firewise was over budget due to a higher cost of chipping. The large amount of material to be chipped required a larger chipper
- We collected more than budgeted expenses due to a donation for beautification and collection of a lien after a sale of property.
- Total expenses will be about \$42,000 at year end.

Committee Reports

Roads presented by Becky Dodrill

We repaved 0.2 miles of Pisgah Forest road as planned. Falcon Road was graded and had gravel added. The gravel has shifted. The road needs recovering.

The state no longer allows the use calcium chloride to stabilize the gravel. We should be using "road bond" instead of gravel which is then leveled and packed. We will discuss this with contractor, Jerry Henderson.

Chan's work is more related to ditches, culverts, and landscaping – not paving. Cones below Falcon Road mark a spot where the road may become undermined. Chan will extend drain pipes and trim shrubs under next years budget. The rock in the area is weak shale. So far, it has not moved.

Comments and questions from the floor

- The roads budget has been decreased over the last few years. Why and how can we get the job done with less money? Roads are the most important function of the association.
- Road committee is one person. Is that reasonable? Would like to have more people involved.
- What is the status of problems with the Falcon Road dam?
- Other specific problems were brought up and noted. We will look into them.

A Roads Report is included as Attachment 2.

Architectural Control presented by David Adams

The were two building applications in the last year. One was for a small garden shed. The other was for a home. Both were approved

Audit presented by Norton Carey for Wanetta Carey

The Audit Report is included as Attachment 3.

Insurance presented by Joel Todd

The Insurance Report is include as Attachment 4.

Firewise presented by Jeremy Peyton

The state firewise membership was renewed last year. Jeremy has volunteered to visit homes and evaluate the fire risks.

Question from the floor

Does the firewise status effect our insurance rates?

Answer

It's up to insurance company. The presence of our ponds helps. A State inspection of the Little River District was done last year. It affected the whole district and has no effect on insurance. Jeremy will ask for confirmation.

Website presented by Ed Hauschild

The only significant addition to the web site is a new map. Some street names have been corrected, indication of developed lots is up to date, and gravel roads are shown.

Question the floor - Can we improve on the photo in the heading?

Answer - Sure. Send me some photos.

Beautification presented by Jennifer Peyton

Maintenance on the entry area has been done. Help would be appreciated.

Annual Picnic presented by Donna Brim

By a show of hands, the 2018 picnic will be held at the Community Center rather than Holmes. The picnic will be on a Saturday in June, but not on the first Saturday or on Father's Day

Old Business

Validity of 2008 Covenants presented by Jennifer Peyton

The '08 update was approved by a vote (including proxies) and the board attested to the result. According to the '95 covenants (which were valid at that time) we required notarized signatures of a majority of property owners. Proxies were not allowed.

An attorney has given the opinion that the '08 revision is not valid. '95 covenants are still in effect. We will follow up with the attorney to see what should be filed with the county to make it clear that the '08 update is invalid. A copy of the '95 covenants will be posted on the website.

Future Update of Covenants

Opinions from the floor -

- Changes in the covenants are controversial. Some believe that they bought here with the understanding that the covenants provide for a stable living environment for the future. Therefore, changes are not appropriate. On the other hand certain problems keep coming up. Should we modify covenants to address these problems?
- Covenants should not address situations that are already covered in state and county laws. But the county enforcement is lax. Do we need local control for timely response or is that micro-managing?

- A specific problem concerns aggressive dog attacks, both on private property and on people walking on the road. A member said that the number one claim on home owners insurance policies is from problems related to dog attacks.

We do not plan to have the '08 covenants re-approved. We will use them as a base for a new set of covenants.

The result of a survey on covenant changes taken this summer was previously communicated by email. The content of that email is repeated as Attachment 5

New Business

Proposed 2018 Budgets / Assessments

The proposed budget is included as Attachment 6.

Notes:

- There is no increase in the assessment. The budget shows over spending, but we had excess income in 2017 that will be used for road maintenance to cover the excess spending.
- Attorney's fees for a covenant update are included.
- The 0.2 mile scheduled pavement repair is included.
- Comment from the floor - Gravel roads are in bad shape. Road repair is now 33% of the budget. A better target would be 50%.
- We will get an estimate for gravel road repair. We will ask for approval to use a withdrawal from the reserve fund to cover those repairs.

The budget was accepted.

Election of Officers

Patrick Kelly was nominated from the floor. Jen was re-elected and Patrick was elected.

The meeting was adjourned at 11:51 pm

Following the open meeting, the board met to determine assignments for next year.

Jennifer Peyton- President
Tony Carollo - Vice President
Patrick Kelly- Secretary
Barb Harrah- Treasurer
Becky Dodrill - Member at Large plus Roads

The next board meeting is Wednesday, January 10th, at 2 pm.

Pisgah Forest Farms Property Owners Association

2017 Budget

21-Nov-17

<u>Line</u>		Beginning Balance 12/31/16 - \$63499.70		
		<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIATION</u>
1	ADMINISTRATIVE EXPENSES			
2	Association Meetings	\$ 320	\$ 177.48	\$ 142.52
3	Attorney - Legal	\$ 1,000	\$ -	\$ 1,000.00
4	Beautification	\$ 200	\$ -	\$ 200.00
5	Insurance	\$ 1,000	\$ 984.00	\$ 16.00
6	State / Federal Tax	\$ 150	\$ 24.00	\$ 126.00
7	Office Supplies & Expenses	\$ 450	\$ 114.85	\$ 335.15
8	Sub-Total	\$ 3,120	\$ 1,300.33	\$ 1,819.67
9	ROAD EXPENSES			
10	Gravel Road Maintenance	\$ 1,000	\$ 960.00	\$ 40.00
11	Paved Road Maintenance	\$ 3,500	\$ 2,535.00	\$ 965.00
12	Paved Road Resurfacing	\$ 10,000	\$ 9,920.00	\$ 80.00
13	Snow Removal	\$ -	\$ -	\$ -
14	Tree Removal	\$ 1,000	\$ -	\$ 1,000.00
15	Sub-Total	\$ 15,500	\$ 13,415.00	\$ 2,085.00
16	MAINTENANCE MANAGER	\$ 18,000	\$ 15,000.00	\$ 3,000.00
17	Material Expenses	\$ 3,000	\$ 3,326.05	\$ (326.05)
	Sub-Total	\$ 21,000	\$ 18,326.05	\$ 2,673.95
18	FIREWISE COMMITTEE	\$ 1,000	\$ 1,750.00	\$ (750.00)
19	EMERGENCY / CONTINGENCY	\$ 2,500	\$ 2,980.00	\$ (480.00)
20	TOTAL EXPENSES	\$ 43,120	\$ 37,771.38	\$ 5,348.62
21	ASSESSMENT INCOME	\$ 46,375	\$ 48,092.86	\$ 1,717.86
22	INTEREST INCOME	\$ 600	\$ 480.32	\$ (119.68)
23	IMPACT FEES	\$ 0	\$ 2,838.00	
24	2016 CARRYOVER BALANCE	\$ 63,000	\$ 63,499.70	
25	TOTAL INCOME	\$ 46,975	\$ 51,411.18	\$ 4,436.18
26	TOTAL EXPENSES	\$ 43,120	\$ 37,771.38	\$ 5,348.62
27	PROJECTED YEAR-END BALANCE	\$ 66,855	\$ 77,139.50	\$ 10,284.50
28	ACTUAL BALANCES - CHECKING		\$ 25,356.18	
	- SAVINGS		\$ 601.01	
	- DUKE		\$ 51,182.31	
			\$ 77,139.50	

Attachment 2

December 2, 2017

Annual Meeting of Pisgah Forest Farms Homeowner's Association
Little River Community Center

Submitted by: Becky Dodrill serving as Road Committee Chairperson

Our past Road Committee Chair, Bill Harrah left actions to be taken in 2018 that included re-paving 2/10's of a mile on Pisgah Forest Drive. This has been accomplished.

Signage was ordered and installed at the end of Pisgah Forest Drive to aid trucks attempting to turn around.

Falcon Road had gravel added and leveled by Hubbard Landscaping.

This Committee Chair has ^{three (3)} ~~two (2)~~ driveway release forms on file and one (1) electronically saved.

Attachment 3

**AUDIT REPORT
PFFPOA ANNUAL MEETING 2017**

Auditor: Wannetta Carey

I completed the audit on the association's books on November 17, 2017.

Everything checked out, all items balanced and were easily found.

Great job Barb!



Wannetta Carey

Attachment 4

Joel Todd

From: Joel Todd <jtodd@comporium.net>
Sent: Wednesday, November 29, 2017 7:09 PM
To: 'PFFPOA Board'
Subject: Insurance Committee Report for December 2, 2017

The PFFPOA Homeowners Association policy with Auto-Owners was renewed for the period of 7/15/17-7/15/18. The annual premium increased \$57.00 (6.15%) from \$927 to \$984. The Agent of Record was relocated from Insurance Services of Asheville to Jerome and Summey Insurance Agency located in Brevard, NC to provide increased access to a local servicing agent. Coverages remained the same.

Brief coverage overview:

1. General Liability \$2,000,000
2. Personal Injury \$1,000,000
3. Association Directors/Officers Error and Omissions \$1,000,000

Note: The Policy provides specifics on coverage.

Attachment 5

September 26, 2017

PFFPOA Members,

I'm writing today to give you an update regarding topics of great importance to our community association. At the beginning of the year, the Board had a goal of reviewing the Bylaws and Covenants in detail to come up with proposed changes that would achieve a number of things – remove restrictions that were deemed unnecessary, incorporate topics that were previously informal community policies, address topics that have been brought up by various community members over the years and add official verbiage regarding enforcement. The Board spent countless hours, made great progress and shared the major topics with the association for discussion and informal voting in order to obtain the opinions and desires of the community to incorporate in whatever verbiage we hoped would ultimately be voted on during our Annual meeting.

During the process, a community member, Mr. Kelly, brought to the attention of the Board what he felt was an issue with amendments to our Bylaws and Covenants passed in 2008 (and the current governing documents for our community). While the Board at the time did obtain sufficient votes to pass the changes, it appears there is an issue with the final documentation included as part of the amendment as required per the 1995 Bylaws and Covenants.

Given this, the Board feels it is unlikely that we will be able to revise and vote on the Bylaws and Covenants during 2017 due to both monetary and time constraints. The Board intends to proceed as follows:

1. The Board will consult with an attorney prior to the 2017 Annual meeting to determine the best course of action given the potential issue with the 2008 Bylaws and Covenants Amendment.
2. The Board will plan to have an open discussion regarding Bylaws & Covenants “hot topics” during the 2017 Annual Meeting.
3. The Board will review the operating budget to see if it will be feasible engage an attorney for Bylaws and Covenants revisions during 2018.
4. The Board will resume the review/revision process during 2018 and potentially present a revised set of documents for a vote at some time during the year or during the 2018 Annual Meeting.

The recent informal voting was helpful in allowing the Board to understand how the community members at large feel about various topics. Thank you to all that participated.

There are currently approximately 260 votes in the community association. Of this, property owners representing approximately 138 votes, or 53% of available votes, participated in the voting process for the survey. The results are as follows (Y = Yes, N = No, A = Abstain)

Bylaws

A majority was in favor of all proposed changes.

Covenants

(Yes = In favor of the proposed change, No = Not in favor of the proposed change)

Article I B – Home Office

Yes 70% (Votes: Y 96, N 37, A 5)

Article I C – Property Rental

Yes 70% (Votes: Y 96.5, N 36.5, A 5)

Property Rental – Duration Restriction

No Restriction 44% (Votes: Y 61)

Less than 1 Week 25% (Votes: Y 34.5) < 6 mo (Votes: Y 26) < 1 yr (Votes: Y 15.5)

Property Rental – Owner/Property Management Co. Proximity

Live within 50 miles 32% (Votes: Y 44.5)

No Requirement 27% (Votes: Y 37) Live w/i community (Votes: Y 23.5) n/a (Votes: 33)

Property Rental – Added Assessment

No 61% (Votes: Y 38.5, N 84.5, A 7.5, n/a 7.5)

Article VI – Animals

Yes/No ~50/50 (the vote for this change was split almost evenly) (Votes: Y 68.5, N 65, A 4.5)

Article TBD – Hunting & Firearms

Hunting & Trapping Yes 57% (Votes: Y 78.5, N 54.5, A 5)

Discharge of Firearms/ Bows & Arrows No 57% (Votes: Y 58.5, N 78.5, A 1)

Article XXIII – Enforcement

Four-point Plan Yes 58% (Votes: Y 79.5, N 51, A 7.5)

Quick Enforcement No 61% (Votes: Y 43.5, N 84, A 10.5)

Authorization to change order of presentation & renumbering/renaming

Yes 71% (Votes: Y 98, N 29, A 11)

I'd like to thank everyone for your participation during this process and understanding as we work through some rather difficult topics. The Board represents volunteer community members that have been elected by you. We are here to serve in the best interests of the community as a whole and want to keep our little slice of heaven on the mountain somewhere we can have peaceful enjoyment and something we can be proud to call home.

Regards,

Jennifer Peyton
President, PFFPOA

**Pisgah Forest Farms Property Owners Association
Proposed 2018 Budget**

		1-Jan-18		
<u>Line</u>		Beginning Balance 12/31/17 -		\$73,357.40
		BUDGET	ACTUAL	VARIATION
1	ADMINISTRATIVE EXPENSES			
2	Association Meetings	\$ 375	\$ -	\$ 375.00
3	Attorney - Legal	\$ 5,000	\$ -	\$ 5,000.00
4	Beautification	\$ 100	\$ -	\$ 100.00
5	Insurance	\$ 1,000	\$ -	\$ 1,000.00
6	State / Federal Tax	\$ 25	\$ -	\$ 25.00
7	Office Supplies & Expenses	\$ 400	\$0.00	\$ 400.00
8	Sub-Total	\$ 6,900	\$ -	\$ 6,900.00
9	ROAD EXPENSES			
10	Gravel Road Maintenance	\$ 1,000	\$ -	\$ 1,000.00
11	Paved Road Maintenance	\$ 5,200	\$ -	\$ 5,200.00
12	Paved Road Resurfacing	\$ 10,000	\$ -	\$ 10,000.00
13	Snow Removal	\$ -	\$ -	\$ -
14	Tree Removal	\$ 500	\$ -	\$ 500.00
15	Sub-Total	\$ 16,700	\$ -	\$ 16,700.00
16	MAINTENANCE MANAGER	\$ 18,000	\$0.00	\$ 18,000.00
17	Material Expenses	\$ 3,500	\$ -	\$ 3,500.00
	Sub-Total	\$ 21,500	\$0.00	\$ 21,500.00
18	FIREWISE COMMITTEE	\$ 1,750	\$ -	\$ 1,750.00
19	EMERGENCY / CONTINGENCY	\$ 2,500	\$ -	\$ 2,500.00
20	TOTAL EXPENSES *	\$ 49,350	\$ -	\$49,350.00
21	ASSESSMENT INCOME *	\$ 47,600	\$ -	(\$47,600.00)
22	INTEREST INCOME	\$ 600	\$ -	(\$600.00)
23	IMPACT FEES	\$0	\$ -	-
24	2017 CARRYOVER BALANCE	\$ 73,740		
25	TOTAL INCOME	\$ 48,200	\$ -	(\$48,200.00)
26	TOTAL EXPENSES	\$ 49,350	\$ -	\$ 49,350.00
27	PROJECTED YEAR-END BALANCE	\$ 73,357	\$ -	(\$73,357.40)
28	ACTUAL BALANCES - CHECKING	\$21,479.06		
	- SAVINGS	\$601.03		
	- DUKE	\$51,277.31		
		\$73,357.40		