

PFFPOA Annual Meeting
Saturday – December 5, 2020 – 9 am
Held Via Zoom

Meeting called to order at 9:05 A.M. Association members representing 155.5 votes (55.5%) were either in attendance or had submitted proxies, representing a quorum.

Opening Remarks by Jennifer Peyton

Jennifer opened the meeting by acknowledging the challenging times we are in and thanked all in attendance for their flexibility in participating virtually.

Jennifer reviewed community activity for the past year.

Notes:

- Currently 71 homes, 67 vacant lots, 87 different owners and 1 home under construction
- 6 homes & 2 lots exchanged hands during the year with another home under contract to close in early December
- Finances remain strong and we are rebuilding reserves after the unplanned road repair at Taylor's Curve
- Roads remain in decent shape, but paved roads are in need of maintenance
- We have reviewed & updated the long-term plan to ensure fiscal stability & availability of funds for road maintenance, property management, etc.

Secretary's Report by Patrick Kelly

Patrick noted that the minutes of the 2019 meeting are posted on the association web site and reminded residents where minutes can be found on the website.

Treasurer's Report for 2020 by Jennifer Peyton

The 2020 YTD budget is included as Attachment 1

Notes:

- We have collected 94.2% of assessments. 7 property owners not paid (1 - not responsive since last year) 5 property owners are making payments.
- Have made calls to all delinquent owners for which we have valid contact #s, need to send notices. Have not placed liens as of yet. Plan to do this prior to year-end or first thing in January.
- The Board tried to minimize spending to replenish reserves after the emergency repairs to PFD that were made in 2019.
- Paved road maintenance exceeded budget due to unplanned repairs on PFD that were completed during the year, but were offset somewhat by savings in snow removal
- We closed the savings account since it had only a minimal balance and was earning almost no interest.
- We have a projected year-end balance of about \$65,000, up from \$48,816 at the 2019 year end.

Committee Reports

Roads - submitted by Harvey Adler

All of Chan's contractual obligations have been completed. In addition, he has completed several water control measures to prevent erosion along the road.

Pisgah Asphalt has completed the pothole and edge break repairs and resurfaced the section of road where the culvert repair was done last year.

We are considering the possibility of doing additional work on the road next year consisting of smoothing out the bumps and dips in Pisgah Forest Drive coming up the mountain. Final decision will depend on budget approval and final cost estimates.

Cascade Lake Road is presently closed for a period of time due to storm damage. The DOT has not given a date when they expect to complete repairs. A side road off Cascade Lake Road, Cascade Trail, runs adjacent to the property of one of our residents on Forest Park Court. The Cascade Trail residents have completed a short (about 100 yards) gravel road connecting Cascade Trail to Forest Park Court so they can avoid the Cascade Lake Road closure. This also provides our association with an escape road to Cascade Lake Road in case of emergency. As is the case with our present escape road from Ridge View Dr. to The Reserve, a locked gate allows this road to be used in either direction in case of emergency only.

We have circulated a Hubbard Landscaping / Resident form for residents to complete if they want to have their driveway plowed when the road is plowed. Anyone with questions or in need of form the can contact Harv Adler. Forms can also be downloaded from the pffpoa.org website.

There was some discussion about speeding on our community roads. While the Board is aware that it has been a problem at times, we are very limited in what we can do to address the issue – especially when it concerns non-resident offenders.

One resident pointed out a potential problem area that Harv agreed to look into.

Jennifer thanked Harv for all his hard work during the past year.

Architectural Review – submitted by Harry Weinhofer (presented by Jennifer Peyton)

There are three building activities to report on:

- Joe Bryson has cleared Lot 32 and will begin building a house. He paid the \$2500 impact fee.
- House with fire damage at the top of Pisgah Forest Drive is enclosed, all construction could be completed by July 1st. According to Harry, the owners will be part time residents for a few years until they can move up here.
- Owners of a home on PFD built a shed.

There were a few questions and a brief discussion regarding the home to be built on Lot 32. The owner was granted a variance to minimum first floor square footage. The house meets total square footage requirements.

Audit - submitted by Wanetta Carey (presented by Norton Carey)

- Audit completed on 11/29/20
- No issues noted
- Wanetta noted that “this was the cleanest audit I have ever done”

Insurance - submitted by Joel Todd

The PFFPOA Homeowner’s Association Policy with Auto-Owners was renewed for the period of 7/15/20 to 7/15/21. There was a small decline in premium to \$965 from \$972.

Brief coverage overview:

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

Firewise - presented by Jennifer Peyton

We did not do chipping in 2020. The volume of debris had increased far beyond what was initially intended and costs ballooned as a result. Going forward, we will provide educational material regarding what homeowners can do to reduce fire risk on their properties. We will look into the possibility developing a way to track time and efforts spent by residents.

Website - presented by Jennifer Peyton

Ed Hauschild volunteered to continue as webmaster.

- Our web site has been kept updated as requested by the board.
- We have purchased service in 3-year increments. The next bill will be due in June of 2021. The credit card info at the web host is out of date. It should be updated before then.
- The service provider records an administrative contact and a technical contact. Right now, the administrative contact is Barb Harrah. This should be updated.

Beautification - submitted by Laura Adler

Laura reviewed work done during the year by the committee members.

- Cleaned up garden at entry
- Trimmed trees along road at entry.
- Planted perennials in the Fall.

Laura reported that the members of the committee were not going to continue in 2021. The Board will seek volunteers for this committee.

Annual Picnic - presented by Amy Kelly Minton

Due to the pandemic, the Annual Picnic was cancelled for 2020, but is tentatively planned for June 12, 2021. Amy stated she would reserve the Little River Community Center for the event.

Laura Adler and Jill & Nate Osborne volunteered to help with the event. As the date gets closer, the Board will make a decision regarding whether or not the event should be held next year.

Old Business

Long-Term Financial Plan

Jennifer reviewed the updated plan & reminded attendees why we had created the Plan last year – increasing maintenance costs for our roads and the need to plan for needed maintenance and repairs in the future.

Plan was reviewed in detail and Jennifer explained the rationale for how we arrived at projected costs as well as the timing of the costs.

Highlights include:

- \$20K budgeted for paved road resurfacing in 2021
- \$90K projected for paved road resurfacing in 2023
- \$65K projected for paved road resurfacing in 2025
- Includes establishing a Road Reserve Fund to set aside funds for future resurfacing
- Eliminates planned 5% increases to association fees in 2024 & 2025

New Business

Proposed 2021 Budget / Assessments

The proposed budget is included as Attachment 2.

Notes:

- Assessments increasing by 15% for 2021 to \$798.46 per lot with a house and \$266.15 per unimproved lot.
- \$22,500 is allocated for paved road resurfacing & maintenance.
- Regular Reserves are projected to be at \$70K at end of year.
- \$8,824 is projected to fund the Road Reserves
- Road expenses and maintenance contract make up approximately 82% of the budget.

A motion was made to approve the budget. A voice vote was taken, and the budget passed with no objections.

Election of Officers

There were two open seats on the Board as the terms of Jennifer Peyton and Patrick Kelly expire at the end of this year. Both have volunteered to continue for another three-year term.

In addition to the expiring terms, both Amy Kelly Minton and Wallace Booth, III required ratification after being appointed by the Board to fill the remaining two years of the terms for Harry Weinhofer and Becky Dodrill.

Based on proxies received prior to the meeting, all were elected by the majority of votes cast.

The meeting was adjourned at 10:43 am.

Pisgah Forest Farms Property Owners Association

2020

Line		As of: 12/2/20		
		Beginning Balance 12/31/19	\$48,816	
		<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
1	ADMINISTRATIVE EXPENSES			
2	Association Meetings	\$ 150	\$ 120	\$ 30
3	Attorney - Legal	\$ -	\$ -	\$ -
4	Beautification	\$ 100	\$ 71	\$ 30
5	Insurance	\$ 1,000	\$ 965	\$ 35
6	State / Federal Tax	\$ 175	\$ 259	\$ (84)
7	Office Supplies & Expenses	\$ 150	\$ 172	\$ (22)
8	Sub-Total	\$ 1,575	\$ 1,587	\$ (12)
9	ROAD EXPENSES			
10	Gravel Road Maintenance	\$ 2,000	\$ 650	\$ 1,350
11	Paved Road Maintenance	\$ 3,745	\$ 10,327	\$ (6,582)
12	Paved Road Resurfacing	\$ -	\$ -	\$ -
13	Snow Removal	\$ 4,050	\$ 2,782	\$ 1,268
14	Tree Removal	\$ 500	\$ 259	\$ 241
15	Sub-Total	\$ 10,295	\$ 14,018	\$ (3,723)
16	MAINTENANCE MANAGER	\$ 28,200	\$ 25,850	\$ 2,350
17	Material Expenses	\$ 2,500	\$ 2,200	\$ 300
	Sub-Total	\$ 30,700	\$ 28,050	\$ 2,650
18	FIREWISE COMMITTEE	\$ 2,500	\$ 32	\$ 2,468
19	EMERGENCY / CONTINGENCY	\$ 2,500	\$ 2,600	\$ (100)
20	TOTAL EXPENSES	\$ 47,570	\$ 46,287	\$ 1,283
21	ASSESSMENT INCOME	\$ 64,782	\$ 61,036	\$ (3,746)
	Approved spending from 2019	\$ 3,745	\$ 3,745	
	Est emergency spending approved	\$ -	\$ -	
	TOTAL SPENDABLE AMOUNT	\$ 68,527	\$ 64,781	
	Amt available to spend		\$ 19,890	
22	INTEREST INCOME	\$ 450	\$ 225	\$ (225)
23	IMPACT FEES	\$ -	\$ 2,500	
24	2019 CARRYOVER BALANCE	\$ 48,816	\$ 48,816	
25	TOTAL INCOME	\$ 64,782	\$ 63,760	\$ (1,022)
26	TOTAL EXPENSES	\$ 47,570	\$ 46,287	\$ 1,283
27	PROJECTED YEAR-END BALANCE	\$ 66,478	\$ 67,686	\$ 1,208
28	ACTUAL BALANCES - CHECKING	\$ 29,961	\$ 47,811	
	- SAVINGS	\$ 601	\$ -	
	- DUKE	\$ 18,253	\$ 18,478	
	Total	\$ 48,816	\$ 66,289	

Treasurer's Report

12/2/2020

94.2% assessments paid

7 property owners not paid (1 - not responsive last year)

5 property owners making payments

Made calls to all delinquent owners for which we have valid contact #s, need to send notices

Have not placed liens as of yet. Plan to do this prior to year-end or first thing in January.

Pisgah Forest Farms Property Owners Association

2020

<u>Line</u>		As of: 12/31/20		
		Beginning Balance 12/31/19	\$48,816	
		<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
1	ADMINISTRATIVE EXPENSES			
2	Association Meetings	\$ 150	\$ 120	\$ 30
3	Attorney - Legal	\$ -	\$ -	\$ -
4	Beautification	\$ 100	\$ 71	\$ 30
5	Insurance	\$ 1,000	\$ 965	\$ 35
6	State / Federal Tax	\$ 175	\$ 259	\$ (84)
7	Office Supplies & Expenses	\$ 150	\$ 172	\$ (22)
8	Sub-Total	\$ 1,575	\$ 1,587	\$ (12)
9	ROAD EXPENSES			
10	Gravel Road Maintenance	\$ 2,000	\$ 650	\$ 1,350
11	Paved Road Maintenance	\$ 3,745	\$ 10,327	\$ (6,582)
12	Paved Road Resurfacing	\$ -	\$ -	\$ -
13	Snow Removal	\$ 4,050	\$ 4,096	\$ (46)
14	Tree Removal	\$ 500	\$ 259	\$ 241
15	Sub-Total	\$ 10,295	\$ 15,332	\$ (5,037)
16	MAINTENANCE MANAGER	\$ 28,200	\$ 28,200	\$ -
17	Material Expenses	\$ 2,500	\$ 2,200	\$ 300
	Sub-Total	\$ 30,700	\$ 30,400	\$ 300
18	FIREWISE COMMITTEE	\$ 2,500	\$ 32	\$ 2,468
19	EMERGENCY / CONTINGENCY	\$ 2,500	\$ 2,600	\$ (100)
20	TOTAL EXPENSES	\$ 47,570	\$ 49,951	\$ (2,381)
21	ASSESSMENT INCOME	\$ 64,782	\$ 63,333	\$ (1,449)
	Approved spending from 2019	\$ 3,745	\$ 3,745	
	Est emergency spending approved	\$ -	\$ -	
	TOTAL SPENDABLE AMOUNT	\$ 68,527	\$ 67,078	
	Amt available to spend		\$ 18,576	
22	INTEREST INCOME	\$ 450	\$ 251	\$ (199)
23	IMPACT FEES	\$ -	\$ 2,500	
24	2019 CARRYOVER BALANCE	\$ 48,816	\$ 48,816	
25	TOTAL INCOME	\$ 64,782	\$ 66,084	\$ 1,302
26	TOTAL EXPENSES	\$ 47,570	\$ 49,951	\$ (2,381)
27	PROJECTED YEAR-END BALANCE	\$ 66,478	\$ 64,949	\$ (1,529)
28	ACTUAL BALANCES - CHECKING	\$ 29,961	\$ 46,445	
	- SAVINGS	\$ 601	\$ -	
	- DUKE	\$ 18,253	\$ 18,504	
	Total	\$ 48,816	\$ 64,949	

Treasurer's Report

12/31/20

97.7% assessments paid

3 property owners not paid (1 - not responsive last year), 1 partially paid

3 of 4 property owners current in 2021 (2020 payments delayed)

Have not placed lien for 1 property owner not paid as of 4/26/21

Pisgah Forest Farms Property Owners Association

2021 PROPOSED BUDGET

As of: 11/10/20

<u>Line</u>		Projected YE20 Balance	\$67,976
1	ADMINISTRATIVE EXPENSES	<u>BUDGET</u>	
2	Association Meetings	\$ 150	
3	Attorney - Legal	\$ -	
4	Beautification	\$ 100	
5	Insurance	\$ 1,000	
6	State / Federal Tax	\$ 75	
7	Office Supplies & Expenses	\$ 150	
8	Sub-Total	\$ 1,475	
9	ROAD EXPENSES		
10	Gravel Road Maintenance	\$ 2,000	
11	Paved Road Maintenance	\$ 2,500	
12	Paved Road Resurfacing	\$ 20,000	
13	Snow Removal	\$ 4,000	
14	Tree Removal	\$ 500	
15	Sub-Total	\$ 29,000	
16	MAINTENANCE MANAGER	\$ 28,200	
17	Material Expenses	\$ 2,500	
18	Sub-Total	\$ 30,700	
19	FIREWISE COMMITTEE	\$ 500	
20	EMERGENCY / CONTINGENCY	\$ 2,500	
21	ROAD RESERVE FUND/ Carryover	\$ 8,824	
22	TOTAL EXPENSES	\$ 72,999	
23	ASSESSMENT INCOME	\$ 74,523	
24	Approved spending from prior year	\$ -	
25	Est emergency spending approved		
26	TOTAL SPENDABLE AMOUNT	\$ 74,523	
27	Amt available to spend		
28	INTEREST INCOME	\$ 500	
29	IMPACT FEES	\$ -	
30	Prior Year CARRYOVER BALANCE	\$ 67,976	
31	TOTAL INCOME	\$ 75,023	
32	TOTAL EXPENSES	\$ 72,999	
33	PROJECTED YEAR-END BALANCE	\$ 70,000	
34	ACTUAL BALANCES - CHECKING	\$ 29,961	
	- SAVINGS	\$ 601	
	- DUKE	\$ 18,253	
	Total	\$ 67,976	

Pisgah Forest Farms Property Owners Association

Long Term Financial Plan

Line	Chan's contract ends							10-YR Svgs Plan*
	2019 Actual	2020 Projection	2021 Projection	2022 Projection	2023 Projection	2024 Projection	2025 Projection	2026 Steady-State Projection
1 ADMINISTRATIVE EXPENSES								
2 Association Meetings	\$ 299	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 200
3 Attorney - Legal	\$ -							
4 Beautification	\$ 97	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 200
5 Insurance	\$ 972	\$ 965	\$ 1,000	\$ 1,030	\$ 1,061	\$ 1,093	\$ 1,126	\$ 1,250
6 State / Federal Tax	\$ 301	\$ 259	\$ 75	\$ 125	\$ 125	\$ 125	\$ 125	\$ 125
7 Office Supplies & Expenses	\$ 168	\$ 172	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 200
8 Sub-Total	\$ 1,837	\$ 1,646	\$ 1,475	\$ 1,555	\$ 1,586	\$ 1,618	\$ 1,651	\$ 1,975
9 ROAD EXPENSES								
10 Gravel Road Maintenance	\$ 14,542	\$ 650	\$ 2,000	\$ 2,500	\$ 2,500	\$ 2,500	\$ 25,000	\$ 2,500
11 Paved Road Maintenance	\$ 27,975	\$ 10,327	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
12 Paved Road Resurfacing	\$ -	\$ -	\$ 20,000	\$ -	\$ 90,000	\$ -	\$ 65,000	
13 Snow Removal	\$ 3,093	\$ 2,782	\$ 4,000	\$ 4,000	\$ 4,120	\$ 4,244	\$ 4,371	\$ 5,000
14 Tree Removal	\$ 900	\$ 259	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 1,000
15 Sub-Total	\$ 46,510	\$ 14,018	\$ 29,000	\$ 9,500	\$ 99,620	\$ 9,744	\$ 97,371	\$ 11,000
16 MAINTENANCE MANAGER	\$ 28,200	\$ 28,200	\$ 28,200	\$ 28,200	\$ 28,200	\$ 28,200	\$ 29,610	\$ 35,000
17 Material Expenses	\$ 93	\$ 1,650	\$ 2,500	\$ 2,500	\$ 2,575	\$ 2,652	\$ 2,732	\$ 3,000
18 Sub-Total	\$ 28,293	\$ 29,850	\$ 30,700	\$ 30,700	\$ 30,775	\$ 30,852	\$ 32,342	\$ 38,000
19 FIREWISE	\$ 8,580	\$ 32	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 1,000
20 EMERGENCY / CONTINGENCY	\$ 4,810	\$ 2,600	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
21 ROAD RESERVE FUND/ Carryover	\$ 3,745		\$ 8,824	\$ 37,220	\$ 1,236	\$ 44,959	\$ 2,004	\$ 25,000
22 TOTAL EXPENSES	\$ 93,775	\$ 48,146	\$ 72,999	\$ 81,975	\$ 136,217	\$ 90,173	\$ 136,367	\$ 79,475
23 ASSESSMENT INCOME	\$ 56,088	\$ 64,551	\$ 74,523	\$ 81,975	\$ 90,173	\$ 90,173	\$ 90,173	\$ 90,173
24 Approved spending from prior year	\$ 9,293	\$ 3,745	\$ -	\$ -	\$ 46,044	\$ -	\$ 46,195	\$ -
25 Est. emergency spending approved								
26 TOTAL SPENDABLE AMOUNT	\$ 65,381	\$ 68,296	\$ 74,523	\$ 81,975	\$ 136,217	\$ 90,173	\$ 136,368	\$ 90,173
27 INTEREST INCOME	\$ 964	\$ 256	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
28 IMPACT FEES	\$2,500	\$2,500	\$0	\$0	\$0	\$0	\$0	\$0
29 CARRYOVER BALANCE	\$ 79,293	\$ 48,816	\$ 67,976	\$ 70,000	\$ 70,500	\$ 71,000	\$ 71,500	\$ 72,000
30 TOTAL INCOME	\$ 59,552	\$ 67,307	\$ 75,023	\$ 82,475	\$ 90,673	\$ 90,673	\$ 90,673	\$ 90,673
31 TOTAL EXPENSES	\$ 93,775	\$ 48,146	\$ 72,999	\$ 81,975	\$ 136,217	\$ 90,173	\$ 136,367	\$ 79,475
32 Amount Available to spend/Reserves	\$ (28,394)	\$ 20,150	\$ 1,524	\$ 0	\$ (0)	\$ 0	\$ 0	\$ 10,698
33 PROJECTED YE BALANCE xRoad Reserve	\$ 48,816	\$ 67,976	\$ 70,000	\$ 70,500	\$ 71,000	\$ 71,500	\$ 72,000	\$ 83,198
34 ROAD RESERVE			\$ 8,824	\$ 46,044	\$ 1,236	\$ 46,195	\$ 2,004	\$ 27,004
35 ACTUAL BANK ACCOUNT BALANCE	\$48,816							
36 HOA Dues Increase		15%	15%	10%	10%	0%	0%	0%
37 HOA Dues	Lot	\$201.25	\$231.44	\$266.15	\$292.77	\$322.05	\$322.05	\$322.05
	Home	\$603.75	\$694.31	\$798.46	\$878.31	\$966.14	\$966.14	\$966.14

\$26.84 per month
\$80.51 per month

* Assumes \$250K saved for paved/gravel road maintenance over a 10-year period